

CANADIAN
HOME BUILDERS' ASSOCIATION
BRITISH COLUMBIA

Leading Advocate of the Residential Construction Industry in BC

RESIDENTIAL CONSTRUCTION IS ONE OF BC'S LARGEST EMPLOYERS

200,000 JOBS

\$11.9 BILLION IN WAGES

\$25 BILLION IN INVESTMENT VALUE

When a new home is built, it creates additional jobs in other industries.

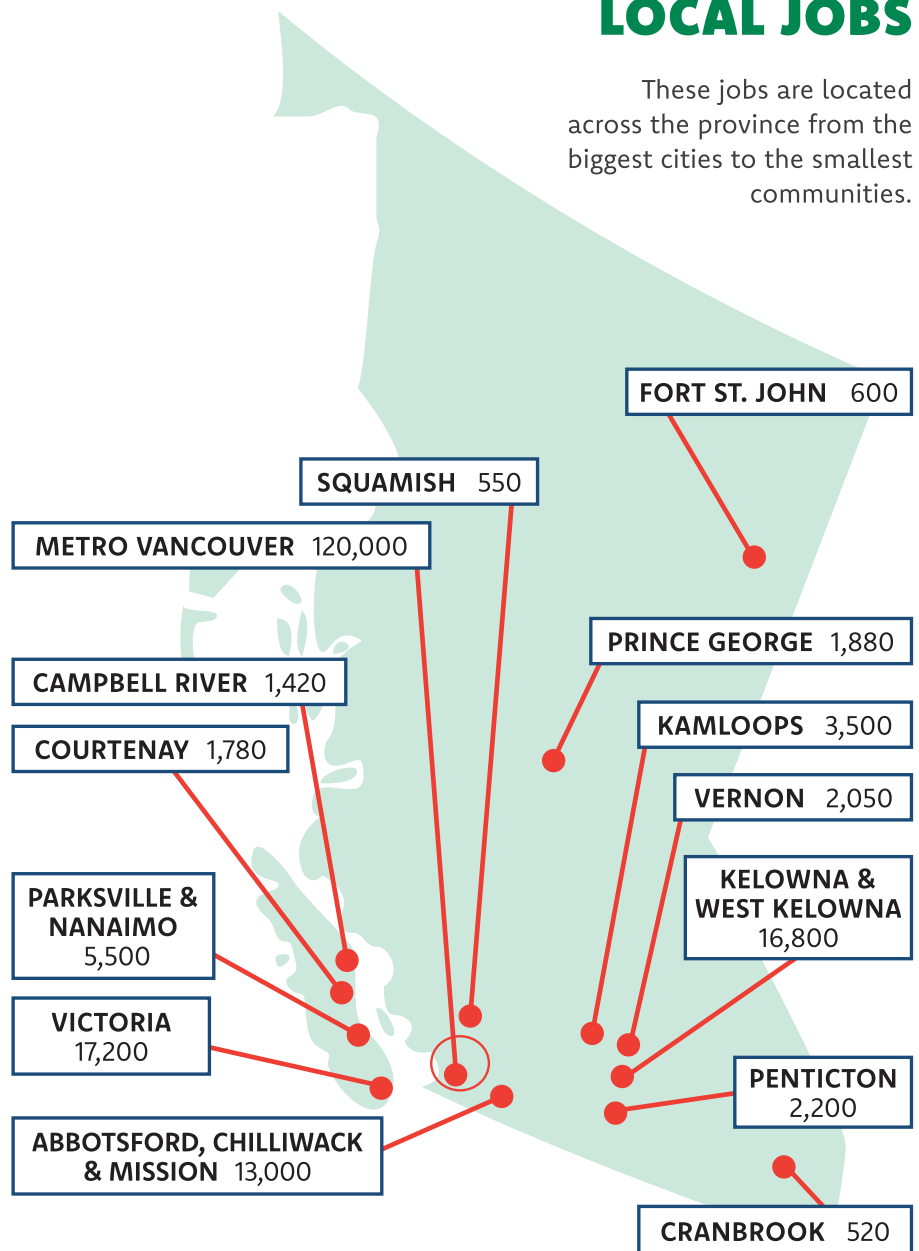
63 DIFFERENT TRADES
WORK ON NEW HOMES



ENGINEERS FINANCIAL INSTITUTIONS
REAL ESTATE
ARCHITECTS **DESIGNERS** PRODUCT
APPRENTICES **INSURANCE BROKERS** SUPPLIERS
GOVERNMENT **MORTGAGE** PROFESSIONALS

LOCAL JOBS

These jobs are located across the province from the biggest cities to the smallest communities.



Estimates based on 2017 data from Canada Mortgage and Housing Corporation and Statistics Canada.

POLICY IMPACTS AFFORDABILITY

WHAT ADDS TO THE COST OF NEW HOMES IN BC?

Demand is increasing with a growing population. However, construction costs are also increasing. Regulatory and building costs can stop projects from proceeding, which happens more frequently than you may think. We need more housing supply to meet the demand, not less.

