

RESIDENTIAL BUILDER

A PUBLICATION OF THE
RESIDENTIAL CONSTRUCTION
COUNCIL OF ONTARIO



MARCH 2026

RESCON Pre-Budget Submission

See Page 18

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25 North Rivermede Road
Unit 13
Vaughan, Ont.
L4K 5V4

1-905-760-7777

1-866-531-1608

media@rescon.com

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Published under
the direction of:

RICHARD LYALL
RESCON PRESIDENT
lyall@rescon.com

GRANT CAMERON
RESCON SENIOR DIRECTOR
OF PUBLIC AFFAIRS
cameron@rescon.com

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25 North Rivermede Rd.
Unit 13
Vaughan, Ontario
L4K 5V4
+1 905-760-7777

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Builder Briefs

Housing Minister Rob Flack delivers encouraging news

RESCON president Richard Lyall and several staff members attended an Empire Club of Canada event in Toronto on Feb. 17 called Protecting the Dream of Homeownership in Ontario.

Municipal Affairs and Housing Minister Rob Flack spoke at the event.

During his remarks, Flack said that action is coming on development charges and the planning process will be standardized.

He also indicated he has heard the message about taxes from the residential construction industry.



Request for Information launched by Build Canada Homes



Build Canada Homes (BCH) has launched a [Request for Information \(RFI\)](#) to engage Canadian firms specializing in MMC - including modular, panelized and prefabricated systems.

The initiative is a critical step toward accelerating the delivery of affordable housing across the

country.

The RFI aims to gather insights from industry leaders on capabilities, business models and delivery approaches.

Interested respondents are also invited to register as part of a forthcoming public directory of MMC firms to help raise

awareness regarding the capabilities of the sector.

Responses to the RFI will inform the design of BCH's upcoming prequalification process and help identify high-potential MMC firms for future projects and partnerships to deliver housing at scale.

Submission deadline is March 5.

Builder Briefs

Applications being accepted for Construction Challenge

Builders can apply to participate in an Off-Site Construction Challenge being launched by the Office of Energy Research and Development.

Applications are being accepted via an online portal until 1 p.m. on March 27, 2026.

The challenge is delivered under the Energy Innovation Program and is aimed at driving the industry to design and demonstrate how innovative offsite construction methods can be used to build more energy-efficient and resilient multi-unit residential buildings.

Finalists will receive up to \$180,000 in grant funding for the planning and development of their design.

The winner will receive up to \$10 million in contribution funding to help bring the design to life.

[Click here](#) to watch a video on the initiative.

[Click here](#) for more details on eligibility and how to apply.

[Click here](#) to submit an application.



Mayor's luncheon in Vaughan attended by RESCON staff



RESCON staff attended the 2026 Vaughan Chamber of Commerce Annual Mayor's Luncheon at the Terrace Banquet Centre in Concord on Feb. 25. Mayor Steven Del Duca laid out his vision for Vaughan's growth and prosperity.



IT MAY NOT LOOK LIKE IT BUT THERE ARE SIGNS OF IMPROVEMENT

Richard Lyall
President

We will look back at this as a time when we hit bottom and new housing production started to recover.

There are very good reasons to feel optimistic about the housing crisis despite overwhelming evidence to the contrary.

The mounting awareness of the greatness of Canada is now matched with the recognition that housing is critical to that story.

The fact that housing sank to 1981 levels in January also means there is no longer doubt that radical surgery is needed.

By the same token, unlike the last massive housing correction in the early 90s, this correction was a self-inflicted wound - a "dislocation" between buyers and sellers.

In just over 30 years, governments systemically exponentially increased the cost of housing with bloated development charges, sales taxes, land transfer taxes and red tape.

The Ontario government's 2022 housing task force report noted this four years ago. Yet these costs have yet to be seriously reduced, if at all.

And just to remind you, a report prepared by the Canadian Centre for Economic Analysis for RESCON in 2024 found the tax burden now accounts for 36 per cent of the cost of a new home.

Those taxes, fees and levies did not exist in the 90s.

During the same period, government charges exploded while real incomes didn't move. On what planet does that make any sense?

The problem stemmed from the fact that no one was in charge overall. And they forgot to look at trends in the ratio of production costs to incomes. It was FUBAR on a grand scale.

However, there is good news.

RESCON and the RCCAO produced a report recently that demonstrated that an across-the-board sales tax holiday for buyers of new homes would boost sales and preserve construction activity and jobs - and not cost governments a dime.

The research suggests that the policy would be revenue-neutral for governments, as increased economic activity and preserved employment would offset forgone tax revenue.

However, if the situation is left unremedied, things are going to get even worse than they are now.

