RESIDENTIAL BUILDER

A PUBLICATION OF THE RESIDENTIAL CONSTRUCTION COUNCIL OF ONTARIO

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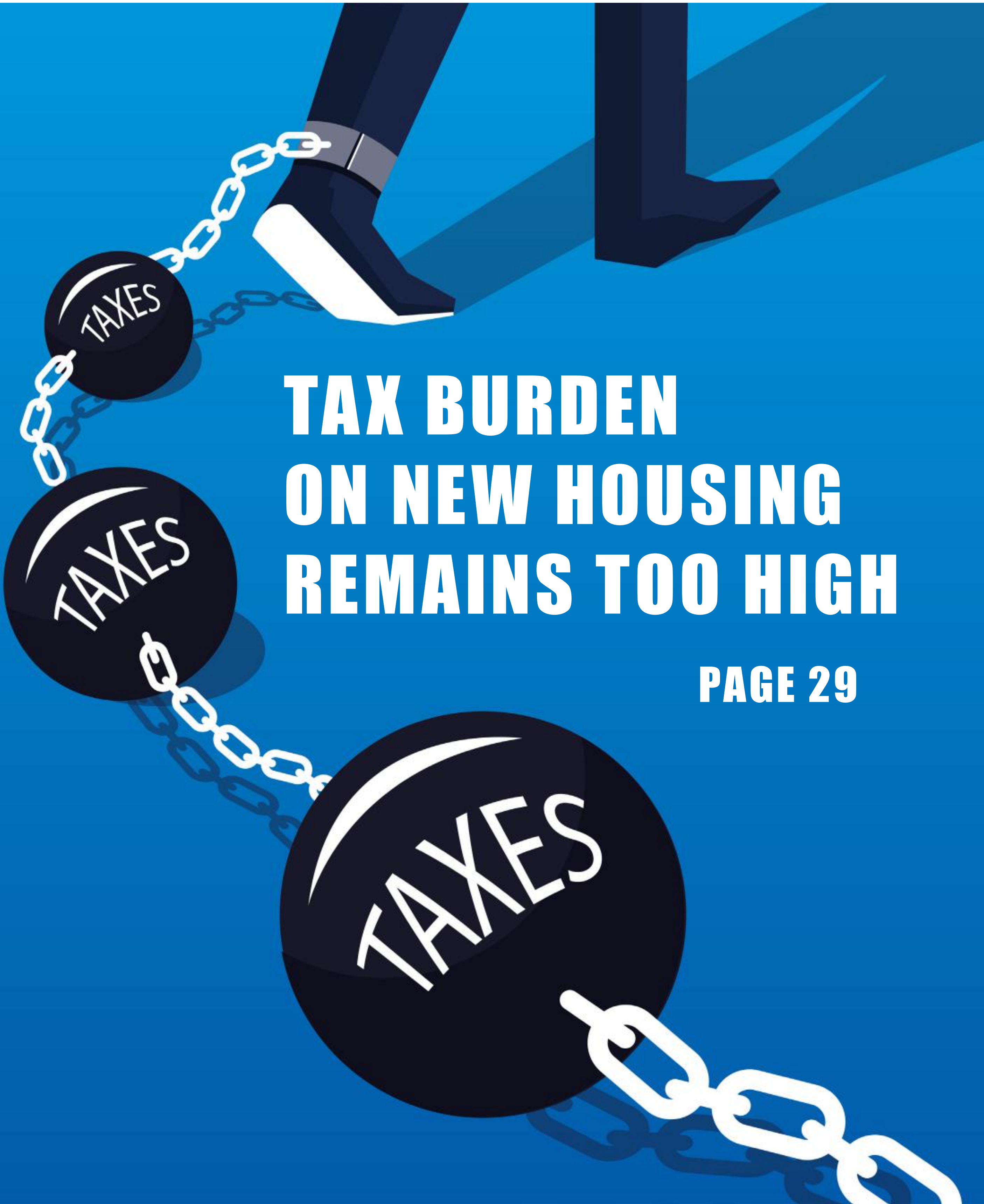

TAX BURDEN ON NEW HOUSING REMAINS TOO HIGH

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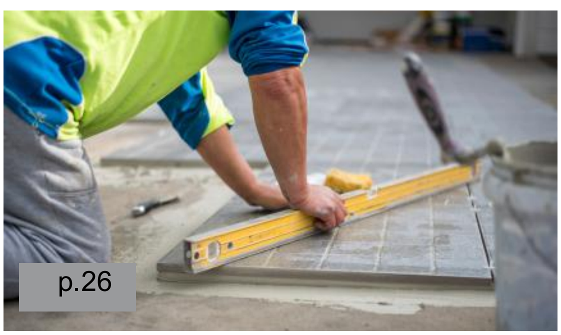
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News

Builder Briefs

DC reduction

The City of Vaughan is rolling back its component of development charge (DC) rates to the 2018 level.

The city's development charges have been among the highest in the Greater Toronto Area.

This action is the result of a motion put forward by Vaughan Mayor Steven Del Duca.

From 2009 to 2021, the city's DC rates increased by 229 per cent and, since 2018, rates have increased another 66 per cent.

Prior to the change, the city's published development charge rate for low-rise residential was $94,466.

The new city development charge rate applicable to low-rise residential will now be $50,193.

Click here to learn more.

Symposium held

RESCON recently hosted a residential bargaining symposium to bring together the major stakeholders responsible for renewing residential and related construction sector collective agreements.

The symposium featured an economic update from Will Dunning, a presentation from the MLITSD, a roundtable discussion with RESCON president Richard Lyall, Patrick McManus (GTSWCA) and Wayne Peterson (CECCO), and focused on all issues related to the 2025-2028 round of collective bargaining.

Meeting with the mayor

(L to R) RESCON president Richard Lyall met with Vaughan Mayor Steven Del Duca on Nov. 5 and discussed the housing situation. RESCON director of government relations Michael Giles also attended the meeting.

RESCON VP participates on panel

The RESCON team was pleased to attend the recent Vaughan Chamber of Commerce Economic Summit.

The summit brought together business leaders from across the region. Finance Minister Peter Bethlenfalvy and Transportation Minister Prabmeet Sarkaria were among the speakers.

RESCON vice president Andrew Pariser participated in a skills and infrastructure panel with Ian Howcroft, CEO of Skills Ontario, Patrick McManus, executive director of the GTSWCA, and Nadia Todorova, executive director of the RCCAO.

Builder Briefs

RESCON advocating for action

(L to R) RESCON president Richard Lyall met recently with Guelph Mayor Cam Guthrie to continue advocacy and engagement efforts. RESCON director of government relations Michael Giles also attended the meeting. Mayor Guthrie is working to advance measures to support homebuilding in Guelph and Lyall said he welcomed the opportunity to advocate for RESCON member priorities.

RESCON meets with PA Patrice Barnes

RESCON staff met recently with the Parliamentary Assistant to the Minister of Labour, Immigration, Training and Skills Development, MPP Patrice Barnes. The discussion included topics such as the challenges facing the skilled trades, how to improve current provincial programs including OYAP and how to better recruit and retain students for the skilled trades.

Fee reductions for employers

Employers will have lower WSIB premium rates starting in 2025, the provincial government recently announced.

The average premium rate across all sectors in Ontario will fall from $1.30 to $1.25 per $100 of insurable payroll.

The province is also returning $2 billion in surplus funds to Ontario businesses through the WSIB. Eligible employers will receive their one-time rebate starting in February 2025 if they are deemed a safe employer.

For a small construction business with 50 employees, this could mean receiving $46,000.

Click here to learn more.

Pathways to the trades for vets

Ontario is making it easier for Canadian Armed Forces (CAF) members, their spouses and veterans to start careers in the skilled trades.

The government has introduced the Honouring Veterans Act to formally recognize certain military trades with their civilian trades equivalent and help them start their civilian careers in the trades.

The government is also proposing changes to formally recognize military trade credentials for their civilian trade equivalent. Under Skilled Trades Ontario's credential recognition process, individuals holding certain military trade credentials can be approved to take the certifying exam to obtain their Certificate of Qualification in a corresponding civilian trade.

Click here to learn more.

SOME POSITIVE MOVES ON THE NEW HOUSING FRONT

Richard Lyall
President

We are seeing glimmers of hope that the need – and will – to make further progress is now here.

After a year in which home sales have crashed, I am hopeful there may be some good news on the horizon.

Recently, the City of Vaughan decided to cut its development charges by almost half in an effort to boost housing supply. The province also introduced new legislation that would reduce red tape that is jamming up the development approvals and residential building process.

These are critically important steps as we are presently the jurisdiction with the highest tax rate on new homes with the worst record for red tape in the developed world.

How is that even possible with the calls for red tape reforms and tax cuts in the last few years?

Over the last year, new home sales have dwindled because the cost of building is too expensive, in large part due to exorbitant development charges.

In Toronto, for example, development charges on condos in 2023 increased 21 per cent. In Ottawa, the charges have been increased twice since adopting a new bylaw in May and another three increases are scheduled.

This week, RESCON will be releasing a new report that shows taxes, fees and levies on a new home in Ontario are now well beyond the 31-per-cent figure from 2021. It is sheer madness and completely contrary to the public's interest and the province's commitment to build 1.5 million homes.

However, there was a bright spot recently when Vaughan Mayor Steven Del Duca announced the city would be cutting its development charges by almost 50 per cent. Why? Because the present rates are excessive and, as a result, supply has stalled. It was a bold and correct move.

On the provincial front, the Ontario government also introduced the Cutting Red Tape, Building Ontario Act, 2024, which has initiatives aimed at removing barriers to building homes.

Excessive regulation, meantime, is killing the new housing market. RESCON is taking legal action against the City of Toronto over its green building measures and messianic pursuit of "net zero," which is driving new home and condo building even further out of the realm of what's possible or affordable.

Ontario is already among the top jurisdictions for green building in North America. We have an evolving Building Code which sets out green building standards. However, individual municipalities are imposing their own versions, which are questionable, unaffordable and hampering housing supply.

Unfortunately, the green standards are not the only government measure driving up costs.

The practice of talking a good game on housing supply while simultaneously introducing further unnecessary and arguably unjustified measures is, by definition, irrational.

Ontario is facing severe economic challenges in trying to attract future investment for the next generation and we need to trim the fat, cut costs and reduce the taxes on housing as it is a vital need. If food was severely taxed similar to new housing, there would be riots in the streets.

A ray of hope came recently when Opposition Leader Pierre Poilievre announced that, if elected, he would cut the sales tax on new homes sold for under $1 million. Combined with the steps taken by Vaughan, and the new legislation proposed by the province, it is a positive sign.

How is it that Tokyo, the largest city in the world with more than 37 million people, doesn't have a housing or mobility crisis and runs like a Swiss clock?

It should be the same here.

By all accounts, next year could be disastrously bleak for new housing supply. However, we are seeing glimmers of hope that the need – and will – to make further progress is now here.

It is better late than never.

> **"There was a bright spot recently when Vaughan Mayor Steven Del Duca announced the city would be cutting its development charges by almost 50 per cent. Why? Because the present rates are excessive and, as a result, supply has stalled. It was a bold and correct move.**

BARGAINING SYMPOSIUM BROUGHT STAKEHOLDERS TOGETHER

Andrew Pariser
Vice President

Parties need to make good decisions around economic data and the best forecasts available.

With construction collective agreements across all sectors expiring April 30, 2025, RESCON and the Ontario Residential Council of Construction Associations (ORCCA) hosted a bargaining symposium focused on the 2025 to 2028 round of bargaining.

