

Commentary-Dave Pasolli-Western Wood Truss Association of Alberta

**Affordable Housing**

The average price of a house in Canada hit \$796,000 in April and \$473,000 in Alberta. With these prices it is pretty hard for young people to get their foot in the market.

But have no fear; all levels of government are here to help. As the Liberals put the country further in debt by committing billions of dollars to affordable housing I am sure that many government jobs will be created, podium announcements will be made, and ribbons will be cut.

Just yesterday the City of Calgary launched a task force to explore housing affordability. A budget will be developed, studies will be conducted, and reports will be written. They hope to have a report ready by the fall of 2023.

Whenever the government gets involved, affordable is not really what comes to mind. Just think of the Trans Mountain Pipeline that Kinder Morgan was going to build for \$7.4 billion when the government took it over. The latest estimate puts the final cost at \$21.4 billion.

Of course, anything that receives government funding will also come with the social engineering costs that are important like green initiatives, inclusiveness, reconciliation, locations, and density that may stretch the affordability for low income people without continued subsidization.

There is also no doubt that a portion of this bag of money will also go towards housing the homeless, which is a more of a charitable commitment than making housing affordable for young people and the middle class.

So what is the definition of affordable housing anyway? If you spend less than 30% of gross income on housing, it is considered affordable, which means many of us are drowning. In expensive, yet progressive Vancouver, when a developer is doing a new project \$4,094 rent for three bedrooms now meets their definition of “for-profit affordable housing”.

Recently Calgary Mayor Jyoti Gondek announced \$30 million to convert a downtown office building to 82 affordable housing units. When they have these press conferences why don't the reporters do a quick calculation and figure out that this adds up to \$365,853 per unit?

Out of the current 5250 listings in the City of Calgary 1665 are listed for less than \$365,000. This does not include the suburbs, so why are they looking at creating more units in this price range, they already exist.

Another recent announcement by the Mayor was for the \$38 million conversion of a hotel to seniors housing thanks to funding from the Rapid Housing Initiative. This project will have 188 units, or a cost of \$202,000 each, which is a little better. However these units are converted hotel rooms, so not the most spacious.



*On March 9, Silvera's newest independent living community, Vista Apartments, was officially opened by CEO Arlene Adamson along with the Honourable Ahmed Hussen, Minister of Housing and Diversity and Inclusion; MP Calgary Skyview George Chahal; and Calgary Mayor Jyoti Gondek.*

Isn't ironic, the City of Calgary decided to evict the residents of the Midfield Mobile Home Park in 2018 that was truly affordable housing, offering the owners \$10,000 to cover the cost of demolition. At the time, Coun. Druh Farrell said that the decision came down to whether to spend millions to fix the utilities or find other uses for the site.



Once the site is sold to a new developer I am sure that there will be a requirement to have some affordable units that the former residents of the park will not be able to afford. But it will be a good photo opportunity for the Mayor and other politicians to announce how they are spending millions of dollars for affordable housing.

They all talk about making things more affordable, except when it comes time to raise taxes. Residential property taxes in Calgary went up another 3.61% in 2022. Add to that the utility increases, carbon taxes, climate emergencies, transit, and other fees that are making everything less affordable for everyone. Don't be all that surprised if the Liberal/NDP alliance moves forward with some kind of tax on the sale of your primary residence in order to redistribute some wealth.

At the end of the day what determines the pricing of housing is supply and demand and usually the government interfering with the market only distorts it. According to Census Canada about 75% of Albertans own their homes and most of them like their values to be increasing. In fact, a prominent real estate agent in Calgary said that about 30% of the sales in Calgary are coming from people that are cashing out their home in Toronto and moving here to retire early.

After all, the first thing a new home buyer wants to happen after closing is to see the value of their home go up. A wave of buyer's remorse is taking shape in several heated real estate markets, after housing prices started dropping and the number of sales slowed over the last two months.

Realtors and lawyers in Toronto and Vancouver say they have noticed buyers looking at what options they have to get out of a purchase and sellers hoping to ensure one goes through because conditions have shifted dramatically from the previous highs and frenzied pace.