Building Code Changes



Local Government Fees



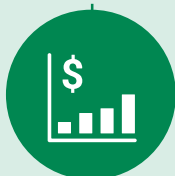
Trades Shortages



Land Prices



Energy-Efficiency Requirements



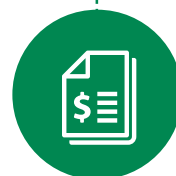
Product Costs and Availability
(i.e. Trade disputes)



Bylaw and Zoning Changes



Lengthy Processes and Timelines



Reports and Reviews

Residential construction is one of the most regulated sectors of the economy. While each approval or change may seem like a small impact, together they can quickly impact housing affordability calculations. These changes are not limited to just market housing, and can impact projected targets and budgets for government housing initiatives.

THE HOUSING CONTINUUM

Addressing the entire housing continuum is essential to any successful housing strategy. Significant investments from all levels of government have focused on the first four stages. The next step is to focus on affordability in market housing.



MARKET HOUSING MATTERS

If entry-level housing is inaccessible to first-time buyers, the system breaks down and the number needing assistance grows. Homeownership also takes pressure off rental stock; CHBA research indicates that some 80% of rental units that come available each year in Canada are from people vacating to become homeowners.

DIVERSE HOUSING SUPPLY

A successful housing continuum includes the ability to access appropriate housing options for different life stages.



Limited choice of housing supply in communities further exacerbates the issue. We see this today with many that are overhoused and many underhoused. This doesn't necessarily mean towers as a solution. Buyers overwhelmingly prefer low-rise, ground-oriented housing, which can include townhomes, row houses, and duplexes.

HOUSING AFFORDABILITY AND AFFORDABLE HOUSING

AFFORDABLE HOUSING

(or referred to as social housing) is and should be built for those in housing need, most often due to lack of income or special circumstances. Smart investments in affordable housing is required and encouraged.

HOUSING AFFORDABILITY

ensures homes are within financial reach of British Columbians. Addressing this will reduce the ongoing pressures on affordable housing, so any new and available government housing units can go to those in most urgent need. Otherwise, no amount of investment will be able to keep up with the need.

The short answer?

Building more affordable housing alone won't solve housing affordability.

We need both.

INDUSTRY EXPERTISE

CHBA BC members bring an important perspective to policy discussions: they build homes every day.

2,000 MEMBERS

- ★ Licensed Home Builders
- ★ Renovators
- ★ Suppliers
- ★ Tradespeople
- ★ Industry Professionals

SMALL BUSINESSES

The average home builder in B.C. builds between 4-5 homes per year. Each contract and project makes a difference to these employers and their staff.

PROFESSIONALS

Members must sign and adhere to a code of ethics to maintain their CHBA membership. CHBA also has active committees for technical research and innovation.

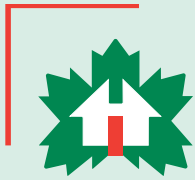
COMMUNITY BUILDERS

Members build all types of homes, including ownership and rental. This also includes "missing middle" options like townhomes, rowhomes, duplexes, and laneway housing.

9 LOCAL ASSOCIATIONS

- ✓ Greater Vancouver
- ✓ Vancouver Island
- ✓ Central Okanagan
- ✓ Central Interior
- ✓ South Okanagan
- ✓ Rocky Mountain
- ✓ Northern BC
- ✓ Sea to Sky
- ✓ Fraser Valley





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WORKING TOGETHER TO DELIVER HOUSING AFFORDABILITY

A track record of co-operation

Over the summer CHBA BC worked with the provincial government to set out important speculation tax exemptions that will make construction of homes on land held for development much more affordable. Now we're helping speed up construction of needed housing by providing recommendations to the upcoming review of development approvals.

CHBA BC also contributes to other industry discussions. For example, we helped to develop recommendations for residential builder licensing to increase industry professionalism, which was implemented in 2016.

Shift focus from demand to supply

We can't fix the housing crisis in BC by focusing on demand alone. In the past three years, demand measures have been introduced by all levels of government. The true impact of all taxes and measures has to be evaluated before any more demand changes are necessary. It is time to focus on other policy options.

We support the government's plan to tackle the supply shortage with 114,000 new units of housing in the next ten years. CHBA BC members will also play a big role in delivering the needed additional market housing on top of this figure. There are significant challenges that impact both of these goals. Here's what we recommend.

Let good planning lead

- Support and fund innovation at the municipal level to decrease permit times and costs. This includes a review of public input processes to ensure projects that meet community plans and requirements can move forward.
- CHBA BC also wants to ensure the coming review of development permitting includes examining provincially-required permits and approvals.

Build homes for less, not more

- Review new building code changes or requirements with a cost-benefit analysis.
- Provide an exemption to annual provincial taxes for new housing projects waiting for approval.
- Modernize the Property Transfer Tax paid by buyers to reflect the significant increase in average home prices.
- Work together to seek federal relief from GST on purpose-built rental housing.
- Continue to invest 40% or higher for the provincial share of infrastructure costs to decrease municipal share. Everyone in the community should contribute to these investments, and not just new home buyers through development fees.