The symposium was held Nov. 28 and brought together stakeholders and accredited employer bargaining agents from across the residential, sewer and watermain, roads, heavy, and ICI sectors.

The event included an economic update from Will Dunning, a presentation from MLITSD mediators, a panel of experienced practitioners, and a networking event to compare experiences.

Economic update

Will Dunning provided the economic update, which focused on the future of housing in Ontario, and walked participants through his report which was released Nov. 12, 2024.

For the press release and link to the full report click here.

Key findings include that housing starts over the next few years will remain weak, the current housing shortage could worsen, and without government action there will be job losses in residential construction.

The main driver of higher costs has been an unstainable increase in taxes, fees and levies, including but not limited to development charges. As well documented by RESCON, development charges have soared not only over the last 20 years, but also in the last two years.

For example, the Dunning report found that the average GTA municipal development charge has increased by $42,000 to $164,920.

In addition, the cost of delays tied to approvals add anywhere from $2,672 to $5,576 per month or $43,000 to $90,000 per unit. You don't have to be an economist to understand that those costs are too high and unsustainable.

Bargaining panel

Another highlight included a panel featuring RESCON president Richard Lyall, Patrick McManus of OSWCA, and Wayne Peterson of CECCO. The discussion focused on how bargaining committees can and should prepare for bargaining, potential barriers to reaching an agreement, the dynamics during negotiations between labour and management, and how to reach and ratify a collective agreement.

Each speaker shared their personal experience, tips from the table, and shared experiences from past rounds of bargaining. All three spoke about the importance of good communication between bargaining tables and sectors, recognizing that the different sectors of construction, while distinct, have an impact on one another.

In short, bargaining is a hard process to explain and something that needs to be lived to be fully understood.

Each round of bargaining has its own ebbs and flows and parties need to make good decisions centred around economic data and the best forecasts available.

The ability to stay flexible and adaptive is always a benefit and one can never be too prepared.

Finally, it is always important to understand how bargaining evolves, and this includes the use and increased reliance on social media across bargaining units.

Networking

The event ended with a networking session where representatives from the builders, subtrades and all sectors of construction gathered together to discuss the issues of the day and enhance connections within the employer community. In many ways creating informal learning opportunities is just as important as creating formal ones. This allows for a transfer of knowledge from experienced to less experienced labour relations practitioners. It also allows fresh faces to share new and innovative ideas.

The construction industry has always been stronger united and events like this help to build and maintain the employer community.

Fortunately, or unfortunately, May 1 is only five months away and a lot of bargaining needs to be scheduled and completed between now and then.

Stay safe.

SALES TAXES ON NEW HOUSING REMAIN A FOCUS OF RESCON

Grant Cameron
Senior Director of Public Affairs

The reality of our dire situation is kicking in at both the federal and provincial levels

Housing markets do not turn around quickly. To get the ship pointed the right way will require all levels of government to be rowing in the same direction and taking bold, decisive, sometimes difficult action.

The good news is that there appears to be some light on the horizon. The reality of our dire situation is kicking in at both the federal and provincial levels as politicians have come to the realization that, in spite of efforts to date, construction has stalled and it is still too costly to build homes that people can afford.

There are those who don't get it, of course. Despite warnings from the feds, for example, the City of Ottawa took a giant step backwards as councillors voted to hike development charges by 11 per cent.

But others do get it.

Earlier this year, the City of Burlington voted to lower its per-unit development charge. And, more recently, the City of Vaughan dramatically lowered its charges to boost new home building.

The fact of the matter is that taxes, fees and levies on new homes are too high – accounting for more than a third of the cost of a new home.

Home ownership will remain out of reach for many until this is changed.

Report released

Exorbitant sales taxes and the state of the industry were the focus of a number of RESCON columns over the past month.

A report and press release distributed by RESCON noted that housing starts over the next few years will likely weaken and the already-dire supply shortage could get even worse. With a critical need for new housing, and armed with new information from the report, we called on all levels of government to take immediate action to lower taxes, fees and levies.

Articles on the report and issue ran in Canadian Mortgage Professional, Daily Commercial News, Canadian Contractor, RENX, Ontario Construction News, and REMI Network, to name a few. Columns on the issue ran in The Toronto Sun, Canadian Contractor and On-Site.

In an article in Ontario Construction News, RESCON president Richard Lyall also commented on a plan by Opposition Leader Pierre Poilievre to scrap the federal sales tax on new homes priced under $1 million, noting that the taxes ultimately fall on new home buyers.

Toronto housing plan

In a column in Canadian Real Estate Wealth, Lyall explained the details of a housing plan passed by the City of Toronto to support the construction of new rental homes, noting that it may be overly ambitious as it relies on the federal and provincial governments to kick in a total of $8.3 billion to make it work.

Offsite construction

In a column in Storeys, Lyall outlined how offsite construction has been embraced in other parts of the world and how it could help address the housing crisis, especially if taxes and bureaucracy are reduced.

Immigration

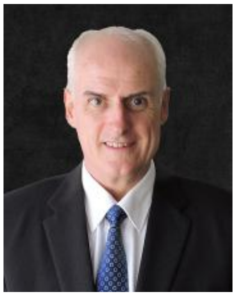
In a column in Daily Commercial News, Lyall wrote about the importance of bringing in immigrants with the skill sets to work in the residential construction industry, as BuildForce figures the industry will need to hire 100,000 new workers by 2034 in Ontario alone to keep up with demand.

Radio

RESCON's issues were featured prominently in two recent radio broadcasts.

Lyall was a guest of Todd Slater on The Simply Real Estate Show on Newstalk 1010. He talked about why the new housing market has slowed in Canada and how taxes, fees and levies have gone through the roof.

He was a guest of host Patty Handysides on The Shift on CKLW AM 800 Windsor. He said the residential construction industry saw the writing on the wall last year when sales of new housing starts started to fall.



TRAFFIC CONGESTION IN GTA NEEDS TO BE FIXED

Michael Giles
Director of Government Relations

We need to implement measures that may be tough to accept but the price of not taking action is too high.

The issue of traffic congestion in the Greater Toronto Hamilton Area (GTHA) drives conversations at municipal councils, the Legislature of Ontario, the House of Commons or by the water cooler at work or the dinner table at home. Everyone is talking about it.

Traffic congestion is at an all-time high and it's impacting virtually every aspect of life.

A recent poll conducted by Ipsos Research for the Toronto Region Board of Trade (TRBOT) noted that 86 per cent of residents in the GTHA identified congestion as a "crisis" in the region.

Try getting around the GTHA to experience how bad this situation has become. The Don Valley Parkway in Toronto is gridlocked every hour of the day or night. The Gardiner Expressway/QEW is a slow-moving parking lot. Arterial and smaller streets are almost always congested.

Actor Peter Ustinov once said, "Toronto is New York run by the Swiss." I don't know of anyone saying that now.

The 2024 Tom Tom Traffic Index has identified the most congested cities in the world. Number one is London (U.K.) followed by Dublin (Ireland). Number three is Toronto.

That's out of 387 cities.

The TRBOT estimates that congestion is costing us $11 billion annually in productivity and opportunity. An INRIX data analysis conducted for the Globe and Mail showed that in year 2023 residents of Toronto spent on average 63 hours sitting completely still in traffic.

The Globe and Mail also notes that, "Data from the city show that the volume of cars on the road has not increased significantly since before the pandemic, suggesting that road capacity rather than demand is a large part of the problem." This is of critical importance because it means the problem is with what's happening on our roads, not who's using them.

Construction is identified as a major contributor to congestion. Many people take aim at residential construction, pointing to lane occupancy issues. However, this is simply not the case. The City of Toronto's transportation division identifies construction-related impacts on congestion – 47 per cent is due to road closings (municipal work mostly) and utility repairs at 38 per cent. Residential construction projects are only accountable for five per cent of congestion-related issues associated with road incursions.

What are the solutions?

It's not the mantra of "take public transit" where advocates say, "Look at London or Paris." Toronto has 72 subway stations. London has 272 tube stations and Paris has 303 over 16 lines. For many GTHA commuters, public transit is simply not a practical option.

So, what is to be done?

The list is endless. Allow unfettered, 24/7 construction where practical. As the province (kudos) is doing, allow things like bike lanes only where they make sense. Regardless of what advocates say, ill-advised bike lanes do impact traffic congestion. Avoid road occupations for unnecessary things such as the CafeTO program in Toronto that allows restaurants to take up valuable lane space with patios.

Clear traffic accidents faster. On Nov 26 in Toronto, all collector lanes on Highway 401 were blocked for an accident investigation for hours. We need an Open Roads Policy as exists in multiple North American jurisdictions that restricts how long roads can be closed for investigations. It simply makes no sense to have literally hundreds of thousands of commuters stuck while police investigate an accident for hours on end. Prohibit road adjustments of any kind that impede traffic flows. There are many more things that can be done if the political will to do them were to exist.

We need to implement measures that may be tough to accept but the price of not taking action is too high. Congestion is not just about the frustration of getting around, it has real-world, long-term consequences for the future.

To all those in positions of authority to effect change, the simple admonition still resonates – "Do something."

"The Don Valley Parkway in Toronto is gridlocked every hour of the day or night. The Gardiner Expressway/QEW is a slow-moving parking lot.

RESCON TEAM EXPLORES INNOVATIVE CONSTRUCTION METHODS

Paul De Berardis
VP, Building Standards & Engineering

Over the last month, the RESCON team hit the road in search of innovative construction practises. Considering the current housing market conditions, amidst slumping new housing sales and persistent affordability challenges, the industry is particularly keen on exploring new ways to deliver housing in a more expeditious and/or cost-efficient manner.

However, any time housing providers are interested in piloting new manners or methods of construction, we need an equal willingness and flexibility on behalf of municipal planning and building departments to facilitate innovation, and this can sometimes be a challenge.

Our innovation quest brought us to the Town of Gananoque, Ont. It is here where the company, Horizon Legacy, is acting as designer, developer, builder and owner/operator, working to deliver a 26-unit rental townhouse project. What sets this project apart is that Horizon is piloting three-dimensional printing of exterior walls using robotic technology. Using a unique layered concrete look, the printed concrete exterior cavity walls also enable an insulating value of R-30. Horizon had to develop solutions and overcome various challenges to using a robotic system in an outdoor construction environment, while integrating this practice into other aspects of traditional design and construction. The use of robotics in this application is expected to streamline the construction process and offer a solution to certain labour challenges in the construction industry, whereby these printed concrete perimeter walls will replace a typical exterior masonry veneer and interior wood framed wall assembly. It was interesting to see these robotically constructed layered concrete walls in this townhouse project and I believe this is just the start of deploying this type of technology.

Next on our innovation mission, we visited Bonneville Homes, a family business headquartered in Beloeil, Que., on the south shore of Montreal. With a long history of factory-built modular homes, the current family generation has explored new opportunities, now manufacturing multi-family buildings. We toured one manufacturing facility where Bonneville was constructing light-frame wood volumetric building modules, featuring completed floor, wall and ceiling framing, also inclusive of windows, insulation, electrical, HVAC, plumbing and drywall. The factory-built manufacturing process we observed to construct these volumetric modules was precise, orderly and efficient, while adhering to regimented workflows.

After touring one of the Bonneville manufacturing facilities, we headed over to a nearby four-storey, multi-unit residential rental building that the company recently constructed. The attractive architectural design of the building incorporated traditional cladding materials such as brick and stone veneer (site-installed) and integrated balconies into the design, making it indistinguishable as a modular factory-built building. Even when touring a suite within the building, it did not pose any of the telltale signs that this was a modular building, as the suite was well laid out and had a large open concept floorplan. Boneville has clearly demonstrated it can deliver multi-unit housing projects that do not possess traits sometimes associated with modular construction. What I found interesting was that the suburban Montreal city where we toured this project had very permissive planning regulations which allowed four-storey, mid-rise buildings to be seamlessly integrated within a neighbourhood setting which also possessed sixplexes, townhouses, and single-family homes, all located adjacent and across the street from one another, with no ridiculous zoning restrictions or planning limitations such as angular planes and terrace step-backs (wedding cake buildings).

