



Federal Election Results:

What it means for the residential construction industry

September 24, 2021

Think nothing changed? We disagree...



Your Hosts



Kevin Lee
CEO

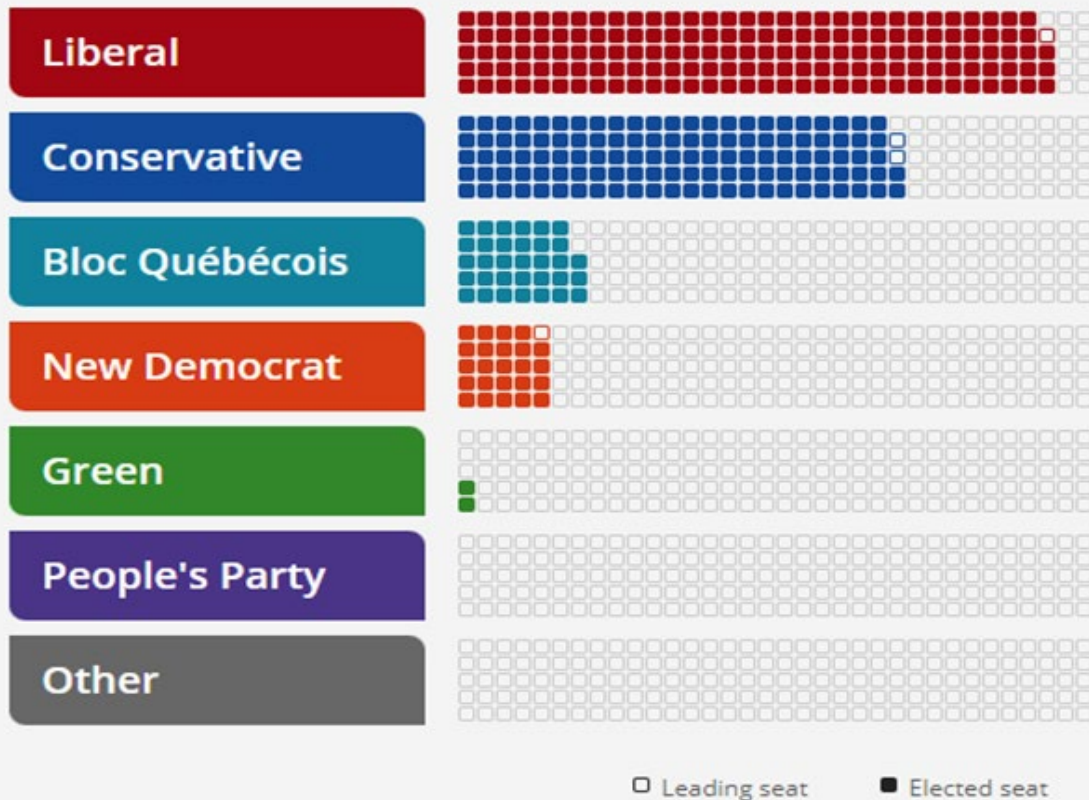


Nicole Storeshaw
Manager, Government Relations

Results Snapshot

Federal election results

170 SEATS TO MAJORITY ▶



2019		2021	
LPC	157	LPC	159
CPC	121	CPC	119
BQ	32	BQ	33
NDP	24	NDP	25
GPC	3	GPC	2

Popular Vote: 33.7% CPC 32.6% LPC
Voter Turnout: 58.44%

Next Steps for New Government

Cabinet Swearing-In

Return to Parliament
and Throne Speech

Mandate Letters

- Expect the first two items to happen quickly – likely October
- Liberals will need support from other parties to pass legislation and survive confidence votes
- It will take longer to get mandate letters (a lot of promises were made!) and for Ministerial Offices to get fully operational

