

RESCON calls on federal party leaders to address housing crisis with builders

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By Crane & Hoist Canada Staff

Canada's housing crisis is becoming a flashpoint in the federal election campaign, and one provincial association of residential builders says it's glad to see the extra attention on the issue.

In a statement, the Residential Construction Council of Ontario (RESCON) says the housing shortage may threaten the country's economic recovery from the pandemic.

"The ongoing supply crisis is crippling younger families," says Richard Lyall, president of RESCON. "We cannot grow the economy or build back better if we can't build according to our demographic needs. Excessive costs imposed on developers and systemic red tape that delays construction of new housing developments must be eliminated."

Conservative party leader Erin O'Toole has committed to building one million homes in three years and to make it more difficult for foreign investors to buy property should he be elected.

NDP leader Jagmeet Singh has pledged to build 500,000 "affordable homes" in the next 10 years and to nix the GST on building homes that meet a set of affordability standards.

Liberal leader Justin Trudeau is expected to address the issue today at a stop in Hamilton.

Canada presently has the lowest number of housing units per 1,000 residents of any G7 country, according to a Scotiabank report. The number of units per 1,000 Canadians has been falling since 2016.

In a healthy housing market, there would be about six months of housing supply, but that is not currently the case, says RESCON.

Across Canada, there is about 2.8 months inventory, according to Statistics Canada.

The Toronto Region Board of Trade and WoodGreen Community Services indicated in a recent report that the lack of affordable housing is costing the Greater Toronto Area up to nearly \$8 billion annually, or up to almost \$38 billion over a five-year period.

The Centre for Urban Research and Land Development at Ryerson University used a calculation from experts from the governments of Canada and B.C. to report an average of 79,300 units per year must be built from 2021 to 2031 in order to make homes more affordable.

That's up from 50,400 units per year that was forecast by Hemson Consulting in 2020.

“Canada’s population is expected to grow by up to 50 per cent over the next five decades, which will result in even more pressure to provide housing,” says Lyall. “There is clearly more work to be done to speed up the development approvals process. Thankfully, the federal parties appear to be listening.

“This is a very serious issue that needs to be addressed. We need a housing summit so those who build housing can be heard and find out what government expects of us to balance supply with demand.”