It is often these types of restrictive planning and urban design requirements that make mid-rise buildings unfeasible to construct in Ontario municipalities, so we definitely have something to learn from Quebec which has weathered housing affordability challenges much better than Ontario.

Closer to home, we visited Engineered Building Systems (EBS) Global, headquartered in Barrie, Ont., which specializes in advanced cold-formed steel solutions, such as prefabricated steel framing systems for the building industry. The company is growing and focussed on delivering fast and cost-effective building solutions, catering to mid-rise residential, commercial and mixed-use construction projects. Through integrated design and manufacturing processes, EBS Global offers structural steel wall studs, floor joists and roof trusses using automated roll-forming technology to provide non-combustible, lightweight, prefabricated steel framing systems for quick on-site assembly.

To showcase the company's innovative approach, EBS Global constructed a 2,000 square foot detached single-family home demonstration project in only four days, using a four-person crew to erect the steel stud wall panels, steel floor joists and unique steel roof trusses. Manufactured steel sections can offer a high strength-to-weight ratio when compared to wood, enabling architectural design flexibility. It was positive to see a different approach to a panelized building system provider, offering another option to delivering new housing projects.

PRESS RELEASE

BUILDERS CALL FOR ACTION IN LIGHT OF OUTLOOK

Nov. 12, 2024, Vaughan, Ont. – Housing starts over the next few years will likely weaken and the already-dire supply shortage could get even worse, warns a comprehensive report released by the Residential Construction Council of Ontario (RESCON), which represents new home builders.

Alarmingly, the report also indicates that employment in new residential construction has peaked and will probably fall quite a lot in the years ahead. The scenario is worrying as many people rely on the industry for employment and there could be significant economic repercussions.

The report, titled Housing Market Outlooks in Ontario, was prepared for RESCON by a Toronto-based economic research firm led by Will Dunning who has been analyzing housing markets for more than 40 years for clients in the private, public and not-for-profit sectors. It provides an overview of the housing market and develops forecasts covering 2024 to 2028 for Ontario, as well as municipalities in the Census Metropolitan Areas of Toronto, Hamilton and Oshawa.

The report provides two sets of scenarios. In both, a further weakening of employment and new housing starts continues well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028. By the end of 2028, conditions will not have fully recovered.

"The findings of this report are particularly worrisome for builders as they point to a weakening residential construction market at the very time we need to build more housing," explains RESCON president Richard Lyall. "Equally concerning, the outlook envisions a scenario whereby reduction in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

"With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering the taxes, fees and levies and reducing the red tape and bureaucracy which slows the industry and adds to the cost of housing. To spur the market, we need conditions that allow builders to build houses that people can afford. Otherwise, we may be in dire straits as new home construction stalls and unemployment in the industry rises."

The report notes that housing price increases have largely been absorbed by hikes in land values and government-imposed costs such as development charges. Due to the higher costs, the viability of building new low-rise housing, in particular, does not make financial sense.

Removing government-imposed costs from the prices of new homes would impact prices. In the GTA, the average municipal charge for new homes is $164,920 – about $42,000 higher than in 2022. For apartments, the current figure is $122,387 – about $32,000 higher than in 2022. The costs of delays in approvals varies by municipality within the GTA from $2,672 to $5,576 per month. When applied to the typical delay period, it can add $43,000 to $90,000 per unit.

For new home sales to recover, the report notes that affordability needs to be returned to prior levels via a combination of interest rate decreases and reduction in government-imposed costs and land prices, although both scenarios seem unlikely to happen. The report cites other factors that need to be addressed, such as delays in land use approvals and infrastructure, the amount of developable land available for purchase by builders, and escalation of mortgage regulations which have reduced mortgage amounts that can be obtained by buyers.

"The bottom line is that all governments need to get their act together and work in unison to tackle the problems that are affecting construction of new homes," adds Lyall.

"Governments have made some inroads and the recent plan floated by the federal Conservatives to remove the sales taxes on new housing sold for under $1 million is a good start. We hope the province follows suit, and we need to reduce the bureaucracy associated with getting new homes built. If we don't take these steps the consequences could be catastrophic for our industry and the economy."

Click here for a copy of the report.

"The bottom line is that all governments need to get their act together and work in unison to tackle the problems that are affecting construction of new homes.

HOUSING CONSTRUCTION ABOUT TO TAKE A BIG HIT

By Neil Sharma
for RENX
Nov. 18, 2024

High housing costs across Ontario are stunting new construction and could lead to layoffs in trades already struggling to recruit new workers to accommodate a wave of coming retirements and an expected increase in demand, according to a new housing industry report.

The report, Housing Market Outlooks in Ontario, was commissioned by the Residential Construction Council of Ontario (RESCON) and authored by Will Dunning Inc. It attributes inert market activity to excessive tax regimes and fees which have risen to wipe out any gains made in affordability from interest rates and economic uncertainty.

This is already impacting construction and employment in the sector. Although demand for housing is expected to continue to rise, the report notes "employment in new residential construction is currently at a peak level, and is very likely to fall (quite a lot) during the coming years."

“We’re not building the housing that needs to be built, which we can’t do principally because of the cost, and that’s why we’re worried we’re going to lose our crews,” Richard Lyall, RESCON’s president, told RENX Homes.

Lyall said the first step toward rectifying the double-pronged problem of chronic housing undersupply and trades shortages is a familiar refrain; cut red tape at the municipal level and expedite project approvals.

“Cut development charges — DCs are subject to sales taxes, so you’ve got taxes on taxes — and then cut the land transfer taxes and sales taxes. Municipalities in Ontario this year have continued to increase development charges when developers can’t afford to produce.”

The report, which notes housing starts have declined across Ontario due to higher interest rates and home prices, examined two scenarios:

- the first in which prices significantly decrease and affordability improves substantially; and
- the second wherein prices are somewhat lower and affordability slightly better.

In the first scenario, housing starts would continue dropping in 2025 to 50,238, then rebound slightly in 2026 to 53,533. In 2027 and 2028, starts would accelerate to 56,658 and 71,777, respectively. The “person years of construction employment” during the period would increase from 58,068 in 2025 to 71,531 in 2028.

But in the second scenario, housing starts would only increase from 49,694 in 2025 to 62,912 in 2028, when person-years-of-construction-employment would peak at 63,189.

However, there have been 73,950 housing starts in 2024, according to the report — higher than even the 2028 projection in the first scenario. Years of construction employment have dropped to 66,611 this year from 79,256 in 2023.

Housing starts peaked at just under 100,000 in 2021, and were above 96,000 in 2022.

The report noted the employment-to-population ratio (the number of adults who have jobs) peaked at 61.8 per cent in 2022 and 2023, and has fallen to 60.6 per cent this year. While the report projects only a nominal improvement in 2025, it is forecast to continue rising slightly between 2026 and 2028.

Out of nearly 40,000 housing starts in the GTA this year, more than 31,000 have been in the high-rise sector, where most new residential construction in the region occurs.

But by 2025, the consequences of elevated interest rates and languid pre-construction sales would be reflected in apartment starts declining to 18,048. Moreover, the report anticipates they will only recover to 23,915 by 2028 when economic conditions will have improved — although that can be explained by the lag between sales and actual construction, the report added.

The report also said total housing starts in the GTA between 2025 and 2028 will have a job impact that’s 33 per cent below where it was in the 2010s, and 31 per cent below the 2020-2024 period. Job deceleration for construction workers will last until late 2027.

Although the Bank of Canada is aggressively cutting its policy rate, which lowers mortgage rates, inflation remains a problem for many consumers. Equifax reported that, consequently, consumer debt is up $2.5 trillion because Canadians are struggling to service non-discretionary expenses.

Moreover, while the larger issue is housing affordability, governments continue proving an outsized hurdle.

The average cost of government taxes and fees on a new home in the GTA is $164,920, roughly $42,000 more than in 2022. In the apartment sector, government-imposed costs total $122,387, up about $32,000 since 2022.

The report also revealed that, per unit, the cost of delays in approval times ranges from $2,672 to $5,576 a month in the GTA and can add $43,000 to $90,000 to the final sticker price.

Paul Smetanin, president of the Canadian Centre for Economic Analysis, said taxes comprise more than a third of a new home’s price.

“Government taxes, charges and fees now make up 36 per cent of a new home’s average purchase price in Ontario, up from 31 per cent in 2021,” he said. “This significant increase, driven by rising development charges, is putting additional strain on housing affordability and is expected to have dire unintended consequences for the future ability of residential developers to build.”

Lyall agrees, adding that rampant housing affordability woes will indeed have ramifications for Ontario in particular. He said the high cost of housing is likely to repel the province’s best and brightest young minds, who won’t think twice about leaving.

“If our STEM stars are graduating from university and getting offered jobs at $110,000 to $220,000 a year, of the ones who don’t have parental support — which is 70 per cent of them — a lot are leaving,” Lyall said. “They’re leaving because ‘I can’t afford to live here. I can’t save anything.’

“Forget about starting a business or saving up for anything. You can go to Texas, pay half the income tax, get paid in U.S. dollars at the same amount and get three times the house for the money.”

OUTLOOK

ONTARIO HOMEBUILDERS CALL FOR ACTION

Report indicates employment in new residential construction has peaked and will probably fall quite a lot in the years ahead.

By Canadian Contractor
Nov. 15, 2024

Housing starts over the next few years will likely weaken and the already-dire supply shortage could get even worse, warns a comprehensive report released by the Residential Construction Council of Ontario (RESCON), which represents new home builders.

Alarmingly, the report also indicates that employment in new residential construction has peaked and will probably fall quite a lot in the years ahead.

The scenario is worrying as many people rely on the industry for employment and there could be significant economic repercussions.

The report, titled Housing Market Outlooks in Ontario, was prepared for RESCON by a Toronto-based economic research firm led by Will Dunning who has been analyzing housing markets for more than 40 years for clients in the private, public and not-for-profit sectors. It provides an overview of the housing market and develops forecasts covering 2024 to 2028 for Ontario, as well as municipalities in the Census Metropolitan Areas of Toronto, Hamilton and Oshawa.

The report provides two sets of scenarios. In both, a further weakening of employment and new housing starts continues well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028. By the end of 2028, conditions will not have fully recovered.

“The findings of this report are particularly worrisome for builders as they point to a weakening residential construction market at the very time we need to build more housing,” explains RESCON president Richard Lyall.

“Equally concerning, the outlook envisions a scenario whereby reduction in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

“With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering the taxes, fees and levies and reducing the red tape and bureaucracy which slows the industry and adds to the cost of housing.

"To spur the market, we need conditions that allow builders to build houses that people can afford. Otherwise, we may be in dire straits as new home construction stalls and unemployment in the industry rises.”

The report notes that housing

All governments need to get their act together and work in unison to tackle the problems that are affecting construction of new homes.

price increases have largely been absorbed by hikes in land values and government-imposed costs such as development charges. Due to the higher costs, the viability of building new low-rise housing, in particular, does not make financial sense.

Removing government-imposed costs from the prices of new homes would impact prices. In the GTA, the average municipal charge for new homes is $164,920 – about $42,000 higher than in 2022. For apartments, the current figure is $122,387 – about $32,000 higher than in 2022. The costs of delays in approvals varies by municipality within the GTA from $2,672 to $5,576 per month. When applied to the typical delay period, it can add $43,000 to $90,000 per unit.