What I do worry about is that housing will become very affordable for all if the country goes into a deep recession caused by increasing debt, rising interest rates, and inflation due to the shift to renewable energy. But as our Prime Minister stated in the last election, "When I think about the biggest, most important economic policy this government, if re-elected, would move forward, you'll forgive me if I don't think about monetary policy."

More housing is good for our industry, especially when it is built from the ground up. It is even better if the one paying the bills has no idea what something costs. The money will be spent, some will fall off the table, and we will see if housing becomes more affordable.

If you have an idea for a commentary or would like to submit your own commentary for a future newsletter please let me know at [dave@wwta.ab.ca](mailto:dave@wwta.ab.ca)

## Economic Update

In Alberta, urban housing starts totaled 3471 in April 2022, a year-over-year increase of 24%. Canadian housing starts were flat over the same period. In Alberta, single-detached units, which comprised 40.7% of all units; increased by 3.7%, while apartment units, which comprised 38.7% of all units, increased by 93.0%.

Calgary starts were up slightly from 1242 in March, while Edmonton starts were also up considerably from 916 units last month. Edmonton pulled ahead of Calgary for monthly starts, unlike in hockey. Although Canadian starts were similar to the same month last year YTD starts are down 12.7%.

The hot markets of Ontario and BC are down from 2021 levels 5005 starts and 2564 starts respectively.

Housing Starts Alberta						
	Apr-22	Apr-21	% Change	YTD 2022	YTD 2021	% Change
Alberta	3471	2804	23.79%	9682	8698	11.31%
Edmonton	1667	1229	35.64%	4308	2740	57.23%
Calgary	1511	1299	16.32%	4473	4121	8.54%
Red Deer	13	25	-48.00%	31	57	-45.61%
Grande Prairie	21	15	40.00%	44	39	12.82%
Lethbridge	58	55	5.45%	346	259	33.59%
Wood Buffalo	22	13	69.23%	29	28	3.57%
Canada	20775	20778	-0.01%	65715	75267	-12.69%

The trend in housing starts was 257,846 units in April, up from 253,226 units in March, according to Canada Mortgage and Housing Corporation (CMHC). This trend measure is a six-month moving average of the monthly seasonally adjusted annual rates (SAAR) of housing starts.

“On a trend and monthly SAAR basis, the level of housing starts activity in Canada remains historically high, hovering well above 200,000 units since June 2020 and increased from March to April,” said Bob Dugan, CMHC's Chief Economist. “The increase in monthly SAAR housing starts in Canada’s urban areas was driven by higher multi-unit and single-detached starts in April. Among Montreal, Toronto and Vancouver, Toronto was the only market to post a decrease in total SAAR starts, which was driven by lower multi-unit and single-detached starts.”

In the United States of America housing starts declined 0.2% mom to an annualized 1.724 million units in April of 2022, after a revised 2.8% drop in March and below market forecasts of 1.765 million. The housing market is showing signs of cooling as inflation soars, mortgage rates are at 12-year highs, building material costs remain elevated, supply constraints persist and a general economic uncertainty weigh on consumers' affordability.



[ATB Alberta Economic Outlook](#)

**Lumber**

Chicago lumber futures were trading around the \$650-per-thousand-board-feet mark, a level not seen since last November and now roughly 60% down from a 10-month peak of \$1,480 touched in March, as rising mortgage rates and inflation have dampened demand despite the looming summertime construction season. New home sales in the United States sank 16.6% mom to a seasonally adjusted annual rate of 591,000 in April of 2022, the fourth month of falls and the lowest level in two years. On top of that, transportation bottlenecks eased, and output volumes at sawmills have recovered from such constraints amid better spring weather, easing supply concerns after months of tight inventories.



[Madison's Lumber May 12, 2022](#)

**Inflation Red Hot in April**

It was another tough month for consumers with year-over-year price growth in Alberta of 6.3% in April, down slightly from March (6.5%).

The national inflation rate was even higher at 6.8%. Prince Edward Island had the highest rate among the provinces at 8.9% while Saskatchewan had the lowest at 5.9%.

According to Statistics Canada, “Russia's invasion of Ukraine in late February continued to affect energy, commodity and, most notably, food prices.”

Food costs were up by 7.7% in Alberta compared to 6.8% in March.

Gasoline prices in the province were still high at a year-over-year increase of 25.5%, but this was an improvement over the 40.2% increase in March.