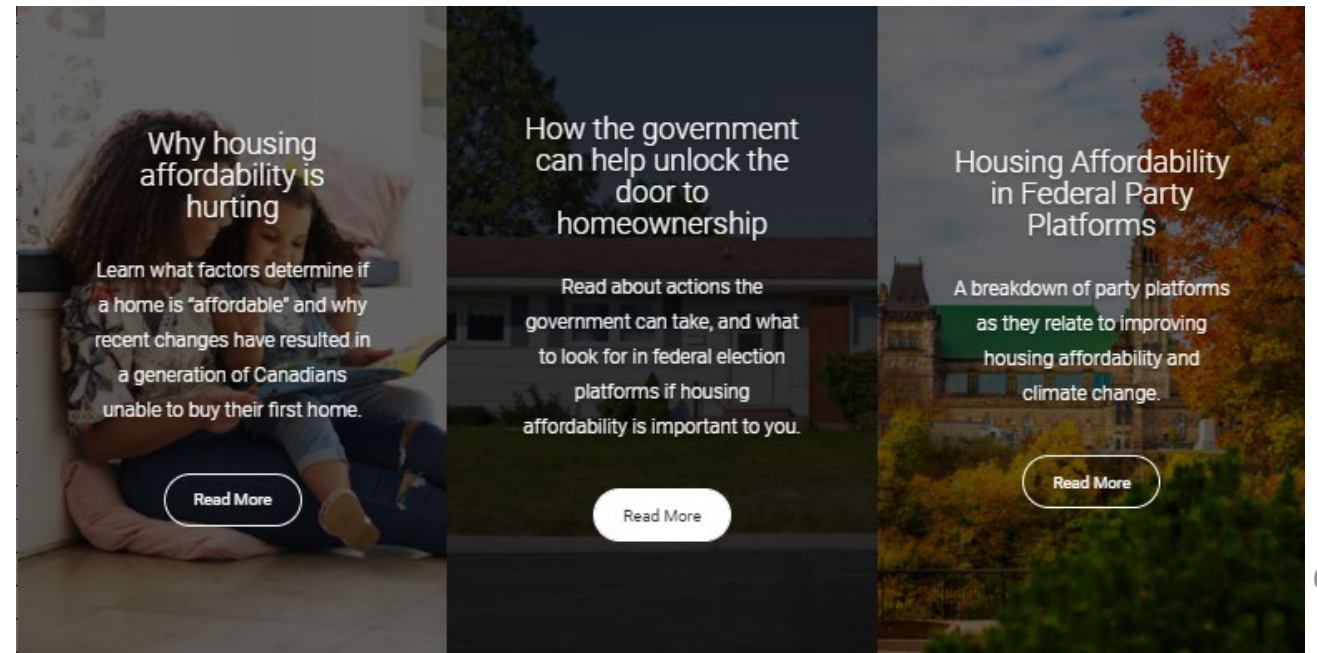
