

RESCON: Where will people live?

Richard Lyall - Oct 08, 2021



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There was plenty of talk during the federal election campaign about the housing crisis we face in this country, and I am hopeful that the conversation will continue beyond the hustings and lead to concrete action.

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The Liberals pledged to speed up housing construction, build or repair as many as 1.4 million homes over the next four years, and invest in e-permitting technology to help communities streamline the planning process.

However, it was correctly pointed out at various times during the campaign that no one level of government can effect meaningful change on their own. The federal government has levers it can

apply to produce housing, but to move the needle it will need the province, regions and municipalities on side as well.

When it comes to dealing with barriers to the development approvals process and housing, there are a labyrinth of issues.

Housing is an incredibly complex industry – perhaps the most regulated of our industries. We have hundreds of contractors, tens of thousands of workers, many different kinds of materials, and a development approvals process that includes up to 45 different government agencies, ministries and organizations.

Without that alignment at the provincial, regional and municipal level – and with the various players involved in the process at each level – it will be difficult to make gains.

Some of the housing numbers floated on the campaign trail just weren't achievable. There is no way to suddenly turn on the tap and produce hundreds of thousands of extra housing units.

We're not producing enough as it is. I don't think the party leaders were intentionally misleading the public, but the whopping numbers spoke to the fact they really don't understand the industry and were making up policy on the fly.

The situation is dire and action is needed. The time required to navigate the approvals process is excessive by any comparable measure. Canada ranked 64th out of 190 countries when it comes to construction permitting, according to the World Bank. Projects get tied up for years due to red tape. Meanwhile, the supply chain is a mess.

Presently, we can't build enough housing for our existing population. With immigration set to top 400,000 a year for the next few years, where are these people going to live?

Reports commissioned by RESCON have shown the delays are growing. Other reports recently completed by the Board of Trade and the CD Howe Institute highlight the threat to Toronto's future economic prospects.

It's a very disturbing situation but it can be fixed. There is no good reason why we can't speed-up the approvals process and begin to meet demand. Builders are resilient. If you give them the tools, they will meet the challenge. We need to modernize and digitize the approvals process so we can find market equilibrium again.

RESCON is looking at organizing a housing supply summit in February to bring the various levels of government, industry and thought leaders to the table to figure out a way to produce more housing. Housing is a need, not a want. We must find a way to build more housing. Our economic future depends on it.

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