Given the high rate of inflation and tight labour market, there is little doubt that the Bank of Canada will continue raising interest rates. The next announcement from the Bank is on June 1 and a 50 basis-point increase in the trend-setting overnight rate is a likely scenario.

### Oil Still High

A surprise to no one who has filled up their vehicle lately, oil prices remain well above where they were a year ago.

The average price of a barrel of West Texas Intermediate oil topped \$100 in both March (\$108.90) and April (\$101.64) compared to \$62.35 and \$61.70 during the same months in 2021. (All figures in US dollars.)

As of May 18, WTI was averaging just over \$109 a barrel.

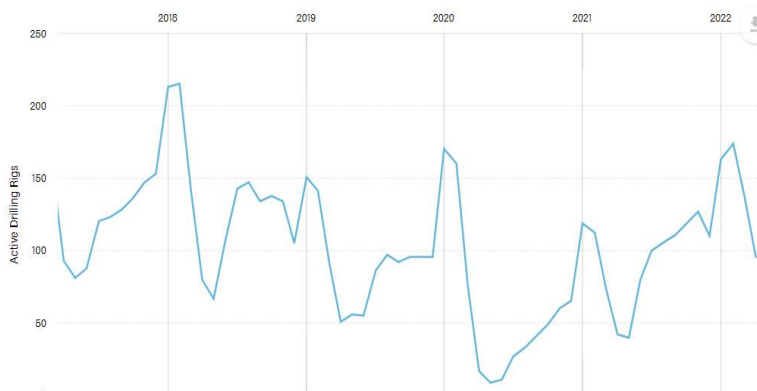
As always with oil prices, the big question is “what’s next?” and the answer is clouded by the uncertainty and large number of moving parts that characterize oil markets.

Factors supporting prices staying high include existing and potential bans on the purchase of Russian oil (the European Union is currently discussing an embargo) and limited capacity to ramp up production in the short-term due to lacklustre investment in new supply.

Oil prices could, however, slip on news of slower global economic growth, more supply coming online from, for example, US shale fields or a peaceful resolution to the war in Ukraine.

At the moment, the tea leaves suggest that prices will remain high compared to the 2015-2021 period with the WTI oil price benchmark averaging somewhere in the mid to high \$90s this year.

The average number of active drilling rigs in April 2022 was 95, increasing by 53 (+126.2%) from April 2021. The number of inactive rigs decreased by 24.7% from 291 to 219 over the same period.



*Active Drilling Rigs  
Alberta*

## Quality Control

### A Little More About Knots

One more article on knots, then I will go on to something else.

Let's look at multiple knots in a board and their allowable spacing.

NGR 1.7.4

When two or more knots appear in the same cross section the sum of their sizes or displacement shall not exceed the maximum size specified for the centerline knot (Figure 1). When reference is made to knots in the same cross section, the cross section is the area across the width of a piece equal to the diameter of the largest knot present (Figure 2).