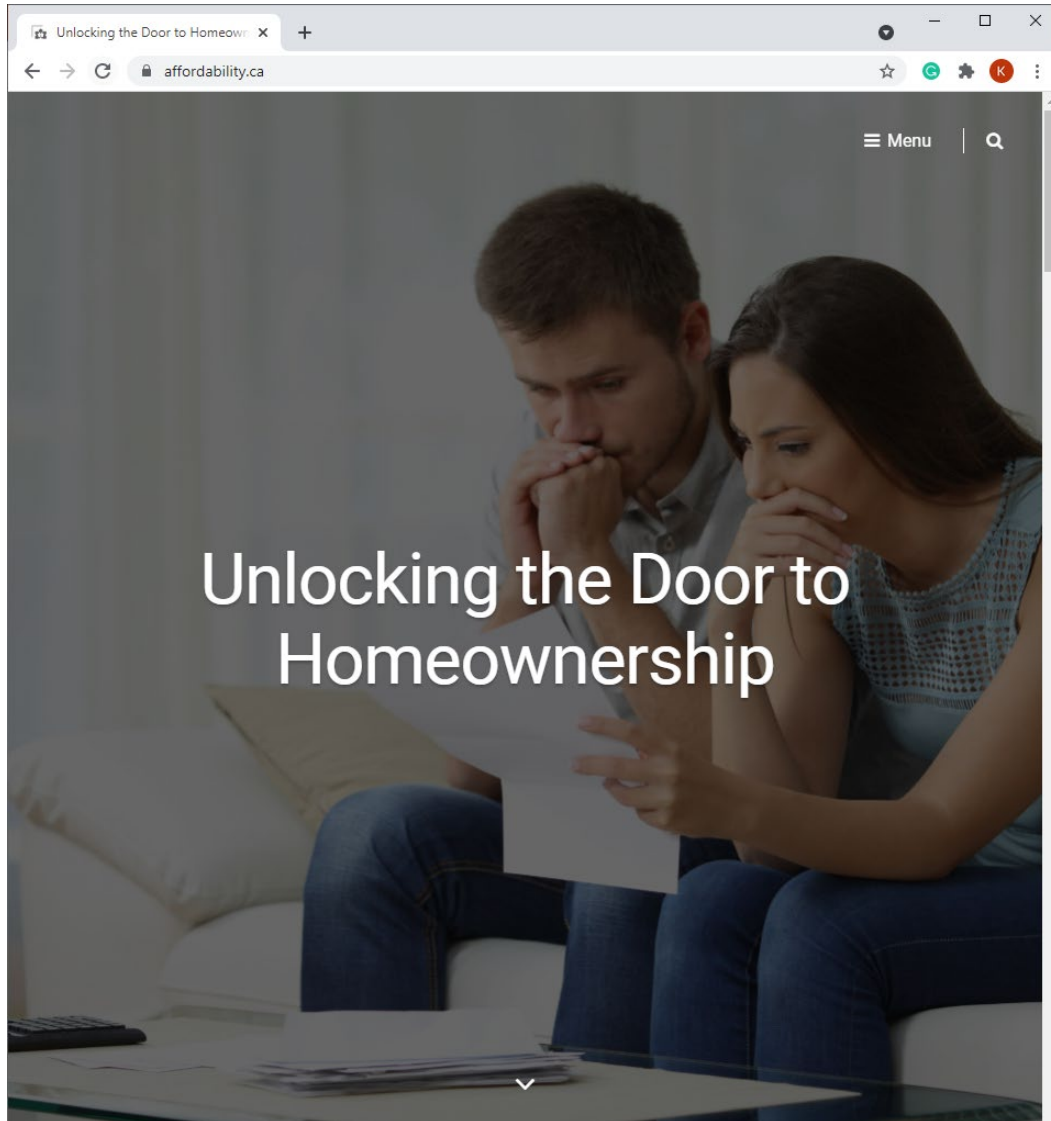