For new home sales to recover, the report notes that affordability needs to be returned to prior levels via a combination of interest rate decreases and reduction in government-imposed costs and land prices, although both scenarios seem unlikely to happen.

The report cites other factors that need to be addressed, such as delays in land use approvals and infrastructure, the amount of developable land available for purchase by builders, and escalation of mortgage regulations which have reduced mortgage amounts that can be obtained by buyers.

“The bottom line is that all governments need to get their act together and work in unison to tackle the problems that are affecting construction of new homes,” adds Lyall.

“Governments have made some inroads and the recent plan floated by the federal Conservatives to remove the sales taxes on new housing sold for under $1 million is a good start. We hope the province follows suit, and we need to reduce the bureaucracy associated with getting new homes built.

"If we don’t take these steps the consequences could be catastrophic for our industry and the economy.”

Click here for a copy of the report.

OUTLOOK

HOUSING SUPPLY TO WEAKEN

By Ontario Construction News
Nov. 18, 2024

Housing starts over the next few years will likely weaken and the already-dire supply shortage could get even worse, the Residential Construction Council of Ontario (RESCON) is warning.

A new report released last week shows employment in new residential construction sector “will probably fall quite a lot” in the years ahead.

The report, titled Housing Market Outlooks in Ontario, was prepared for RESCON by a Toronto-based economic research firm led by Will Dunning who has been analyzing housing markets for more than 40 years for clients in the private, public and not-for-profit sectors. It provides an overview of the housing market and develops forecasts covering 2024 to 2028 for Ontario, as well as municipalities in the Census Metropolitan Areas of Toronto, Hamilton and Oshawa.

For new home sales to recover, affordability needs to be returned to prior levels via a combination of interest rate decreases and reduction in government-imposed costs and land prices, although both scenarios seem unlikely to happen. The report cites other factors that need to be addressed, such as delays in land use approvals and infrastructure, the amount of developable land available for purchase by builders, and escalation of mortgage regulations which have reduced mortgage amounts that can be obtained by buyers.

“The findings of this report are particularly worrisome for builders as they point to a weakening residential construction market at the very time we need to build more housing,” said RESCON president Richard Lyall. “Equally concerning, the outlook envisions a scenario whereby reduction in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

The report paints two scenarios. In both, a further weakening of employment and new housing starts continues well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028. By the end of 2028, conditions will not have fully recovered.

“With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering the taxes, fees and levies and reducing the red tape and bureaucracy which slows the industry and adds to the cost of housing. To spur the market, we need conditions that allow builders to build houses that people can afford. Otherwise, we may be in dire straits as new home construction stalls and unemployment in the industry rises.”

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“The bottom line is that all governments need to get their act together and work in unison to tackle the problems that are affecting construction of new homes,” Lyall said. “Governments have made some inroads and the recent plan floated by the federal Conservatives to remove the sales taxes on new housing sold for under $1 million is a good start.

“We hope the province follows suit, and we need to reduce the bureaucracy associated with getting new homes built. If we don’t take these steps the consequences could be catastrophic for our industry and the economy.”

Click here for a copy of the report.

OUTLOOK

BUILDING INDUSTRY IN RISKY STATE

By REMI Network
Nov 20, 2024

Ontario homebuilders are calling for action as housing starts are expected to wane over the next few years. A new comprehensive report by the Residential Construction Council of Ontario (RESCON) warns this will make the supply shortage even worse.

The Housing Market Outlooks in Ontario report, prepared by a Toronto-based economic research firm led by veteran analyst Will Dunning, also indicates that employment in new residential construction has peaked and will likely decline a lot in the years ahead, causing "significant economic repercussions."

It provides an overview of the housing market and develops forecasts covering 2024 to 2028 for Ontario, as well as municipalities in the Census Metropolitan Areas of Toronto, Hamilton and Oshawa.

With forecasts covering 2024 to 2028, including municipalities in Toronto, Hamilton and Oshawa, the report offers two sets of scenarios. "In both, a further weakening of employment and new housing starts continues well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028. By the end of 2028, conditions will not have fully recovered."

"The findings of this report are particularly worrisome for builders as they point to a weakening residential construction market at the very time we need to build more housing," explains RESCON president Richard Lyall. "Equally concerning, the outlook envisions a scenario whereby reduction in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

"With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering the taxes, fees and levies and reducing the red tape and bureaucracy which slows the industry and adds to the cost of housing. To spur the market, we need conditions that allow builders to build houses that people can afford. Otherwise, we may be in dire straits as new home construction stalls and unemployment in the industry rises."

Housing price increases have largely been absorbed by hikes in land values and government-imposed costs such as development charges. Due to the higher costs, the viability of building new low-rise housing, in particular, does not make financial sense.

RESCON suggests that removing government-imposed costs from the prices of new homes would impact prices. In the GTA, the average municipal charge for new homes is $164,920, about $42,000 higher than in 2022. For apartments, the current figure is $122,387, about $32,000 higher than in 2022. The costs of delays in approvals varies by municipality within the GTA from $2,672 to $5,576 per month. When applied to the typical delay period, it can add $43,000 to $90,000 per unit.

For new home sales to recover, the report notes that affordability needs to be returned to prior levels via a combination of interest rate decreases and reduction in government-imposed costs and land prices, although both scenarios seem unlikely to happen. The report cites other factors that need to be addressed, such as delays in land use approvals and infrastructure, the amount of developable land available for purchase by builders, and escalation of mortgage regulations which have reduced mortgage amounts that can be obtained by buyers.

"The bottom line is that all governments need to get their act together and work in unison to tackle the problems that are affecting construction of new homes," adds Lyall. "Governments have made some inroads and the recent plan floated by the federal Conservatives to remove the sales taxes on new housing sold for under $1 million is a good start. We hope the province follows suit, and we need to reduce the bureaucracy associated with getting new homes built. If we don't take these steps the consequences could be catastrophic for our industry and the economy."

TORONTO HOUSING

DEVIL IS IN THE DETAILS

On the surface, an ambitious plan passed by the City of Toronto council to support the construction of 20,000 new rental homes seems reasonable, but a deeper dive shows it is an overly ambitious undertaking.

By Richard Lyall
for Canadian Real Estate Wealth
Nov. 14, 2024

On the surface, an ambitious plan passed by City of Toronto council to support the construction of 20,000 new rental homes, consisting of 16,000 new purpose-built rental and 4,000 affordable rental units, seems like a good idea.

However, the devil is always in the details.

The program, if successful, would help the city reach its own target of building 41,000 affordable rental homes, meet goals under the federal Housing Accelerator Fund and the provincial Building Faster Fund, and achieve the city's pledge of 285,000 housing starts by 2031.

It all sounds very significant – to a point, that is.

The initial cost to the city would be $325 million for 5,600 of the purpose-built rental units. It would be paid for via a 15-per-cent property tax reduction over a period of 35 years and a deferral of development charges for as long as the proposed development "maintains a rental tenure."

However, to qualify for the incentives, projects will need to include at least 20 per cent of the 20,000 units, or 4,000, as affordable rental homes which meet the city's new income-based definition of affordable housing, for a period of up to 99 years and for at least 40 years.

Finally, projects would also have to start construction by the end of 2026.

Plan is overly ambitious

But here's the rub.

The 20-per-cent affordable component will probably negate any reasonable prospect of a development being financially feasible under this program.

Other conditions to ensure construction of the rest of the units are also elusive at best and will likely impact the success of the initiative.

To build the full 20,000 units, Toronto requires that the province come to the table with $1 billion in funding via a Build More Homes rebate and the federal government kick in $7.3-billion. It is highly unlikely that the province and feds will cough up $8.3 billion in funding for the project.

The proposal, called The Build More Homes: Expanding Incentives for Purpose Built Rental Housing initiative, is therefore an overly ambitious undertaking.

Last time I checked, there are considerable financial requests already on the table to the senior levels of government.

It would be a stretch, to say the least, for the funding to ever come about.

Taxes must be cut

To stimulate housing construction, the City of Toronto would be better off curbing the exorbitant fees and levies imposed on new housing.

Residential construction is suffering and housing starts have been put on hold in large part because of the government-imposed charges.

> To build the full 20,000 units, Toronto requires that the province come to the table with $1 billion in funding via a Build More Homes rebate and the federal government kick in $7.3 billion.

A main reason the developments are stalled is the city's policies. They're creating situations where construction is just not economically feasible.

For example, development charges have increased 24 per cent this year. With such hikes, it is not viable for developers and builders to put shovels in the ground.

Presently, municipalities in Ontario are already sitting on billions in unspent development charges while the housing crisis continues to escalate.

In 2022, they held more than $10 billion in unspent development charge funds, despite collecting $4 billion that year and spending less than $3 billion, according to housing expert Mike Moffatt of the Smart Prosperity Institute.

There are, of course, other issues stymieing construction of new housing, namely land transfer taxes, exceedingly slow and cumbersome development approval processes, unreasonable and outdated zoning regulations, impractical urban design guidelines and ill-advised policies with respect to municipal green development standards that are adding significant costs.

On one hand, it is admirable that the braintrust and politicians at the City of Toronto realize there is a problem and are thinking about solutions.

Unfortunately, this is not the one to bank on.

The initiative will not move the dial substantially and encourage purpose-built rental project starts. Some builders have already indicated this publicly.

As builders, we are supportive of initiatives at any level of government that will help make it economically feasible to build homes, condos and rental units that people can afford. But to achieve that, we must focus on making practical changes that will actually deliver realistic results.

This does not meet that test.

TAX BURDEN ON NEW HOMES REMAINS TOO HIGH

Sales taxes on new housing in the Greater Toronto Area, for instance, are the highest in North America and have combined with other factors to push the cost of homes beyond affordability for many, especially first-time homebuyers.

By Richard Lyall
for The Toronto Sun
Nov. 8, 2024

The recent announcement by federal Opposition Leader Pierre Poilievre that the Conservatives, if elected, would axe the five-per-cent GST on new homes sold for under $1 million is the type of courageous, bold, out-of-the-box thinking we need to tackle the housing crisis.

Sales taxes on new housing in the Greater Toronto Area, for instance, are the highest in North America and have combined with other factors to push the cost of new homes beyond affordability for many, especially first-time homebuyers. This strategy would be a step forward. It is, of course, dependent on the Tories getting elected and forming the next government.

As homebuilders have been saying for some time now, taxes are one of the main reasons for the housing supply and affordability crisis. Reducing the sales taxes would significantly lower the cost of new housing and thereby enable builders to build homes that people can afford.

A report by the Canadian Centre for Economic Analysis (CANCEA) found that taxes on the purchase of a new home have climbed massively from about 24 per cent in 2012 to 31 per cent today. The tax burden on new homes is two times higher compared to other sectors of the economy.

The taxes are ultimately passed on to new home buyers who must finance the added costs, resulting in thousands of dollars in interest costs over the term of a mortgage. The burden prevents many people from being able to afford a new home and many are leaving our cities in droves.

The plan of the Conservatives would change the existing 36-per-cent GST rebate to a 100-per-cent one on new homes under $1 million. Currently, the full rebate is only available to new homes that sell for less than $350,000, with the amount

Both the feds and province have eliminated sales taxes on new purpose-built rentals. We believe it should be extended to include market-built homes and condos.

phased out between $350,000 and $450,000.

On a $1-million home, the plan would result in tax savings of $50,000. According to the Tories, it would lead to 30,000 more homes being built each year, generate construction jobs and income for businesses, and cost between $3.3 and $4.5 billion which would be offset by $2.1 billion of revenue.