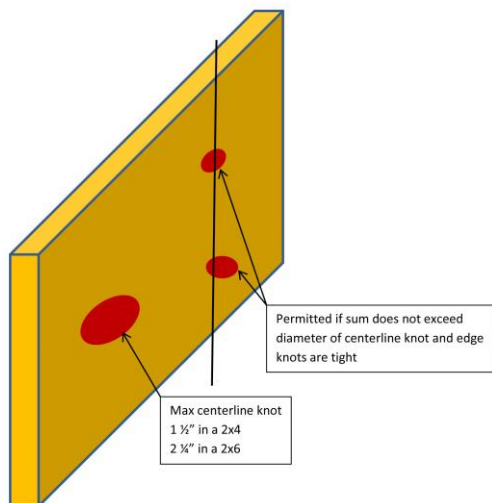


Fig 1

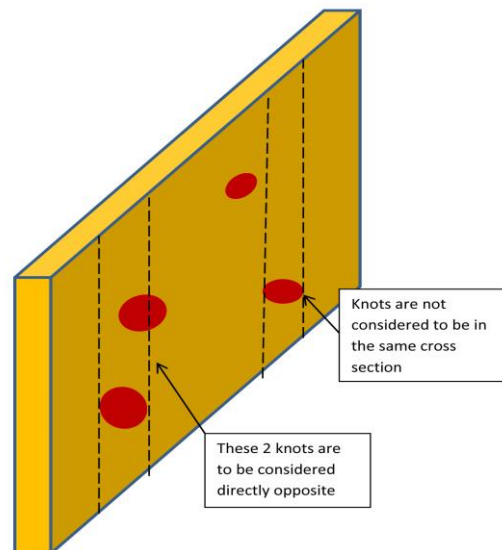


Fig 2

If loose knots, fixed knots or holes on the edge are involved, the sum of their sizes or displacement is limited to the maximum edge knot size. When directly opposite spike knots in boxed hear pieces are involved, the sum of their sizes or displacement shall not exceed the allowable centerline knot.

The sum of the sizes of all knots within any 6" of length shall not exceed twice the diameter of the allowable centerline knot (Figure 3). No two centerline knots of maximum size may appear in the same 6" of length.

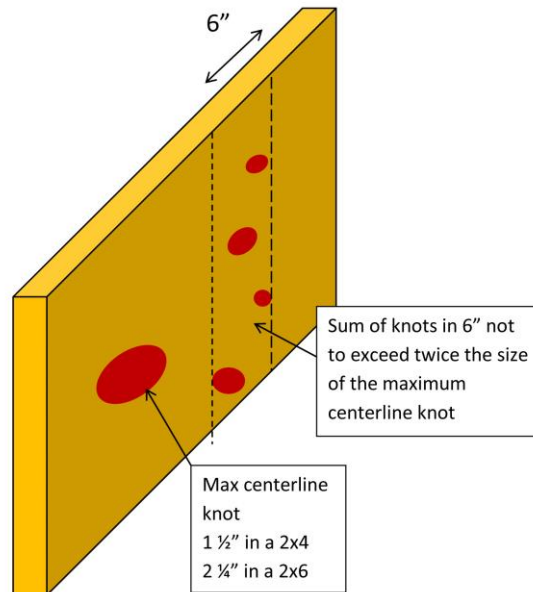


Fig 3

Two maximum edge knots appearing on opposite edges shall be spaced at least a lengthwise distance equal to twice the size of the allowable edge knot (Figure 4).

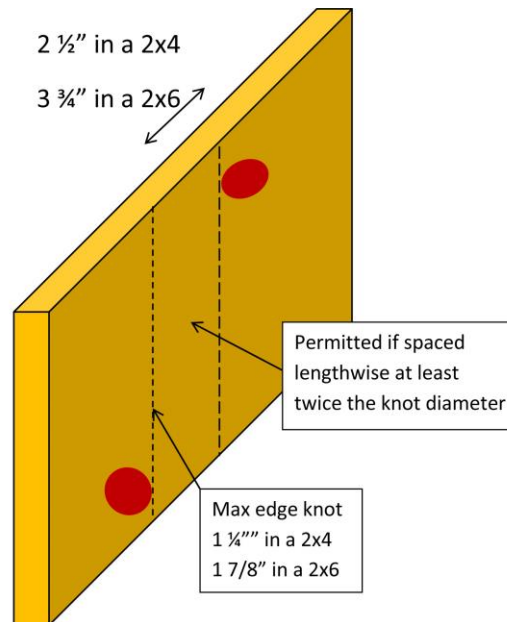


Fig 4





Above is a situation with 2 edge knots in a 2x6, they are directly opposite and therefore not allowed. They also both exceed 1 7/8" in size.

As I have mentioned before it is not the job of a truss plant to be lumber graders, but by knowing the rules may be beneficial, remember that up to 5% of boards in a lift of #2 are allowed to exceed the grade limitations.

If you have any topics you would like to see addressed in this section of the newsletter just drop me a suggestion at [dave@wwta.ab.ca](mailto:dave@wwta.ab.ca).

### Health and Safety Toolbox

Similarly to the Quality topic the WWTA would like to give you a monthly item you can discuss when doing your Safety Toolbox meeting. This month we are going to look at lost-time claims in truss plants.