Lead-up to Success: CHBA Pre-Election Activities

- Pre-Budget Submissions – 2021 & 2022
- Engaged **Deputy Prime Minister & Finance Minister** on escalating house prices and need for supply lens to address them
- Appearance at **House of Commons Standing Committee on Finance**
- Met with O'Toole & MP Vis (Shadow Minister for Housing) – CPC Platform
- Government Submissions on **stress test, review of EI system, lumber**
- Invited to session with **Deputy Prime Minister and Finance Minister Chrystia Freeland and Minister Hussen (Housing/CMHC)** to discuss CHBA's recommendations on housing
- Invited to follow up session with **Minister Hussen (Housing/CMHC)** to follow up on CHBA recommendations



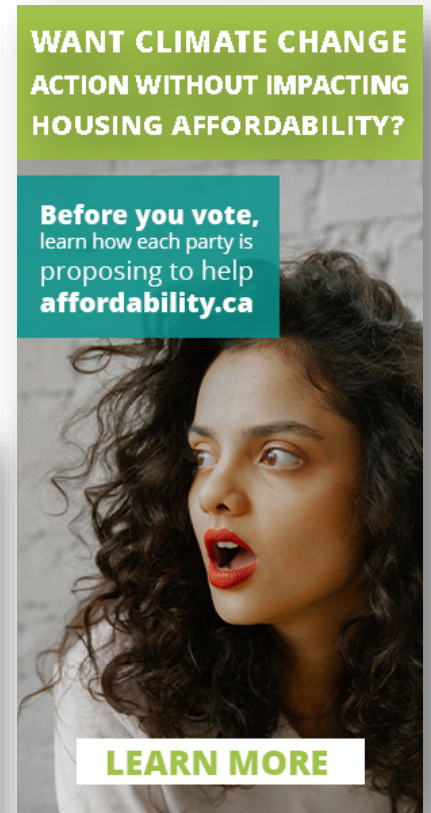
Affordability.ca





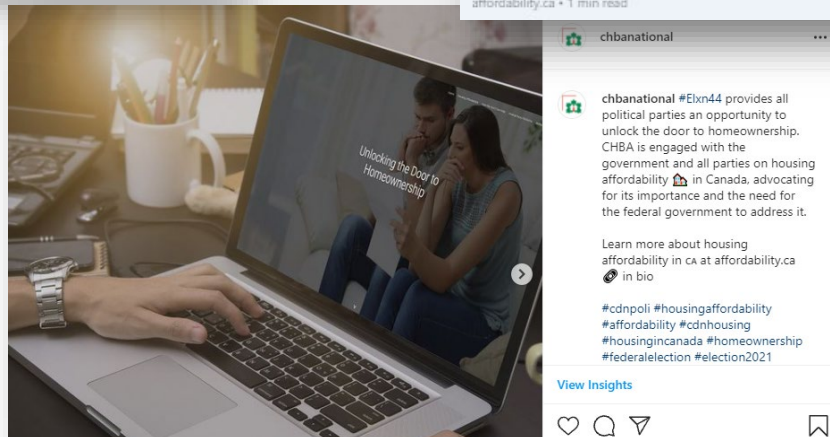
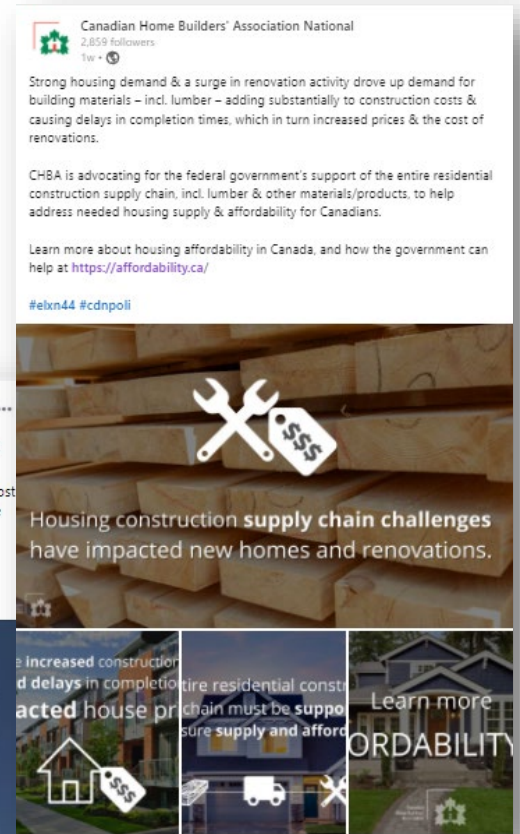
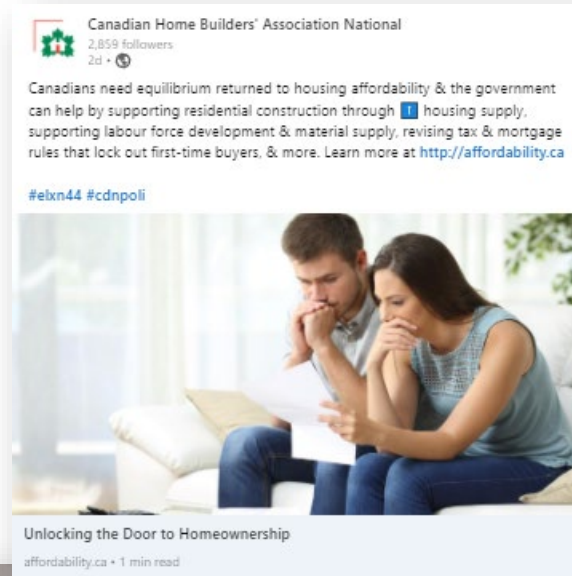
Social Media Advertising

- Over 1.3M views
- Narcity Ads:
 - Messaging focused on General Affordability and Affordability in Climate Change Initiatives
 - Targeted ads in Real Estate section performed better than those across entire site
- Twitter Ads:
 - Messaging focused on Housing Supply/Affordability, Labour & Materials, Mortgage Rules, & Climate Goals