Our only criticism is that the threshold is a tad low for places like the GTA and it would be better if it were perhaps $1.5 million. But we're heading in the right direction.

As Poilievre noted, to move the needle further, provinces like Ontario should also look at removing their tax from new home sales. This would spur the residential construction market even more.

RESCON has been encouraging all levels of government to push for immediate action to lower taxes, fees, levies and development charges on new housing. At a meeting recently with Ontario Municipal Affairs and Housing Minister Paul Calandra, we discussed that subject.

Both the feds and province have eliminated sales taxes on new purpose-built rentals. We believe it should be extended to include market-built homes and condos.

We are in the midst of a devastating housing affordability and supply crisis yet are still charging exorbitant sales taxes on new housing. They stymie development and load costs onto buyers.

The situation is urgent as construction of new homes is not keeping pace with population growth.

New home sales and starts are lacklustre and development application submissions have slumped. The present economics for new builders are not working. We can and must do better.

Fiddling around the edges is not cutting it. Other jurisdictions around the world figured this out long ago. If we don't take serious action on the housing front, the situation could get ugly by 2027.

With fewer condos going into the ground and new condo sales in the GTA dropping 81 per cent in September compared to the same month last year, the outlook is not good. The backlog of unclaimed new housing in the region now sits at 17,427 condo units and 4,444 single-family homes

A big part of the problem, according to many who spoke at a recent RESCON housing summit, is the amount of government-related taxes, fees and levies on new housing.

Builders have been sounding the alarm bells on this for years. It is vitally important that governments at all levels listen and take action. The proposal to reduce sales taxes is a good step.

ONE ONTARIO

SHIFTING GEARS TO DELIVER HOUSING FASTER

By Mark Anderson
Director of Business Development
AECO Innovation Lab

Ontario's housing crisis demands immediate and effective solutions. With the provincial goal of building 1.5 million homes by 2030, the path forward is hindered by outdated systems, siloed processes and complex development approval processes.

Over the past four years, One Ontario, originally championed by RESCON and born out of research at the University of Toronto's Building Innovation Research Centre, has worked tirelessly to address these issues.

Now operating as a non-profit organization, One Ontario is refining its approach in light of government inertia. While we continue to engage with government ministries and municipalities to advocate for meaningful systemic change, we recognize the need for industry-driven, tactical solutions to get housing to market faster. Over the next few months there will be significant changes on the One Ontario website to reflect this shift in focus, but here is a taster to provide some idea of what One Ontario is up to now.

A shift in focus

The need for housing is urgent, but progress is slow. Despite advocacy efforts, the bureaucratic processes that stifle housing supply have not kept pace with the growing demand. In response to this frustration, One Ontario is shifting gears to emphasize tactical, industry-driven solutions. These include:

- **Digitizing land data:** With funding from CMHC's Housing Supply Challenge, One Ontario and AECO Innovation Lab have developed a tool to normalize and centralize critical land data. The LandLogic's Data Fusion Engine aggregates information from diverse sources—such as zoning bylaws, planning policies and development activities – into a unified, queryable platform. The platform provides anyone involved in the development ecosystem with instant insights for advanced property site selection, risk assessment and property valuation, helping to save time, reduce risks and make informed decisions that bring housing to market faster.
- **Collaboration beyond government:** While engaging with government remains critical, we are building stronger industry partnerships to drive immediate action. RESCON members, developers and industry leaders are crucial to this effort.

RESCON has been a cornerstone of One Ontario's journey since the early days and the association's advocacy is crucial to move beyond the barriers of bureaucracy and drive change that will meet Ontario's urgent housing needs.

- **Residential Multiplex Infill (RMI):** One Ontario is actively seeking architects, builders, planners and other partners to deliver this turnkey housing option. The RMI program leverages government funding opportunities to provide much-needed rental housing, takes advantage of as-of-right zoning for quicker approvals, and ensures healthy ROIs for investors.

Why RESCON's role matters

RESCON has been a cornerstone of One Ontario's journey since the early days.

Your ongoing support is pivotal in transforming Ontario's development landscape.

By advocating for One Ontario's tools and programs, RESCON members can directly contribute to:

1. **Breaking down barriers:** Promote the adoption of streamlined processes and data-driven decision-making among stakeholders.
2. **Expanding industry leadership:** Leverage One Ontario as a platform to showcase how innovative, industry-driven solutions can complement government efforts.
3. **Creating tangible impact:** Collaborate with One Ontario to implement scalable solutions like RMI, which directly address housing shortages while delivering economic benefits.

A call to action

The time for change is now. One Ontario is actively seeking partners to adopt and champion its tools and programs across Ontario.

RESCON members can play a key role by:

- Utilizing LandLogic's digital tools to streamline development approvals, uncover ideal sites, and make informed decisions faster.
- Partnering on the Residential Multiplex Infill (RMI) initiative as architects, builders, planners, or investors to deliver much-needed rental housing with healthy returns.
- Advocating for industry-driven solutions that address bottlenecks in the development process and bring housing to market more efficiently.

Together, we can move beyond the barriers of bureaucracy and drive real, actionable change.

By embracing innovative tools and collaborating with industry leaders, we can create a development ecosystem that meets Ontario's urgent housing needs – faster, smarter and with lasting impact.

Reach out to us at info@oneontario.ca.

IMMIGRATION

HOUSING CRISIS NEEDS LESS TALK, MORE ACTION

The construction industry will need to recruit 100,000 new workers by 2034 in Ontario alone to keep up with the anticipated workload.

By Richard Lyall
for On-Site
Nov 19, 2024

In Texas, the aphorism "all hat and no cattle" is used to describe situations where there's a lot of talk but no action.

To some extent, it aptly sums up what has been done so far to fix our dire housing supply crisis.

The talk's been impressive but we're not seeing enough in the way of achievements. The gap between the number of homes that are needed and the actual volume of starts is getting wider.

The stats don't lie.

CMHC projects Canada needs to flood the market with an additional 3.5 million housing units by 2030, on top of the 2.3 million required to meet demand, to restore affordability to the market. That would mean building 500,000 more units per year – more than double the current rate. The Ontario government figures it needs to build 1.5 million units by 2031 but is falling short.

In the recent fall economic statement, the province indicated it only expects to hit 81,300 housing starts this year – well short of the 150,000 figure that is needed to achieve the ambitious goal.

At a housing summit hosted by RESCON, experts were bearish on the housing market, particularly for the high-rise condo and apartment building sector in the Toronto area. They reported that condo sales have dropped off a cliff and are now 81 per cent below the 10-year average. There's also been a precipitous drop in the number of apartments under construction.

Already, we're seeing a drop in the number of cranes hovering over residential developments in Toronto.

All this will have a negative effect on employment in the industry. We are already seeing job losses. The slowdown will affect associated industries and also weigh on the broader economy.

We need a war-time effort to solve the housing crisis. Otherwise, the economic consequences could be devastating. We should start by fixing the runaway taxation of new housing. In recent years, government-imposed charges on new housing have crippled the market. Bureaucracy and red tape also make it difficult to get projects approved. We must make it easier for builders to build.

Ontario has the highest amount of taxes, fees and levies in North America. Presently, government-imposed charges account for 31 per cent of the cost of a new home in the GTA – and the percentage is going up. It simply loads too much onto the backs of new home purchasers. Many young people are forced to move away from cities

> To reach the target, we will need skilled workers from other countries and, as in the past, immigration will play a key role.

because they can't afford housing.

Recently, federal Opposition Leader Pierre Poilievre announced a plan to cut sales taxes on new homes sold for under $1 million. It would be preferrable if the threshold was higher, but it is a step in the right direction. Hopefully, the Ontario government will consider the idea as well.

The residential construction industry is resilient, though, and it will get through this dark period out of absolute necessity.

Our population continues to grow so there will be pent-up demand for new housing.

However, there are some other storm clouds on the horizon. When construction picks up, the residential construction industry will be in need of skilled workers. The workforce is aging. More than a quarter million workers are expected to exit the industry due to retirement by 2033.

According to BuildForce Canada, the construction industry will need to recruit 100,000 new workers by 2034 in Ontario alone to keep up with the anticipated workload. Nationally, the industry will need to hire 351,800 workers by 2033 to keep pace with construction demand and retirements.

To reach the target, we will need skilled workers from other countries and, as in the past, immigration will play a key role. Domestic recruitment alone won't be enough to keep up with demand.

The federal government has announced a plan to significantly reduce immigration over the next three years. Our challenge will be to make sure the system prioritizes immigrants with skill sets in residential construction over those with university educations, to qualify for entry to Canada.

The Ontario government is addressing this through the Ontario Immigrant Nominee Program (OINP). Under the program, the allocation for 2024 is 21,500 nominations – up from 16,500 in 2023.

To fix the housing market, governments must work together on the problems. They must walk the talk, lower government-imposed charges, cut red tape and ensure we are bringing in workers needed by the residential construction industry.

Failure to do so, could be catastrophic for our industry and the economy.

IMMIGRATION

FED PLANS UNDERMINING PROVINCIAL PROGRESS

The construction workforce is aging with many trades expected to retire in the coming years.

By Richard Lyall
for Daily Commercial News
Nov. 15, 2024

> **If the residential construction sector is to build the millions of homes and condos that the population demands, it must grow the labour force.**

Despite efforts undertaken by all three levels of government, times are tough for the residential construction industry these days. High interest rates and runaway taxation have made new housing unaffordable for many while bureaucracy and red tape only add to the cost.

In Ontario, the government indicated in the recent fall economic statement that it now only expects to hit 81,300 new homes this year – down from the 87,900 that were expected at the time of the spring budget.

The estimate is also well below the 150,000 new homes per year that the province would need to hit to reach the overall goal of 1.5 million homes in 10 years by 2031.

Down the road, in 2027, the province figures that 95,000 new homes will be built. Whether that actually happens, though, remains to be seen.

Meanwhile, BuildForce Canada, an industry-led organization that provides information and resources to help manage construction workforce requirements, anticipates the sector will still need to recruit 100,000 new construction workers by 2034 in Ontario alone, to keep up with the workload.

Part of the industry's challenge is that the workforce is aging.

By 2033, more than a quarter-million workers are expected to exit the industry to retirement. This is further complicated by the fact that Canada's population is experiencing a demographic shift, with the number of young people joining the workforce falling short of the number of older people expected to retire.

Nationally, BuildForce estimates that the construction industry will need to hire 351,800 workers by 2033 to keep pace with construction demand and retirements.

To meet the requirements, immigration will play a major role. Immigration has traditionally been a major source of skilled workers for the construction industry.

For decades, we have relieved on trades coming from other countries to supplement our workforce. The future will be no exception.

If the residential construction sector is to build the millions of homes and condos that the population demands, it must grow the labour force.

On Oct 24, though, the federal government announced major changes to the immigration system that are causing confusion.

At a time when more co-operation is needed to bring trades into the country, unilateral action by the federal government represents a step in the wrong direction.

Let me explain.

In an attempt to rein in population growth, the feds announced a 2025–2027 Immigration Levels Plan that will significantly reduce immigration from 500,000 permanent residents in 2025 and 2026 to 395,000 and 380,000, respectively, and set a target of 365,000 for 2027.

More distressing, over the decades immigration has evolved to favour those with university educations instead of workers who have trade certificates or specialized skills sets to work in residential construction. By disproportionately granting admittance to those with university degrees or higher, those who are qualified and interested in skilled trades positions are denied.

This is the main problem facing our immigration system and one the Ontario government is trying to address through the Ontario Immigrant Nominee Program (OINP) and other targeted programs. Ontariio's OINP allocation for 2024 is 21,500 nominations – up from 16,500 in 2023.