**A lost-time claim is a claim submitted to the WCB for an occupational injury or disease that causes a worker to have time away from work beyond the day of injury.**

If you've been hurt at work or discover that you are suffering from an occupational disease, you have the right to report your injury. Let your employer know exactly what happened to cause your injury/illness. Once they've been notified, your employer is required by law to report your injury to WCB within 72 hours if:

- You need medical treatment beyond first aid.
- You cannot do your job beyond the day of accident (example: miss time from work).

Your employer is responsible to pay you for the day the accident occurred and the transportation cost of getting you to an appropriate medical facility.

After reporting, your injury will be classified and a decision will be made about the status of the claim.

WCB registers your claim as one of the following:

1. lost-time claim
2. no-time-lost claim
3. interjurisdictional claim

### Lost-time claim

Your claim will be assigned to an adjudicator who determines which benefits you are entitled to receive. If you need additional rehabilitation support to return to work, your claim may be transferred from an adjudicator to a case manager.

### No-time-lost claim

If you did not miss work past the day of injury, a claim process team will monitor medical treatment.

Top 5 Comparison - for Years: 2017 to 2022

Nature of Injury							
Top 5 by Total LTCs							
Nature of Injury	2017	2018	2019	2020	2021	2022 YTD	Totals
Sprains/Strain	11	8	13	7	4	5	48
Superficial Wounds	1	1	2	5	2	1	12
Fracture/Dislocation/Nerve Damage	1	1	1	3	1	0	7
Open Wound	2	0	2	4	5	0	13
Oth Traumatic Injuries	0	1	0	2	5	1	9

Nature of Injury	Total LTCs (2017 to date)	Percentage of LTCs	Average Duration	Total TTD	Average LTC Costs	Total LTC Costs
Sprains/Strain	48	49.48 %	17.96	862	\$6,116	\$293,548
Superficial Wounds	12	12.37 %	4.33	52	\$3,158	\$37,896
Fracture/Dislocation/Nerve Damage	7	7.22 %	68.00	476	\$34,341	\$240,387
Open Wound	13	13.40 %	24.00	312	\$11,018	\$143,238
Oth Traumatic Injuries	9	9.28 %	10.22	92	\$43,952	\$395,569
All Others	8	8.25 %	23.13	185	\$6,845	\$54,757
<b>Totals</b>	<b>97</b>	<b>100.00 %</b>	<b>20.40</b>	<b>1,979</b>	<b>\$12,014</b>	<b>\$1,165,394</b>

The previous table outlines the types of lost-time claims in the truss industry. Sprains and strains represent 50% of LTC's with the majority of those coming from falls and overexertion. Out of these claims the part of the body is most injured is the back. This is in line with all industries in Alberta as a leading cause of claims.

Most back injuries occur due to improper body mechanics used to lift or move something. Therefore, following these few simple suggestions could make a huge difference in your back health and susceptibility to injury:

#### Exercise

A strong back is directly linked to strong stomach muscles and a strong core. Abdominal exercises will improve core strength and help relieve some of the stress on the back, preventing undue strain. Simple back toning exercises will keep the back in shape and strong stomach muscles will assist in lifting, carrying, pulling, pushing and posture. Remembering to do simple back stretching exercises first thing in the morning and throughout the day will keep your back muscles flexible and supple regardless of what your job demands are.

#### Nutrition

Your back compensates for added weight in your abdomen by swaying backwards. This puts unnecessary stress and strain on the lower back muscles, puts your posture out of alignment and increases the risk of a back injury. A balanced and nutritious diet will not only improve your overall health and wellbeing but will assist with weight loss, which in turn, will lessen the burden on your back, relieve the stress on other joints and reduce pain. Using a proper lifting belt can provide extra back support if necessary.

#### Posture

Simply by training your body to stand and sit in a proper erect manner can prevent many back pains and strains:

- Sleeping on a firm mattress prevents unnecessary strain on muscles and posture.
- Sleeping on your side with your knees bent or on your back with a pillow under your knees can relieve stress and strain on the small of your back
- Standing erect, sitting up straight and concentrating on good posture will help strengthen and lengthen the back muscles.
- Hunching, stooping and slouching can lead to laxity in the ligaments in the spine which can leave you more susceptible to injury.

#### Assessment

Many back strains and sprains can be avoided by taking the time to assess the situation before you start. It is essential to plan every lift, push, pull and move in advance, so stop to consider the following:

- What does the item weigh?
- Where does it have to go?
- How much manpower is required to get it there?