If no action is taken, the province stands to average 21,500 fewer housing starts every year over the next decade compared to the recent 10-year average. The shortfall would account for about 390,000 fewer Ontarians being housed by 2035.

Knowledge and necessity now dictate the following will happen.

1. The stalled first-time buyer rebate announced a year ago will soon be in effect.
2. The sales tax rebates will be extended to move up and move down buyers and renters.
3. Development charges will be reduced in municipalities - especially those that raised them beyond any rational explanation.
4. Land transfer taxes.
5. A variety of project-stalling red tape and procedural measures will be rectified.

These are all things within our systemic control in Ontario and Canada.

We will look back at this as a time when we hit bottom and new housing production started to recover. That, combined with the fact that foreign direct investment into Canada jumped in the fourth quarter, pushing yearly inflows to the highest level in 18 years, bodes well for change.

So, even though it doesn't look like it, there are signs of improvement. Remember, stars shine brightest in the darkest hour of the night.

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GETTING MORE WOMEN INTO THE TRADES IS A CLEAR PRIORITY FOR ONTARIO

Andrew Pariser
Vice President

Let's celebrate the progress we have made but commit to continued improvements as well.

Sunday, March 8, is International Women's Day, and we should all take time that day (and every day) to celebrate all the women that build Ontario. While we are still scratching the surface when it comes to women in the trades, this column recognizes that progress has been made and that we still have a long way to go.

What is working

Skilled trades are a clear priority in Ontario, and so too is getting women in the trades. Senior leadership (elected and appointed) are supporting the push to destigmatize the skilled trades and remove barriers facing those who want to enter the trades, including women.

From the top down and ground up, I can't talk about women in the skilled trades without recognizing Labour, Immigration, Training and Skills Development Minister David Piccini and Associate Minister of Women's Social and Economic Opportunity Charmaine Williams. Both are skilled trades champions and have spent countless hours and energy on addressing the specific barriers women face.

Industry, labour unions, and not-for-profits have joined them. RESCON holds an annual Women in Construction webinar every fall and it has grown into one of our top events. Highlights include industry experts, keynote addresses and best practices for the recruitment, onboarding, and retention of women. [Click here](#) to check out the fifth annual event that was held in October 2025.

Other active associations deserving recognition include Skills Ontario, BOLT (Building Opportunities for Life Today), and the CAF (Canadian Apprenticeship Forum).

Skills Ontario

Skills Ontario's mission statement is, "Changing lives and inspiring leaders through skilled trades and technology." The organization applies this with a specific focus on women and young women through a Young Women's Initiatives skills competition every May, and International Women's Day Celebration Event. [Click here](#) for more information and to register.

BOLT

BOLT provides social and financial support to underprivileged youth as they access education, job-shadowing and employment in construction. [Click here](#) for information on grants. In addition, BOLT is hosting an International Women's Day webinar on March 7. [Click here](#) to register.

Canadian Apprenticeship Forum

CAF is a non-profit organization that connects Canada's apprenticeship community. Participants work collaboratively to support vibrant and innovative apprenticeship systems. The organization brings together apprenticeship stakeholders from across trades, across sectors and across Canada.

Where do we go from here?

The good news is we can build on our success. In the last five years, recruitment and retention efforts have expanded considerably. So has government funding for apprentices and employers who hire them. We need to keep this going and take meaningful steps to improve the recruitment and retention of women. Here are three ways to make a difference:

- Find female new hires a female mentor or co-worker that they can talk to. New staff have questions and having a female to talk to can go a long way.
- Get your workplace ready. This includes but is not limited to safety equipment, bathrooms, and other fundamental rights. Not only is this a best practice, but it is also enshrined in health and safety laws.
- Have inclusive best practices and enforce them. Anti-harassment legislation isn't new, but what is clear is that more work needs to be done. Every company should have a policy that is supported by the joint health and safety committee, senior management and all staff.

This International Women's Day, let's celebrate the progress we have made but commit to continued improvements as well.



RESCON HAS BEEN MAKING A LOT OF NOISE ON MANY FRONTS

Grant Cameron
Senior Director of Public Affairs

RESCON is asking that the Ontario government extend its cut to all new home buyers for a three-year period.

Mahatma Gandhi, famous Indian lawyer, politician and activist, once proclaimed that, "The future depends on what you do today."

If that's the case, there should be good things in store for the residential construction industry.

RESCON has been making a lot of noise on a number of fronts - one being the push to reduce sales taxes for first-time buyers of new homes. Legislation before the Senate would result in a five-per-cent federal sales tax cut and trigger an eight-per-cent cut to the provincial portion.

Now, RESCON is asking that the Ontario government extend its cut to all new home buyers - not just first-timers - for a three-year period.