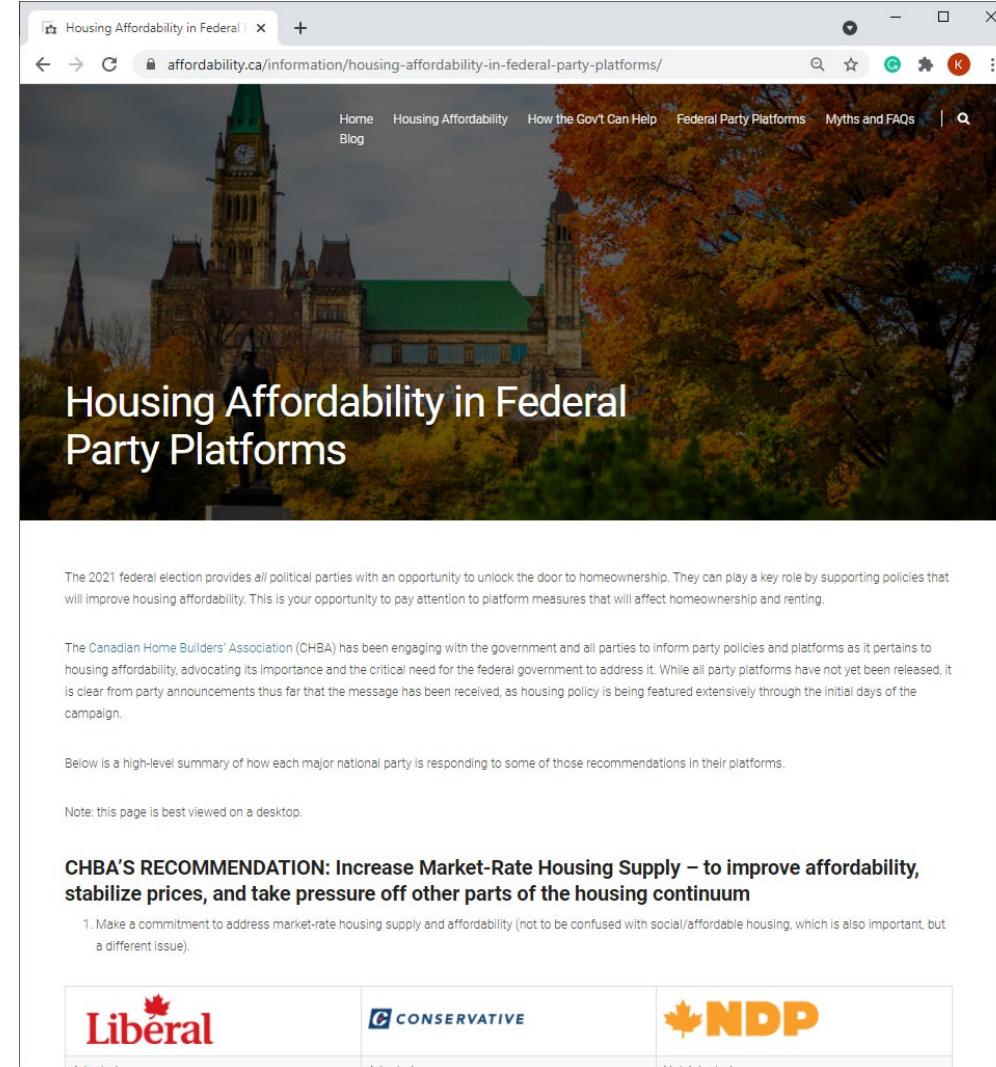
Organic Social Media

- Twitter, Instagram, LinkedIn, Facebook, including new short videos



Measures of Success

- Issues prominent in media
 - CBC, Financial Post, National Post, Globe and Mail, BNN, and more
- Issues top of mind with voters
- Issues prominent in campaign with political parties
- Disambiguation of affordability versus affordable (social) housing
- Importance of supply and first-time buyers
- Recommendations included in party platforms



Housing Affordability in Federal Party Platforms

The 2021 federal election provides all political parties with an opportunity to unlock the door to homeownership. They can play a key role by supporting policies that will improve housing affordability. This is your opportunity to pay attention to platform measures that will affect homeownership and renting.




The Canadian Home Builders' Association (CHBA) has been engaging with the government and all parties to inform party policies and platforms as it pertains to housing affordability, advocating its importance and the critical need for the federal government to address it. While all party platforms have not yet been released, it is clear from party announcements thus far that the message has been received, as housing policy is being featured extensively through the initial days of the campaign.

Below is a high-level summary of how each major national party is responding to some of those recommendations in their platforms.

Note: this page is best viewed on a desktop.

CHBA'S RECOMMENDATION: Increase Market-Rate Housing Supply – to improve affordability, stabilize prices, and take pressure off other parts of the housing continuum

1. Make a commitment to address market-rate housing supply and affordability (not to be confused with social/affordable housing, which is also important, but a different issue).