Unfortunately, the present approach being taken by the feds is creating uncertainty related to the OINP and other programs and undermining what Ontario has done to target and boost skilled trades immigration. The OINP program needs to be protected and substantially expanded.

Initiatives like a pilot program for out-of-status construction workers in the GTA should be made permanent and expanded to retain essential construction workers already contributing to Ontario's economy.

We are not denying the need for immigration reform, but we need to take a more measured approach that takes into account demographic projections and economic needs and addresses how to bring in more workers for the construction industry, specifically immigrants who have the specialized skills required to build housing and supporting infrastructure.

It is an issue that deserves immediate attention, as we will need more workers with the skills required to build the homes.

OFFSITE CONSTRUCTION

By Richard Lyall
for Storeys
Nov. 11, 2024

With 5.8 million new homes needed in Canada by 2031, and the homebuilding sector increasingly under the gun to produce more units, it is time to look towards offsite construction.

This building method – whereby most of a home is manufactured in a plant and trucked to a location – is certainly not the only solution to what ails the housing sector, but it could move the needle.

I recently toured a Bonneville Homes modular housing factory in Beloeil, Que., with other RESCON staff. We were nothing short of impressed at the quality of the product. With productivity in the homebuilding sector increasingly under the microscope and the need for rapid construction of new homes in Ontario, it could be the time for offsite construction to shine.

Nationally, we are not producing anywhere near the number of homes and condos needed to keep up with the country's population growth.

In Ontario, the recent fall economic statement indicated that the province is falling further behind the target of producing 1.5 million homes over

10 years by 2031 and is no longer expected to hit its target for this year.

The Ontario government indicated that it now only expects to hit 81,300 housing starts in 2024, well short of the 150,000 new homes per year that the province needs to achieve its goal.

It now seems like a pipe dream or, as they say in Texas, it is all hat and no cattle.

There are many reasons for the slowdown. High interest rates, inflation, exorbitant taxes, fees and levies have made it too costly for builders to construct homes that people can afford. The exceedingly slow pace of approvals, meanwhile, only adds to the cost of building a home.

To build quicker and cheaper, action is needed – and we need it yesterday. Even Premier Doug Ford figures the actual need is higher.

It will take a wartime effort to right the ship and ensure that home affordability is within reach of everyone. We must find a way to get more homes on the market quickly and at a cheaper cost.

This is where offsite construction comes in.

To simplify the homebuilding process, we would begin manufacturing new homes the same way we mass produce cars, cellphones or electronic gadgets.

We must embrace innovative solutions to bridge the housing gap and affordability challenges in Canada.

With the need for quick and efficient construction methods in our cities, building offsite with standardized designs and assembling homes on site could speed up the process.

A report done recently by students at the Max Bell School of Public Policy in Montreal that was sponsored by the Canada Mortgage and Housing Corporation concluded that building homes and components in a controlled environment reduces waste and the time required to build, and mitigates challenges posed by our weather while ensuring projects can proceed without delays.

According to the report, offsite construction is particularly suitable for addressing the housing crisis in Canada because manufacturing components in bulk reduces material costs and waste, factory settings reduce the need for on-site workers, and advanced manufacturing technologies ensure fewer errors.

Other countries have wholeheartedly embraced offsite construction. In Sweden, for example, regarded as the global leader in offsite modular construction, prefabrication accounts for 84 per cent of the country’s residential construction market share.

Sweden has a long history and high degree of integration of modular construction into homebuilding. In response, to a postwar surge in housing demand, the government supported the development of several homebuilding companies and standard building designs.

In 1965, the government there implemented a 10-year program to build one million affordable homes for citizens and exceeded that figure.

A country-wide, performance-based code was adopted that made it easier for factories to build homes. This meant that the building specs didn’t have to be changed for every municipality. The national code applies to stick-built as well as modular and manufactured homes.

A number of Swedish companies changed their business models and invested in automation and cutting-edge technology and robotics to produce offsite housing, and retrained their workforces.

In Japan, meanwhile, 15 per cent of the country’s newly constructed homes, which includes apartments, are now manufactured off-site. The trend started after the Second World War to solve a massive housing deficit.

To meet our ambitious homebuilding targets, offsite construction must be part of the mix.

Taxes on new housing must still come down, bureaucracy must be reduced and projects must be approved quicker. Government incentives will be needed to kickstart manufacturing plants.

Given our present housing predicament, and the dire situation that we find ourselves in, we need to get on the bandwagon.

Offsite construction could be a game-changer.

GOVERNMENTS MUST JOIN FORCES TO TACKLE THE HOUSING CRISIS

By Richard Lyall
for Canadian Real Estate Wealth
Oct. 30, 2024

With regards to the current housing supply and affordability crisis, it appears from remarks by speakers, politicians and stakeholders at RESCON's recent housing summit that all levels of government have overcome the first hurdle. Now they must take collective action to tackle the issue.

Figures presented at the summit showed the housing market is in rough shape with the condo market taking a once-in-a-generation shellacking as projects have been put on hold. The industry is also facing massive layoffs.

Condo sales in the GTA have basically tanked and are now 81 per cent below the 10-year average. The number of unsold condos is rising, and purpose-built rental apartment starts are down 30 per cent from 2023 – and still falling. The number of cranes in the GTA are down 22 per cent this year.

Ontario's population expanded by 200,000 over the past six months, but the province saw only 37,425 housing starts, 6,577 fewer units than the same period in 2023. That's not a good metric.

The reason?

The residential construction industry is handcuffed by restrictive rules, cumbersome processes, and exorbitant fees – which all drive up the cost of housing.

Taxes & fees are a problem

Taxes on new housing in the GTA are the highest in North America and have combined with other factors to eliminate homebuyers – especially first-timers – from the market. In Toronto, development charges alone for single detached homes have increased nearly 2,000 per cent in 20 years.

Many at the summit noted that government-related taxes, fees and levies on new housing are out of control and approval times for projects take too long due to the labyrinth of red tape.

As of August, total municipal fees alone per unit topped out at $134,073 for a high-rise development in Toronto, $157,643 in Mississauga, $124,488 in Markham, and $114,705 in Richmond Hill.

Lengthy approval times are also adding to the price tag of housing. In the City of Toronto, the costs accumulated every month during the application process per unit can amount to $5,576.

Builders have been sounding the alarm bell for years. We have repeatedly called for action to reduce taxes, fees and levies on new housing as they add up to roughly a third of the total cost.

Last fall, the Ontario government removed the eight-per-cent provincial portion of the HST on new purpose-

built rental housing in an effort to get more rental homes built across the province. This should also be done at both the provincial and federal level for market-built housing.

Outlook is bleak

The situation could get worse before it gets better, according to many who presented at the RESCON summit.

Many condo projects have been put on hold. Only a handful have started. That means there will be no new supply coming to market over the next couple of years at least.

But housing remains a pressing need. It is crucial to our economic growth and well-being. Many of our brightest and best have already left our cities to look for affordable housing elsewhere.

We must shift our focus to solutions and accelerate the changes necessary to build more housing that people can afford. We must decrease the cost of a new home and the best way to do that is remove the exorbitant taxes, fees and levies on new construction and speed up the approvals.

The province is trying to create conditions to get shovels in the ground faster and recently announced it was taking action to remove barriers and make it easier and more affordable to connect new homes to the electricity grid.

This will help, but more action is needed.

We must cut taxes

We need government to cut the excessive fees, further streamline the approvals process and then get out of the way. Development charges, in particular, have been cited by builders as an obstacle.

At the housing summit, mayors from five Ontario municipalities indicated they were open to discussing changing the system of collecting development charges, but if they were reduced or cut municipalities would require funding from other levels of government to cover the cost of infrastructure.

All levels of government must be aligned to deal with this challenge However, a survey found that most Canadians don't feel their governments are doing enough to tackle the issue of housing.

Research showed that federally only 23 per cent of people feel the government is doing enough, while provincially that figure is 26 per cent, and municipally the figure is lower at 20 per cent.

Collaboration is the key to solving the problem. The present situation is untenable.

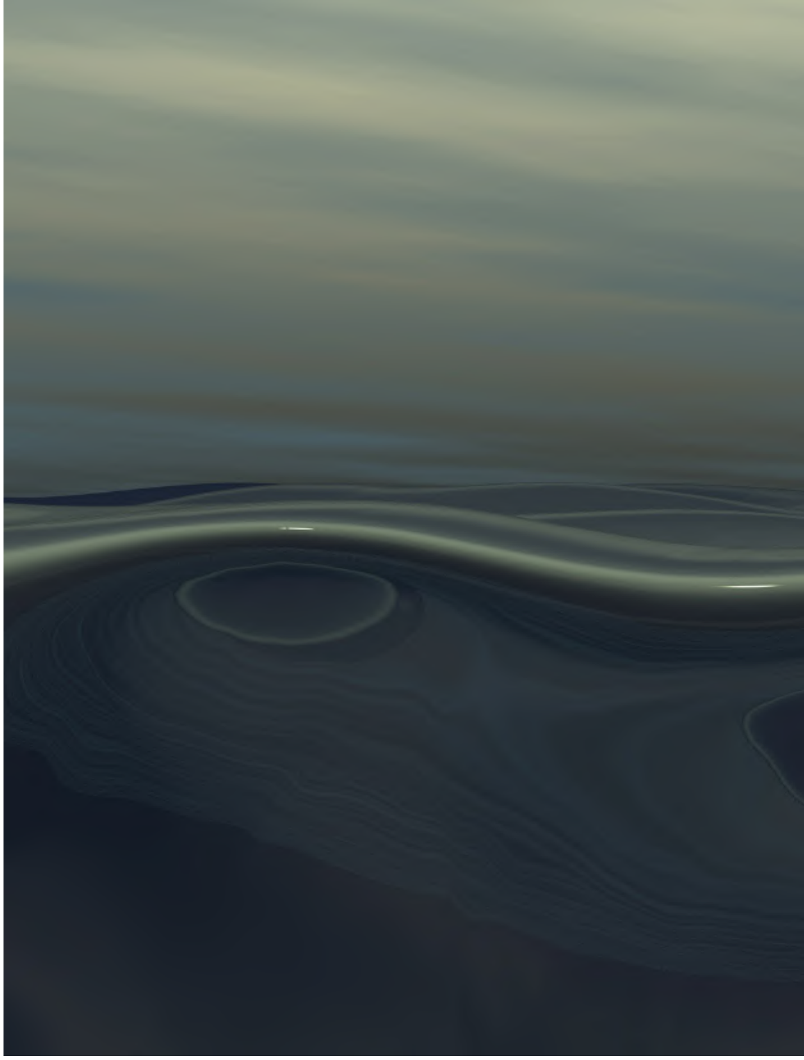
We must dial up our efforts to support change, make new homes more affordable, and boost the supply.

Builders are eager to meet the challenge. But they need the tools to make it work. Failure is not an option.

HOUSING SUMMIT

LOOK TO THE TAXES

All levels of government must be aligned in dealing with this challenge. Affordable housing is crucial to growth.



By Richard Lyall
for Canadian Contractor
Nov. 11, 2024

The residential construction industry, and particularly the high-rise condo sector in the Toronto area, has taken a shellacking lately as many developers have put their projects on hold.

Years of high interest rates, excessive taxes, bureaucracy and red tape, and an outdated and abysmally slow approvals system created a perfect storm of debilitating conditions for homebuilders.

Hold on to your hats. There may be more pain coming.

That was one of the prevailing messages conveyed during Housing Summit 4.0, a recent event hosted by the Residential Construction Council of Ontario (RESCON) that featured discussions and remarks by political leaders and industry stakeholders on how to tackle the crisis.