- What is in the way? Is the path clear?
- Is there equipment that can be used to assist the process?

## Proper Technique

Once you have assessed the situation, obtained any extra help and equipment that may be required, it is vital to ensure you are using proper lifting techniques:

- Make sure your body is correctly aligned in front of the object with your feet apart, bend your knees to squat down, keeping your back straight, grab the object tightly with both hands, keeping it close to your body.
- Slowly stand upright, ensuring you have your balance.
- Make sure you have a line of sight to where you want to go.
- Start walking slowly.
- When you reach your destination, reverse the steps you used to pick the object up to place the object down.
- If you are working with others, use commands to coordinate when to lift, when to move, when to stop and when to release.



*Improper technique of pulling a cart*



*Proper technique of pushing a cart*

These tips won't prevent all back injuries but making them part of your everyday routine will help minimize the risk of hurting your back while lifting or moving anything, anywhere, anytime.



*Group warm up and stretching at Dick's Lumber before starting work*



The Alberta Government has a new format OHS eNews you can subscribe to with all kinds of good material at: <https://ohs-pubstore.labour.alberta.ca/>

## News and Events

Thanks go out to all those that attended our first in-person meeting since 2019 at the Fantasyland Hotel in Edmonton May 10, 2022. It was nice to get everyone together again without any restrictions and I think there were a lot of good conversations.



Top-Everyone is  
awake

Left- MLA Pat  
Rehn

Right-Rory Koska  
from Alberta  
WoodWorks  
presenting on the  
Canadian Wood  
Council Low-Rise  
Commercial Project





The WWTA would like to welcome a new member to the association.

### **Woodland Truss**

We also manufacture and supply Engineered Floor and Roof truss systems. From 60' commercial span trusses to 10' shed trusses we can design and construct trusses to suit all your needs. With an in house design team we can turn your dream project into a reality so get started by requesting a quote!



### **National Building Code of Canada Alberta Edition**

With the NBC 2020 having been published recently, Alberta Municipal Affairs are anticipating that the new edition of Alberta's provincial building code will be available this fall. This edition will reference TPIC 2019 which states:

#### **8.1 General**

(2) All fabricators shall have a recognized quality control program that complies with the requirements of CWTA, "*National Quality Standard for Metal Plate Connected Wood Trusses.*"

### **Truss Plate Institute of Canada**

Speaking of TPIC, your representation David Klassen, P.Eng will be heading off to the next meeting June 2 and if you have anything that you would like addressed, please let me know by the end of May.

### **Canadian Wood Truss Association**

We will also be having the next CWTA meeting June 16 where we will be discussing further the creation of a Certifying Body to support the new CSA S349 standard that we discussed at the recent conference. If you have any comments please get them to me before the meeting

### **A Conversation with ..... MiTek**

Our next conversation virtual call will be with MiTek and they will be discussing the next building code. More information about the date and time will follow.

### WWTA Online Training

If you have not yet taken a look at the WWTA online training program I would encourage you to, as no doubt you will be hiring new workers in the near future and it is a good method to get them productive earlier and safer. If you want an overview of the program go to the WWTA website at: <http://www.wwta.ab.ca/truss-training-online.html>

#### Did You Know?

One of the lingering issues that we have to deal with in the truss industry is **truss uplift**.

There is an article on the WWTA web page for builders in the homeowners tab

<http://www.wwta.ab.ca/home-owners.html>

But I came across this interesting new item from Simpson Strong-Tie called a SDPW Deflector Screw for attaching non-bearing walls to trusses that looks quite interesting.

Introducing the Strong-Drive SDPW Deflector Screw from Simpson Strong-Tie — a premium structural fastening solution for connecting non-load-bearing walls to trusses and joists. With tested lateral-load ratings that meet building code requirements, the SDPW screw is value engineered for strength, installation speed and safety. Offset Driver Bits and a driver extension (available in 18" and 30" lengths, each sold separately) maximize installation speed and safety while minimizing installed cost. The SDPW's polymer sleeve allows for sliding during deflection, preventing squeaks. The SDPW is designed for superior performance, and it's backed by the best service and product support in the industry.

