

## Housing construction early drumbeat of federal leaders

Don Wall August 26, 2021



After 10 days of campaigning, Canada’s national leaders have made the cost of living and especially affordable housing the lead issues of the 2021 campaign.

Each of the Liberals, Conservatives and New Democrats have issued detailed plans for supporting home buyers and renters, with Prime Minister Justin Trudeau the third out of the gate among the three major national leaders with an announcement delivered in Hamilton, Ont. Aug. 24.

The Liberals will build or upgrade repair 1.4-million homes over four years, Trudeau pledged.

“We’ll help you buy your first home sooner,” Trudeau said. “If there’s anything this pandemic has taught us, it is that home is a really important investment, a really important place for people to feel safe, to be able to build their future.”

Conservative leader Erin O’Toole countered the same day, “The housing crisis has exploded in the last three or four years under his leadership. He has had programs that have been ineffective in terms of affordable housing and in terms of programs for first-time homebuyers.

“We have a serious plan to tackle a serious crisis for our country.”

The Residential Construction Council of Ontario (RESCON) issued a statement Aug. 24 noting that Canada currently has the lowest number of housing units per 1,000 residents of any G7 country. The number of units per 1,000 Canadians has been falling since 2016, pointed out RESCON president Richard Lyall.

“I am glad the issue is on the radar of party leaders,” he said.

The Daily Commercial News has compiled a list of platform statements on issues of relevance to the construction sector released over the first 10 days of the election, with summaries to be presented over two editions. The Conservatives, New Democrats and Bloq Quebecois have released detailed platforms, it's expected the Liberals will release theirs soon and the Green Party has said it is also planning to release a platform in the near future.

## **HOUSING**

O'Toole officially announced his party's housing plan on Aug. 19, promising to build a million homes over three years. New seven- to 10-year mortgages will be introduced for first-time buyers and lenders.

The Conservatives will ban foreign investors from buying homes here for a two-year period. Instead, foreign investors will be encouraged to invest in purpose-built affordable rental housing.

Canadians will be encouraged to invest in rental housing by extending the ability to defer capital gains tax when selling a rental property and reinvesting in rental housing.

The Tories will promote transit-oriented housing, aiming to leverage federal infrastructure spending by requiring municipalities receiving federal funding for public transit to increase density near the funded transit.

Trudeau announced a new housing policy titled A Home for Everyone that he said would save a family buying their first home up to \$30,000.

The Liberals promise to help renters become owners by committing \$1 billion in loans and grants to develop rent-to-own projects with private, not-for-profit and co-op partners.

A new tax-free First Home Savings Account will allow Canadians under 40 to save up to \$40,000 toward their first home. The First Time Home Buyer Incentive will include the option of a deferred mortgage loan, and the First-Time Home Buyers Tax Credit will be doubled from \$5,000 to \$10,000.

The Liberals also intend to eliminate blind bidding as part of a new Home Buyers' Bill of Rights and ban new foreign ownership of Canadian houses for the next two years.

The NDP under Leader Jagmeet Singh promises to create 500,000 affordable housing units over 10 years, waive the federal sales tax on the construction of affordable homes and offer rent relief for lower-income families.

The party will set up dedicated fast-start funds to streamline the application process for affordable housing and help communities access more expertise in the sector.

Other pledges include re-introducing 30-year terms to CMHC-insured mortgages on entry-level homes for first-time homebuyers; doubling the Home Buyer's Tax Credit; relaxing the mortgage stress test; and implementing a 20-per-cent Foreign Buyer's tax on the sale of homes to non-Canadians.

## **SKILLS TRAINING**

The Conservatives have targeted women with several policies intended to recruit them into the skilled trades. Among them, the party will support not-for-profit organizations like Build a Dream and Women Building Futures, and they will double the Apprenticeship Job Creation Tax Credit for the next three years.

A new \$250-million Canada Job Training Fund will provide grants to organizations for projects that give laid-off workers immediate access to training and reach out to tradition-ally underrepresented groups. The Conservatives will also launch the Working Canadian Training Loan.

The Liberals are proposing to extend the Canada Recovery Hiring Program, which is set to expire in November, until March.

The New Democrats will require large employers to spend at least one per cent of payroll on training for their employees annually. The party's jobs plan, intended to create more than a million jobs in a first mandate, will be paired with new access to training towards the low carbon future. There will also be targeted support for workers impacted by the transition to a clean economy.