Speakers presented statistics, data and material that painted a dismal picture, with the industry facing massive layoffs. Planning applications are down 50 per cent in GTA municipalities.

To illustrate, condo sales in the GTA dropped 81 per cent in September compared to the same month last year. The backlog of unclaimed new housing in the region has also risen considerably.

As Marlon Bray, executive vice-president at Clark Construction Management, told the summit, the already-dire crisis will get even worse going forward if no significant changes are made.

Home prices are currently four to five times higher than 20 years ago and over the same period, the price of land is 10 to 11 times higher, while development charges are 30 per cent higher.

Corey Pacht, partner and executive vice-president of operations at Fitzrovia, noted the condo situation is much worse than it appears as nothing is going to get delivered over the next two years.

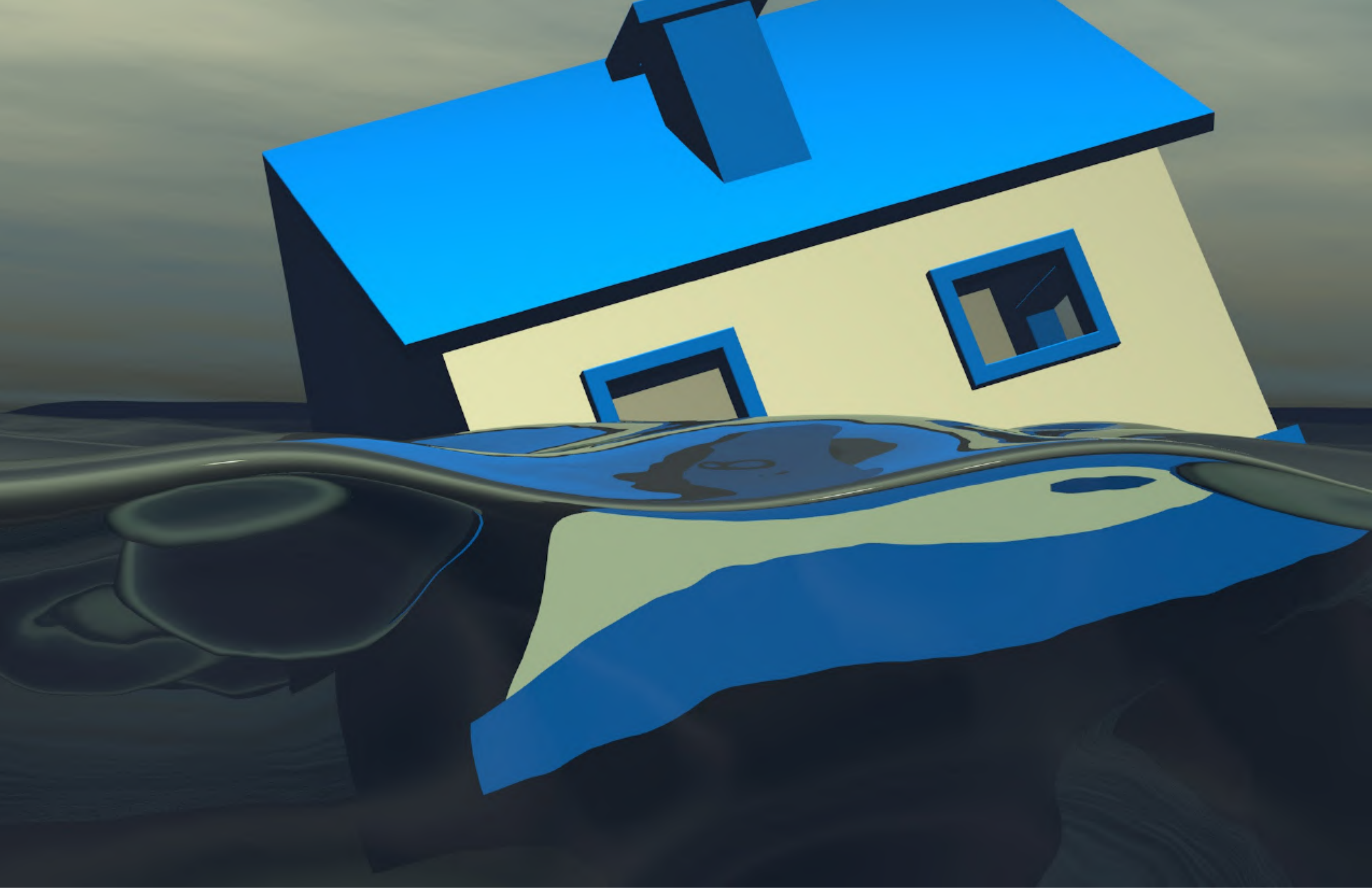
Many speakers at the summit indicated that taxes on new housing are a major problem. In the GTA, for example, new housing taxes are the highest in North America. In Toronto, development charges alone for single detached homes have increased nearly 2,000 per cent in 20 years.

We've been sounding the alarm for years on the issue and called on governments to reduce the sales taxes on new market-built housing, much like they did recently for purpose-built rentals.

Certainly, governments could do more.

Research presented at the summit showed that federally only 23 per cent of people feel the government is doing enough, while provincially that figure is 26 per cent and municipally it is 20 per cent.

The recent announcement by federal Opposition Leader Pierre Poilievre that the Conservatives, if elected, would axe the five-per-cent GST on new homes sold for under $1 million is the type of courageous, bold, out-of-



Hold on to your hat. There could be more pain coming for the residential construction industry as planning applications and sales slide.

the-box thinking we need to tackle the housing crisis.

The $1-million figure is a tad low for places like the GTA and it would be better if it were perhaps $1.5 million. But we're heading in the right direction, nonetheless.

Homebuilders have been telling the government for some time now that taxes are one of the main reasons for the housing supply crisis. Reducing the sales taxes would significantly lower the cost of new housing and thereby enable builders to build homes that people can afford.

Taxes on the purchase of a new home have risen from 24 per cent in 2012 to 31 per cent today. These taxes are ultimately passed on to new home buyers who must finance the added costs.

On a $1-million home, the Tory plan would result in tax savings of $50,000 and reduce mortgage payments. It would spark construction of more new homes and generate revenue for governments.

It's a good plan, one the federal Liberals should consider. Likewise, provinces like Ontario also need to get in on the act and remove their taxes on new home sales. This would spur the market.

High taxes only add to the cost of housing. The cost is then passed on to homebuyers. Reducing them would lower the cost of housing and enable builders to build homes that people can afford.

A report done by the Canadian Centre for Economic Analysis found the tax burden on new home construction is two times higher than other sectors of the economy. Infrastructure-dependent products and sectors such as cars, electronics and manufacturing are not taxed nearly as much.

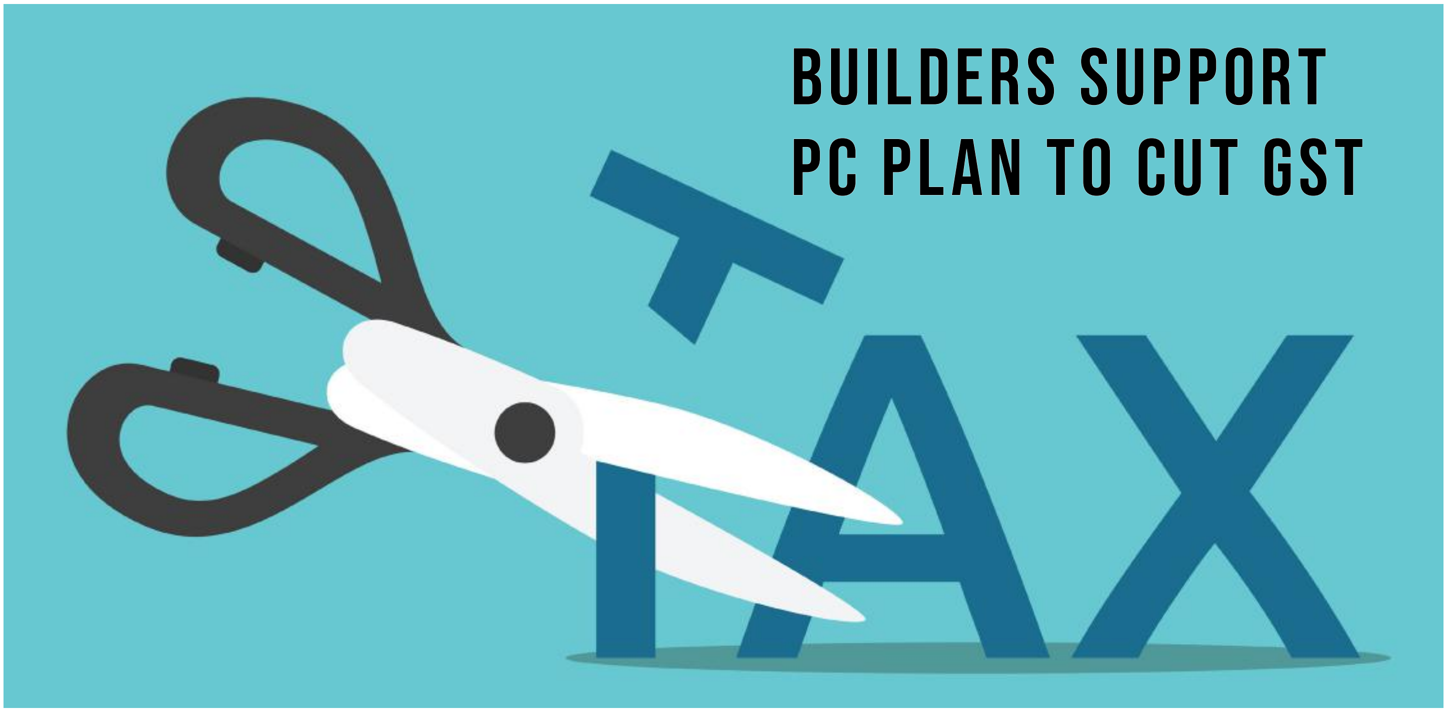
As noted in a LinkedIn post by Mike Moffatt, senior director, policy and innovation at the Smart Prosperity Institute, the tax piece is vital and there is no path to attainability if the taxes on new home construction are more than $200,000. In Vaughan, for example, development charges alone on a 750-square-foot apartment are $124,874.

We are at a crossroads. We are in a generational housing crisis with the middle class struggling to afford a home.

Many people are now leaving our cities because they can't buy a home.

Taxes are a major reason. All levels of government must be aligned in dealing with this challenge. Affordable housing is crucial to growth. We cannot simply sit on our hands and hope for the best.

BUILDERS SUPPORT PC PLAN TO CUT GST



By Robin MacLennan
Ontario Construction News
Nov. 5, 2024

Eliminating federal sales tax on new homes priced under $1 million is a step in the right direction that will reduce costs and stimulate demand for new homes, according to Ontario builders.

The plan to cut the tax was announced by federal Conservative leader Pierre Poilievre last week.

“We commend Opposition Leader Pierre Poilievre and his party for proposing this plan to remove the GST and encouraging provinces to follow suit, as it will save buyers tens of thousands of dollars on new home purchases,” said RESCON president Richard Lyall. “Builders have long urged both federal and provincial governments to abolish sales taxes to reduce new housing costs and stimulate residential development.”

The West End Home Builders Association and Canadian Home Builders’ Association (CHBA) have been advocating for years with all major parties for a change to GST thresholds and are “encouraged” that the Conservative policy addresses what has been a major contributor to affordability challenges when buying a home.