 Adopted	 Adopted	 Not Adopted
--	--	--

Housing Platform Items for Opposition Parties

- **Conservatives**

- Build more market-rate supply
- Tying municipal funding to requirements for density near transit
- Encourage a new market in seven- to ten-year mortgages thereby reducing the need for mortgage stress tests
- Substantial support for labour force development and training
- Initiatives for new technologies that will lower the cost and speed up the pace of retrofits, particularly residential retrofits

- **NDP**

- 30-year amortization periods for first-time buyers

Alignment of CHBA Issues in LPC Platform

- Addresses market rate supply in a meaningful way
- Positive changes to First Time Home Buyer Incentive
- Features measures to address affordability & first-time buyers
- Support for labour force development
- Invests in targeted measures that promote affordability when it comes energy retrofits for existing housing stock



A Home. For Everyone: The Liberal Housing Plan

Every Canadian deserves a place to call home. And for many - young people in particular - the dream of owning their own home feels like it's moving further out of reach. This has been a challenge for some time, but is especially true now as Canadians deal with the COVID-19 pandemic and the global economic crisis.

Uncertainty and instability led to soaring prices driven by bidding wars, rampant speculation and vacant properties. With everyday costs - and rent especially - it's increasingly difficult to save for a downpayment, especially as prices continue to move further out of reach.

Unlock Home Ownership

A challenging housing market and high rent prices have made the dream of owning a home feel impossible for many Canadians - particularly young Canadians. Young Canadians aren't asking for a free house; they're asking

LPC Housing - Related Promises

Unlock Home Ownership

1. **Help renters become owners** by committing \$1 billion in loans and grants to develop and scale **up rent-to-own projects** with private, not-for-profit, and co-op partners, **creating a pathway to home ownership** for renters in 5 years or less.
2. **Help young Canadians afford a downpayment faster** by introducing a **tax-free First Home Savings Account**, which will allow **Canadians under 40 to save up to \$40,000 toward their first home**, and withdraw it tax-free to put toward their purchase, with no requirement to repay it.
3. **Make the First Time Home Buyer Incentive** more flexible to give Canadians the option of a **deferred mortgage loan**, as an alternative to the current shared equity model, and reduce their monthly mortgage costs
4. **Help Canadians save on closing costs by doubling the First-Time Home Buyers Tax Credit**, from \$5,000 to \$10,000, which will put \$1,500 back in the pockets of Canadians.
5. **Reduce monthly mortgage costs by reducing CMHC mortgage insurance by 25 per cent**. For a typical person, this will save them \$6,100.

LPC Housing - Related Promises

Build More Homes

1. **Give cities the tools to speed up housing construction** through a Housing Accelerator Fund, which will make \$4 billion available to challenge the country's largest cities to accelerate their housing plans, creating a target of 100,000 new middle-class homes by 2024-25. Help cities enforce use it or lose it: that core urban land should be available for new housing, not held vacant by speculators.
2. **Build and repair more affordable housing** by permanently increasing funding to the National Housing Co-investment fund for a total of \$2.7 billion over 4 years, more than double its current allocation.
3. **Convert empty office space into housing** by doubling our existing commitment to \$600 million.
4. **Help generations of families live together** by introducing the **Multigenerational Home Renovation tax credit** to support families looking to add a secondary unit to their homes, to allow a family member to live with them.



LPC Housing - Related Promises

Protect [Housing] Rights

1. Introduce a Home Buyers' Bill of Rights

- Ban blind bidding;
- Establish a legal right to a home inspection;
- Ensure total price transparency on the history of recent house sale prices;
- Require real estate agents to disclose to all participants in a transaction when they are involved in both sides of a potential sale;
- Move forward with a publicly accessible beneficial ownership registry;
- Ensure banks and lenders offer mortgage deferrals for up to 6 months in the event of job loss or other major life event; and
- Require mortgage lenders to fully inform buyers of the full range of financing choices and programs available;

2. To help better protect renters, we will also **stop “renovictions”** by deterring unfair rent increases that fall outside of a normal change in rent.

3. **Crack down on speculation and house flipping** with an anti-flipping tax on residential properties, requiring properties to be held for at least 12 months.

4. **Ban new foreign ownership** of Canadian houses for the next two years to ensure Canadians have more access to purchasing homes. We will also expand the upcoming **tax on vacant housing owned by non-resident, non-Canadians to include foreign-owned vacant land within large urban areas.**

5. **Stop excessive profits in the financialization of housing** by reviewing tax treatment of large corporate owners and speculators trying to amass large portfolios of Canadian rental housing, and putting in place policies to curb excessive profits.

