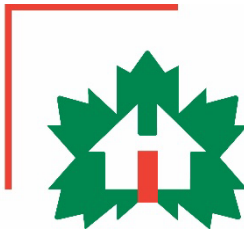


**Canadian  
Home Builders'  
Association**



**Opening Remarks: Kevin Lee, CEO, CHBA**

***For: Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities***

***With regards to: Bill C-20 An Act respecting the establishment of Build Canada Homes***

Thank you for having me today. The Canadian Home Builders' Association – or CHBA – represents over 8,500 member firms across the country. Our members build low-rise, mid-rise, and high-rise homes, for both ownership and rent.

There are several aspects of what Build Canada Homes intends to do that have long been a part of CHBA recommendations to the federal government. These include: utilizing public lands for housing; eliminating duplicative inspections and streamlining regulations for modular housing; providing financing to innovative Canadian companies; and a more steady stream of business to enable investment in productivity. These are good steps, but of course much more needs to be done to address the housing crisis in this country.

BCH will focus on government-subsidized non-market housing. The development of more non-market homes is indeed important, but it is also critical that in parallel there be a major effort beyond BCH to address housing affordability to double starts in market-rate housing, where 95% of Canadians reside. To put it in perspective, BCH has targeted 4,000 units in its initial tranche – that is good for non-market housing, but is less than one percent of the 500,000 units of all housing types that government says we need to build each year. It has been estimated that BCH can build as many as 45,000 more units on crown lands moving forward – again, while this is good for non-market housing, that is less than 1% of the 5 million additional homes CMHC estimates are needed over the next decade. Meanwhile, CMHC estimates that of those 5 million homes, 75% will have to come in the form of units for homeownership. However, starts for homeownership are plummeting. In 2021, 70% of housing starts in Canada were for homeownership; in 2025, less than 50% were. So, far beyond BCH, continued policy change to address housing affordability in market-rate housing will be required to reach the targets set by the federal government.

And for those who suggest we only address non-market housing, let's be clear: if we don't fix market-rate affordability, we will never fix the affordable housing challenge. Focusing exclusively on non-market housing will be like shoveling water—we will build more social housing and wonder why the line-up for more units keeps getting longer instead of shorter.

Canadians also expect more. Abacus Data has found that 78% of Canadians, once informed about BCH, say that government must do much more beyond BCH to address market housing affordability. Abacus has also found that 86% say the housing crisis is affecting middle-income Canadians as much as lower-income households. Meanwhile, 67% of Canadians say the government is not doing enough to support homeownership. Only 23% believe the federal government's housing efforts match what most Canadians need.

So where should the government go from here. BCH's focus on government-supported housing is one component, but Canadians expect a more comprehensive housing plan, especially for homeownership. Momentum from previous federal initiatives, like the 2024 Canada's Housing Plan that was making important policy steps to support homeownership, has stalled, as the government has shifted focus.

Recent announcements, like the federal funding of \$1.7 billion to provinces to help with housing supply and affordability, including contributing to the removal of HST on qualifying new homes in Ontario, are a good step. But other than the deal with Ontario, no other fed/prov partnerships have been announced, and there seems to be no guarantee that provinces will use the funds to reduce the tax burden.

Announcements for infrastructure and to offset development charges will be very helpful too in the short-term, but it will be critical that there be plans for municipalities to find alternative funding models for infrastructure to permanently lower DCs. And housing supportive infrastructure funding will be required across the country, not just in those places that have abused development taxes. For more on the state of DCs, I have provided the clerk with our CHBA Municipal Benchmarking Study.

To truly address the housing supply and affordability crisis, more policy change is needed: sustained GST relief; permanent roll back of DCs; having municipalities implement alternative funding models to DCs; relief on the stress test; addressing municipal red-tape that causes delays; stopping adding more costs through the national building code; better supporting renovation through tax credits; and properly addressing the workforce challenges needed to increase production, including removing barriers to more factory-built housing - these are the elements of a comprehensive strategy, that coupled with real commitments, can solve the housing crisis.

So with the current 10-year National Housing Strategy winding down, CHBA is asking that the next iteration of the strategy include formalized and effective policies and programs to address market-rate housing and homeownership, so that it is a strategy that covers the full continuum, versus the old version that is really just a national social housing strategy.

There is much that BCH can do, but much more that broader initiatives must also tackle. Thank you, and I will be pleased to answer any questions you may have.