

For immediate release

No major changes for market housing and new retrofit incentives in B.C. Budget 2019

19 February 2019. Victoria, B.C. - The Canadian Home Builders' Association of BC (CHBA BC) is relieved to see no new demand-side measures in B.C. Budget 2019, announced today in the B.C. Legislature. For renovators, the Budget included funding details for the CleanBC plan and expanded retrofit incentives for homes and buildings.

"Demand-side policies from all levels of government have created an uncertain environment for home builders and home buyers. The focus for 2019 should be on evaluating the effectiveness of policies that are already in place and making necessary adjustments to ensure the needed housing supply will be built in B.C.," says CHBA BC CEO Neil Moody. "We must also ensure market housing ownership is prominent in the larger plan as it is a key element of the housing continuum that can't be overlooked."

Demand-side policies have been introduced by all levels of government since 2016. At the provincial level, these include the foreign buyers' tax, the speculation and vacancy tax, the increased school tax on properties over \$3 million, and increased property transfer tax on properties over \$3 million. The federal mortgage rules and rising interest rates have impacted home buyers' purchasing power and affordability.

CHBA BC will continue to monitor the impacts of existing demand-side measures in 2019, including changes to new housing supply and the industry at-large. Any existing demand measures must be adjusted as needed or removed before any additional policies are considered.

The second aspect of the B.C. Budget for the residential construction industry includes the financial details for CleanBC - the provincial clean energy plan. Approximately \$902 million over three years is allocated to all aspects of CleanBC, with approximately \$41 million in new funding for retrofits. This is in addition to \$24 million previously committed to retrofit incentives in order to reach more homes and businesses. Homeowners will be able to access up to \$14,000 for high-efficiency equipment and building envelope improvements. CHBA BC has requested these types of retrofit incentives for many years because it has a direct impact on provincial climate change goals and the underground economy.

"Upgrading our existing housing stock is a key area of opportunity for the province. Existing homes use significantly more energy than new homes built today. We're pleased to see this is allocated through an incentive-based program, so homeowners can evaluate what changes are right for their families. In addition, this program requires that homeowners will work with businesses that provide a GST number and statements of the work performed in order to access the funding. This is important to ensure the associated increase in renovation work goes to professional renovators and contractors, and not the underground economy," says Moody.

CHBA BC will continue to stay active in other CleanBC discussions with a focus on housing affordability, including the provincial commitment to build to a net-zero energy ready standard by 2032 and a retrofit code for existing buildings by 2024.



Leading Advocate of the Residential Construction Industry in BC

Housing is a key priority for the provincial government as indicated in B.C. Budget 2019. CHBA BC will share these concerns and opportunities on behalf of the residential construction industry directly to the Ministers of Finance, Municipal Affairs and Housing, and Environment as these initiatives are rolled out.

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About the Canadian Home Builders' Association of BC

The Canadian Home Builders' Association of BC is the leading advocate of the residential construction industry in British Columbia representing more than 2,100 members through an affiliated network of nine local home building associations located throughout the province. The industry contributes over \$25 billion in investment value to British Columbia's economy creating 200,000 jobs in new home construction, renovation, and repair - one of the largest employers in British Columbia