

Questions for Federal Candidates

Want to know more about how federal candidates in your riding plan to address housing affordability and supply? Ask them the questions below:

What role should the federal government take in market-rate housing?

CHBA recommendations:

- Continue to pursue the doubling of housing starts to make up the 3.5-million-unit housing deficit.
- Continue to lead collaboration with provincial and municipal levels of government to use all levers to improve housing affordability and increase housing supply.
- Continue and increase capacity to put out objective information and data about housing affordability and housing supply through CMHC and Statistics Canada.

How will your party help remove barriers to homeownership for first-time buyers?

CHBA recommendations:

- Maintain the 30-year amortization period now available on insured mortgages for new construction and first-time buyers, and index the \$1.5 million price cap with inflation annually.
- Make the stress test dynamic for both insured mortgages (Dept. of Finance) and uninsured mortgages (OSFI) so it is lower at higher mortgage rates.
- Direct OSFI to avoid further changes to OSFI B-20 guidelines that make it even harder to qualify for a mortgage.
- Adjust the Interest Act to facilitate 7- and 10-year mortgages and remove the stress test on them.
- Increase Limits on First Home Savings Accounts to \$75,000 total and \$10,000 annually.
- Make improvements to construction financing that will create more housing stock that is attainably priced for first-time buyers by:
 - Implementing CMHC Construction Financing, including low-interest financing for market-rate housing for ownership from the government, plus a new construction loan insurance program.

- Revisiting regulations that inhibit needed foreign investment in development, especially in Canada's largest centres which critically need supply.
- Requiring OSFI to step back from implementing Basel IV – the accelerated timeline will further restrict lending capacity, which means less financing of new homes (for construction, productivity investment, and mortgages).

How will your party lower government-imposed costs that add to affordability challenges?

CHBA recommendations:

- Continue to work with municipalities and provinces, and use all federal levers, to reduce development taxes.
- Both the Liberal Party and the Conservative Party have promised to lower the GST on new homes. However, more can be done such as:
 - Increase limits to \$1.5M and \$2.0M in expensive markets.
 - Index GST limits with inflation annually moving forward.
 - Include all Accessory Dwelling Units and Secondary Suites as eligible for these new construction GST waivers, given they are new housing units.
 - Maintain removal of GST on Purpose-Built Rental
 - Make Net Zero Energy and Net Zero Energy Ready retrofits eligible as “substantial renovations” to qualify for the GST/HST New Housing Rebate.

How will your party support housing-supportive infrastructure?

CHBA recommendations:

- Maintain and increase housing-supportive infrastructure and transit investments (to lower municipal development taxes which get passed on to homebuyers) and tie them to housing affordability and supply outcomes (e.g. requirements to freeze or lower development taxes, increase density, reduce parking requirements).
- Work with provinces and municipalities to mandate that alternatives to development taxes be found and implemented so that development taxes are lowered.

How will your party remove barriers and red tape within the home building process?

CHBA recommendations:

- Continue to work with municipalities to support and/or require municipal process improvements tied to housing supply outcomes (e.g. zoning, bylaws, approval/permitting delays, NIMBYism).
- Put all federal legislation through a housing supply and affordability lens, including the small business lens of the home building industry and adjust accordingly.
 - Ensure all federal departments and agencies (CMHC, the Bank of Canada, OSFI, NRC) work in close consultation to ensure more federal red tape is not heaped on the residential construction industry.
- Eliminate and avoid inappropriate federal red tape on residential construction.

How will your party avoid adding costs through codes and regulations?

Many new policy directions that put pressures for more stringent codes and regulations (e.g. climate change mitigation, resiliency, accessibility and others) are very important, but expensive. Unfortunately, almost all short-term actions to address these policy priorities through regulation increase costs to housing. It is critical to innovate and find solutions to these challenges without driving up housing costs.

CHBA recommendations:

- Adopt affordability as a core objective of the National Building Code and all related standards to ensure that we are building better, more efficient houses for the same price or less moving forward.
- Do not regulate until cost-neutral innovations are available.
- Establish a National Building Code Interpretation Centre with interpretations that are binding for all municipal building officials.
- Work with provinces to harmonize all municipal building and development-related regulations to eliminate and prevent barriers to rapid deployment of housing.
- Reconstitute the Standing Committee on Housing and Small Buildings to more efficiently focus on housing (not commercial and institutional construction, and not across the new 13(!) committees.

- Invest in innovation and R&D for lower or neutral-cost solutions that promote energy efficiency, climate adaptation and resilience, accessibility, and health and safety (and do not regulate until cost neutral innovations are found).
- Provide incentives for Net Zero Ready Homes, to reduce costs and accelerate technology development and adoption.

How will your party address the chronic labour shortages within the home construction industry?

CHBA recommendations:

- Grow the domestic workforce through additional programming specific to the home building sector and encouraging more Canadians to choose a career in residential construction, supporting apprentices but also non-apprentice/non-union occupations that make up most of the sector.
- Update the immigration system to actually bring in the right workers for residential construction, which includes those who are in lower education/experience TEERs but that are able to contribute immediately to home construction.
- Support increased productivity through targeted programming, investment de-risking, and tax credits that can accelerate take-up of factory-built construction approaches (see www.chba.ca/SectorTransition for more).