6. **Strengthen federal oversight of the housing market** by establishing the Canada Financial Crimes Agency to investigate and combat all forms of major financial crime, including the presence of **money laundering in the housing market.**

LPC Housing - Related Promises

Net Zero/Retrofits

- Continue to help Canadians improve the energy efficiency of their homes and reduce their energy bills, providing grants through the **Greener Homes initiative of up to \$5,000 for home retrofits** and interest-free loans of up to **\$40,000 for deep retrofits**.
- Launch a National Net-zero Emissions Building Strategy, which will chart a path to net-zero emissions from buildings by 2050 with ambitious milestones along the way.
- Accelerate the development of the national **net-zero emissions model building code for 2025 adoption**.
- Accelerate the transition from fossil fuel-based heating systems to electrification through incentives and standards, including investing \$250 million to help low-income Canadians get off home-heating oil.
- Require **EnerGuide labeling of homes** at the time of sale.
- Create a **Low-Carbon Building Materials Innovation Hub** to work directly with entrepreneurs, municipalities, provinces and territories, and Indigenous governments to ensure Canadian innovations are best positioned to succeed.
- Enhance investments in the **Forest Industry Transformation program**, working with partners to create jobs in the forest-based economy and bring forward new innovations in sustainable, low-carbon building materials.
- Launch a **community-led net-zero homes initiative** that supports projects that pursue multiple concurrent retrofits in a community or neighbourhood, to reduce overall costs. This initiative will be modeled on the Dutch “Energiesprong” program.

LPC Housing - Related Promises

Labour Issues/Immigration

- **Boost the participation of diverse Canadians in the skilled trades.**
- Build on the Economic Mobility Pathways Pilot and work with employers and communities across Canada to **welcome 2,000 skilled refugees to fill labour shortages** in in-demand sectors such as health care.
- Establish a Trusted Employer system to streamline application process for Canadian companies hiring temporary foreign workers to fill labour shortages that cannot be filled by Canadian workers.
- Grow and improve the Global Talent Stream program by simplifying permit renewals, upholding the 2-week processing time, and establishing an employer hotline, to allow Canadian companies to attract and hire highly skilled workers.
- Introduce a new **Labour Mobility Tax Credit to allow workers in the building and construction trades** to deduct up to \$4,000 in eligible travel and temporary relocation expenses giving them a tax credit of up to \$600 a year.
- Make it easier for **women and vulnerable groups** to access training by requiring businesses supported through the **Sectoral Workforce Solutions Program** to include wrap-around supports. This could include transportation to and from the training program, computers, food, referral to counselling, housing, and legal support, support in finding child care, and mentoring or coaching.

Extra Slides on all LPC Housing-Related Promises

Apprenticeships/Training

- **Double the Union Training and Innovation program** to \$50 million a year to support **more apprenticeship** training opportunities and additional partnerships in the Red Seal trades across Canada, and target more participation from women, Indigenous people, newcomers, persons with disabilities, and Black and racialized Canadians.
- Move forward on our plan to establish a new **Apprenticeship Service** which will connect 55,000 first-year apprentices in Red Seal trades with opportunities at small and medium-sized employers. **\$5,000 per apprentice; \$10,000 per apprentice for under-represented groups**

Advancing Housing Policy in a Minority Government

- Liberals will need support from other parties
- However, likely no confidence vote in the immediate future (e.g. Speech from the Throne, Budget 2022)
- Strong alignment between parties on key issues:
 - Housing affordability in general
 - Need for more market-rate supply
 - Need for support for first-time buyers (e.g. FTHBI and 30-year ams)
 - Residential construction as key part of economy/recovery
 - Need to advance on climate change – energy retrofit programming

Continued CHBA Advocacy

CHBA will continue to work positively and productively with all parties to advance our industry's goals

- Correspondence with government and opposition members responsible for housing
- Monitor key housing themes as an indication of government's immediate priorities
- Responding to Throne Speech
- Establish introductions to new ministers/new staff relevant to housing files
- Engage per mandate letters
- Day on the Hill
- Parliamentary committee appearances
- etc.

Questions?



Want to keep up with all the info on CHBA's advocacy actions, plus the latest goings on in the housing industry across Canada?

Sign up for CHBA's daily Industry Highlights – just e-mail communications@chba.ca