“The GST thresholds haven’t changed since the introduction of the GST in 1991. Since then, house prices have more than doubled,” said CHBA CEO Kevin Lee. “Removing the GST on new homes will help improve affordability and enable more supply.”

To pay for this policy, Poilievre proposes removing some current federal infrastructure spending which is conditional on municipalities improving their policies and processes.

“Removing the GST for new homes purchased for under $1 million may be the most significant housing policy commitment made in the past two decades,” said Mike Collins-Williams, CEO, West End Home Builders’ Association. “Removing the GST shows leadership to cut crippling levels of taxation on new housing, puts money directly back into the pockets of Canadians while combatting the housing crisis.”

Taxes on new homes in the Greater Toronto Area are among the highest in North America, contributing to unaffordability for many, particularly first-time homebuyers.

Currently, the federal government offers a 36 per cent rebate on the GST paid for homes valued at or below $350,000, up to a maximum of $6,300.

If elected in the next federal election, Conservatives will remove the entire 5% GST would be eliminated for homes sold for under $1 million, potentially saving buyers up to $50,000.

Poilievre estimates the tax cut could lead to the construction of an additional 30,000 homes each year, generating more income for construction workers and businesses and an estimated $2.1 billion in revenue for the government.

High taxes are a major factor contributing to the housing supply and affordability crisis. Reducing sales taxes would significantly lower the cost of new housing, enabling builders to construct more affordable homes.

A report from the Canadian Centre for Economic Analysis last year showed the tax burden on new home construction is double that of other sectors, with taxes on new home purchases rising from approximately 24 per cent in 2012 to 31 per cent today.

“These taxes ultimately fall on new homebuyers,” Lyall said. “This tax burden is deterring many potential buyers and driving people away from our cities.

"The Conservatives’ plan is forward-thinking and could help restore balance to the housing market.”

OUTLOOK IS GRIM FOR HOUSING STARTS

By Richard Lyall
for Canadian Real Estate Wealth
Nov. 28, 2024

There was a slight uptick in Canadian housing starts in September from the month before, but it was not nearly enough to move the needle in a substantial way and address our worsening supply shortage.

Canada Mortgage and Housing Corporation reports that the six-month trend for housing starts dropped by 1.9 per cent in that month, continuing a long-term slowdown in construction activity.

It's not the same across the country, mind you. There have been increases in Alberta, Quebec and the Atlantic provinces, but housing starts in Ontario and British Columbia declined significantly.

According to CMHC, Toronto and Vancouver reported year-to-date decreases of 20 per cent and 19 per cent, respectively, compared to 2023.

At a time when we need new housing the most, we are well short of the number of homes needed to restore affordability to the market.

Starts have declined

We seem to be taking one step forward and two back.

Ontario, for example, is on track to start building the fewest new detached homes since 1955, a new economic monitor report by the Financial Accountability Office (FAO) has revealed.

The financial watchdog reports that housing starts in the latest quarter have declined by 16.9 per cent compared to the same period last year.

This does not bode well for the province's goal of building 1.5 million homes by 2031. To hit the target, Ontario would have needed to start 34,100 homes per quarter, beginning in 2021. Over the past three years, the FAO found Ontario has averaged 22,900 starts per quarter – two-thirds of the goal.

Alarmingly, to hit the target, the province would need to beat its 2021 building pace by 74 per cent and hit record highs every quarter from now until 2031.

A tall order, indeed. To those of us in the building industry, it does not come as a surprise. Sales started falling off last year because the costs to build are too high in large part due to exorbitant taxes, fees and levies on new housing, and because approvals take far too long, which only adds to the price tag of a new build.

Development charges, in particular, are killing the industry. They have increased more than 1,000 per cent in some municipalities over the last 10 years. These charges, which are ultimately borne by the purchasers, have gotten out of control and are significantly adding to the cost.

There is more pain ahead

The future doesn't look any better.

A report that was prepared for RESCON by a Toronto-based economic research firm led by Will Dunning found that housing starts over the next few years will likely weaken, the already-dire supply shortage could get even worse, and employment in new residential construction will probably fall quite a lot in the years ahead which could have significant economic repercussions for Ontario.

The report, titled Housing Market Outlooks in Ontario, contained forecasts covering 2024 to 2028 for Ontario, as well as municipalities in the Census Metropolitan Areas of Toronto, Hamilton and Oshawa.

The report provided two sets of scenarios. In both, a further weakening of employment and new housing starts continues well into 2025, followed by a slow recovery of the economy and housing activity during 2026 to 2028. By the end of 2028, conditions will not have fully recovered.

The outlook is particularly worrisome for residential builders as it points to a weakening residential construction market at the very time that we should be building more housing. Equally concerning, the findings indicate that a decline in residential construction employment and job losses in associated industries could become a second substantive issue weighing on the broader economy.

Governments must take action

With a critical need for new housing, it is imperative that all levels of government take immediate action to boost construction by lowering the taxes, fees and levies and reducing the red tape and bureaucracy which slows the industry and adds to the cost of housing. To spur the market, we need conditions that allow builders to build houses that people can afford. Otherwise, we may be in dire straits as new home construction stalls and unemployment in the industry rises.

Removing government-imposed costs from the prices of new homes would significantly lower the price tag. In the GTA, the average municipal charge for new homes is $164,920 – about $42,000 higher than in 2022. For apartments, the current figure is $122,387 – about $32,000 higher than in 2022. The costs of delays in approvals varies by municipality within the GTA from $2,672 to $5,576 per month. When applied to the typical delay period, it can add $43,000 to $90,000 per unit.

Governments must work in unison on the problems. They have made some inroads but there is more work to do.

The move by the federal and Ontario governments to remove the sales taxes on new purpose-built rental projects was welcome. Now it needs to be extended to all market-built housing. The federal Conservatives have floated the idea for new housing sold for under $1 million. We hope the province follows suit.

We must take steps to lower government-imposed costs and reduce the bureaucracy associated with building new homes. If we don't the consequences could be catastrophic. Time is running out.

MEDIA REPORT

Print & Online

Toronto Star

Some conditions, particularly the minimum 20-per-cent affordable component likely negates any reasonable prospect of a development being financially feasible under Toronto's new program to support building rental homes, RESCON president says in an op-ed written by Coun. Brad Bradford.

Click here to read the article.

Storeys

In an article in Storeys, RESCON president Richard Lyall commended the Conservatives for putting forth a plan to axe the sales tax on new homes sold for less than $1 million.

"The tax burden is preventing many people from buying a new home and many are leaving our cities," he stated. "The plan put forward by the Conservatives is forward-thinking and should help restore balance to the market."

Click here to read the article.

Toronto Today

With considerable financial requests already on the table, it is tenuous to say the least that that senior levels of government will compensate Toronto for municipal revenue that the city will forgo in order to get the purpose-built rental construction off the ground, RESCON president Richard Lyall said in Toronto Today.

Click here to read the article.

Storeys

RESCON president Richard Lyall pointed out in a letter that stipulations in a new incentive program aimed at adding new purpose-built rental housing units to the City of Toronto likely negates any reasonable prospect of a development being financially feasible under the initiative Storeys reports.

Click here to read the article.

CMP

A recent report by RESCON expects housing starts to weaken over the coming years, potentially exacerbating the existing housing shortage across the province.

Click here for the article.

Storeys

The greatest contributors to the province's slow speed of new home construction has been the increase of development charges, the continued problem of too much red tape, and federal sales taxes, RESCON) president Richard Lyall told Storeys. Click here for the article.

Coverings

Housing starts over the next few years will likely weaken and the already-dire supply shortage could get even worse, warns a new report released by RESCON.

Click here for the article.

Radio

CKLW Radio

RESCON president Richard Lyall told host Patty Handysides of The Shift on AM800 CKLW Radio that the residential construction industry saw the writing on the wall last year when sales of new housing starts started to fall.

He said various levels of government have taken action, "but the bottom line is that the taxes, fees and levies are too high on new housing."

Click here to listen to the broadcast.

Simply Real Estate

RESCON president Richard Lyall was a guest of Todd Slater on The Simply Real Estate Show on Newstalk 1010 where he talked about the results of the U.S. election and why the new housing market has slowed in Canada.

He said the new housing market has slowed because builders can't make things work relative to the market and those issues need to be addressed.

Click here to listen to the broadcast.

The Mikey Network has launched a safety campaign to promote and call for legislation that ensures every site has a Mikey defibrillator (AED). RESCON fully supports the campaign.

To learn more about the campaign visit the Mikey Network website here.

MY DAD NEEDS A MIKEY ON SITE

We need legislation passed that would ensure every construction site has a **MIKEY** defibrillator to help save lives.

Join our team and support **MIKEY**!

BE PART OF THE CHANGE

Mikeynetwork.com

RCCAO REPORT

- On Nov. 29, RCCAO was proud partner with the Vaughan Chamber of Commerce to sponsor and participate in the 2024 Economic Summit - "Building Tomorrow: Navigating the Future of Infrastructure."
    - The event was a resounding success, bringing together leaders from government, industry, and stakeholders to discuss the critical challenges and opportunities facing Ontario's infrastructure and workforce.
- RCCAO celebrated the passing of Bill 212, *The Reducing Gridlock, Saving You Time Act* as it accelerates key infrastructure projects and supports housing initiatives throughout the province.
- On Nov. 23, RCCAO executive director Nadia Todorova was pleased to take part in a Vaughan Chamber of Commerce roundtable discussion with MP Shannon Stubbs and MP Anna Roberts that discussed the economic and infrastructure opportunities of the region and province.
- RCCAO was pleased to see the Government of Ontario's continued commitment to investing in critical infrastructure to support housing growth by expanding access to credit for municipalities for water infrastructure.
- On Nov. 21, RCCAO submitted its commentary on new proposed regulatory amendments regarding the movement of excess construction soils.
- RCCAO executive director Nadia Todorova was delighted to join Ministers Sarkaria and Surma as they announced the start of excavation for the tunnel boring machine shaft for the Ontario Line subway tunnels at Exhibition Station.
- Continuing its leadership on the underground utility locates file, RCCAO executive director Nadia Todorova took part in a One Call Compliance Quarterly Webinar that discussed locate performance, the role of administrative penalties and ways to continue to improve the locate system in Ontario.
- On Nov. 12, RCCAO executive director Nadia Todorova and board members Peter Smith, Raly Chakarova and Dennis Cancian attended the groundbreaking ceremony for the International Union of Operating Engineers, Local 793 new regional office and training centre in the Township of Oro-Medonte.
- RCCAO welcomed the news that Phase II of Gardiner Expressway construction is set to begin ahead of schedule.
- RCCAO executive director Nadia Todorova attended the annual general meeting of the Heavy Construction Association of Toronto (HCAT) and provided HCAT members with an update on infrastructure advocacy work that RCCAO has been undertaking over the last year.
- RCCAO remains active on social media – we hit a milestone number of LinkedIn followers in October! Make sure to follow us to stay on top of infrastructure-related news: X/Twitter and LinkedIn.

MENTAL HEALTH & ADDICTIONS WEBINAR

On Nov. 27, RESCON hosted its sixth annual Mental Health and Addictions in Construction Webinar.

Click here to listen to the recording. Thank you to all our keynote speakers and panelists:

- Labour, Immigration, Training and Skills Development Minister David Piccini
- Chief Prevention Officer Dr. Joel Moody
- Associate Minister of Mental Health & Addictions Michael Tibollo
- Carmine Tiano (Provincial Building and Construction Trades Council of Ontario)
- Melissa Murkar (Menkes)
- Kathy Martin (IHSA)
- Sabrina Jouniaux-Romano (Opening Minds/ MHCC)
- Diane Laranja (Filion Wakely)