

Toronto City Council takes short-sighted view on housing

by Richard Lyall on 21 Jul 2021



Extended construction hours, in large part, have enabled our industry to continue working safely throughout the COVID-19 pandemic to build essential infrastructure and much-needed new housing.

The move has given builders leeway to stagger shifts and therefore limit the number of construction workers at gathering points on a worksite, such as at a hoist. With fewer workers on-site at any given time, it has been much easier for them to maintain physical distancing during COVID.

This must be allowed to continue, especially with the more transmissible Delta variant a growing threat. We are not out of the woods yet with COVID and builders must have the tools to ensure worksites remain safe. Extended construction hours enable that to happen.

There is also another very good reason: we are squarely in the midst of a housing crisis. There is simply not enough housing being built. And, with the federal government poised to bring in 401,000 immigrants this year and another 411,000 in 2022, the situation is only going to get worse.

We are under-producing to the tune of 12,000 housing units a year here in Ontario. Scotiabank economist Jean-François Perrault suggested in a report recently that Canada's housing-to-population ratio is the lowest of any G7 nation, at 471 homes per 1,000 residents. To match the average ratio of the G7, his report noted that Canada would need an additional 1.8 million homes. To put this gap in perspective, we have averaged 188,000 home completions a year for the last decade.

The shortage has certainly contributed to the high cost of housing. A recent survey from RBC found that more than one-third of Canadians between ages 18 and 40 no longer believe they will ever be able to own a home.

Modernizing the approvals process and implementing a standardized e-permitting system would help, but we clearly need to do everything in our power to ensure that housing construction is not impeded.

In spring 2020, construction work was deemed essential in Ontario and the province suspended existing noise bylaws to allow construction sites to operate from 6 a.m. to 10 p.m., seven days a week. Builders generally don't work Sundays and mostly work from 6:30 a.m. to 4 p.m., with scaled-down construction such as concrete finishing and deliveries in the late afternoon and evenings.

The regulation is in effect until October 7 and has helped accelerate construction projects and enabled employers to take the necessary steps to protect workers. Toronto City Council has voted to ask the province to repeal the regulation that allows extended hours. However, this is taking a short-sighted view of our critical housing situation. We are in a crisis and COVID will likely be with us for some time yet.

Mike Moffatt, an assistant professor in the business, economics and public policy group at Ivey Business School, recently penned a blog on Medium, an open digital writing platform for thought leaders, that indicated Ontario should have built an additional 100,000 homes over the past four years to keep up with household formation.

Between 1976 and 2011, home completions in Ontario were in relative balance with the number of new households formed, but since the population started growing in 2015-16 the number has fallen short, he wrote.

Over the last four years, on average, there have been 27,000 fewer homes built each year than is likely needed, he stated.

Equally disturbing, Moffatt noted that many households were likely not formed, simply because young people had to put their plans on hold because they didn't have the money to afford a home.

He stated it's inexcusable what we're doing to our young, simply because we refuse to build more housing.

It is imperative that we pull out all the stops to build more housing—and that means keeping extended construction work hours in place, at least for the foreseeable future.

We are in a perfect storm just now. COVID is still with us, we desperately need new housing for the anticipated influx of new immigrants, and the cost of housing is only exacerbating the problem.

Clearly, we still have much work to do.

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