Such a move would preserve nearly 26,000 industry jobs, result in a marked improvement in housing starts and completions, and support roughly \$3.9 billion of GDP to Ontario's economy. Critically, the plan would also be statistically tax-neutral, which means it is not costing the government any money.

A report on the matter was prepared for RESCON by the Canadian Centre for Economic Analysis.

Disturbingly, the report warns that if no action is taken, Ontario stands to average 21,500 fewer housing starts every year over the next decade, compared to the recent 10-year average. That shortfall would account for approximately 390,000 fewer Ontarians being housed by 2035.

The report can be found [here](#). RESCON president Richard Lyall did an [interview](#) on the report with Newstalk 1010.

Pre-budget submission

In a [pre-budget submission](#), RESCON outlined a series of 10 actions the Ontario government should take to fix the housing crisis. They include expanding Ontario's HST rebate to all new home purchasers, rolling back municipal development charges and changing the system, digitizing the approvals process, and supporting off-site construction methods.

In a Daily Commercial News [column](#), Lyall noted that a recent Senate report and RESCON's pre-budget submission appear to be strikingly aligned - and governments would be wise to take note.

We sent out a [press release](#) on the submission and Lyall wrote a [column](#) in Storeys that pointed out the

urgency of the matter.

Articles on the submission ran in [Daily Commercial News](#) and [Canadian Contractor](#).

Call for action

In numerous publications, we called on governments to take action to tackle the housing crisis.

A [column](#) in Canadian Forest Industries noted that the clock is ticking for governments to step up, while [another](#) in Senso Magazine warned that the residential construction industry is at a crossroads. In a [column](#) in Canadian Real Estate Wealth, we explained why Ontario's housing system needs a reset, and in a [column](#) in Storeys we outlined how Ontario's housing cost-to-income ratio is out of whack.

Articles on our point of view also ran in [NRU GTHA](#), the [Kincardine News](#), [Canadian Rental Services](#), and the [Ottawa Sun](#).

Cost of building

In a [column](#) in The Toronto Sun, Lyall pointed out how overly restrictive policies and regulations, slow approvals, excessive red tape and exorbitant taxes are contributing to the housing crisis and why half measures and incremental change will not cut it.

Multiplex housing

In a [column](#) in Canadian Real Estate Wealth, Lyall explained why the system must be tweaked to enable multiplex housing at scale.

Inclusionary zoning

RESCON came out in support of the provincial government's proposal to pause Inclusionary Zoning requirements in Toronto, Mississauga and Kitchener. The rules force developers to include a certain percentage of affordable apartments in major housing projects near transit stations.

In a [column](#) in Real Estate Magazine Canada, and an [article](#) in BUILDING magazine, Lyall pointed out that IZ doesn't work and only has a chilling effect on projects.

Tiebacks report

In a ReNew Canada [article](#), RESCON sounded the alarm over a proposal to ban tiebacks in Ontario, noting that going that route would spike building costs, increase congestion around project sites, present significant health and safety challenges for workers, and prolong construction schedules.



A HOME IS MUCH MORE THAN BRICKS AND MORTAR

Michael Giles
Director of Government Relations

A huge swath of people simply cannot conceive of a path to securing for themselves a home they can afford.

It really is incredible how many expressions exist that reference the idea of “home.” From “there’s no place like home” to “home is where the heart is,” the concept of “home” is ingrained within the human psyche.

It’s fascinating to conceive that the home evolved from caves to wooden structures dating back 476,000 years in the area of Kalambo Falls on the Tanzanian/Zambian border. Early human structures date back 30,000 to 10,000 years BC. More permanent villages emerged in the 10,000-to-8,000-BC period.

Speak to anthropologists and they’ll tell you that homes are the principle locations where human beings came to understand the importance of social norms and societal integration.

The anthropologist, Claude Lévi-Strauss, refers to “house societies,” which sees homes as the place where family descent is secured and protected, and power and wealth grow within the concept of broader societal integration.

Another anthropological concept sees the home as an ongoing process that provides comfort, safety and a sense of belonging. In essence, it shrouds the occupants in a cloud of normalcy.

I once wrote a speech for an elected official that included a line reading (paraphrasing), “The home is the foundational block upon which all other success in life emerges, including the ability to attend school or work successfully, be part of a community from recreation to societal interaction to the most basic of human needs, including shelter, personal safety and family bonding.” In essence, it is hard to succeed in life without a safe, comfortable and predictable place to call home.

The late former British Prime Minister, Winston Churchill, once stated, “We shape our homes and then our homes shape us.”

All of which brings us to the challenges facing millions of people in this country and beyond, particularly those who are young.

For most of human history, the notion that one day most people could afford to own a home was foundational to their view of themselves within society and community.

With the exception of cyclical financially challenging times, such as the Great Depression, the concept of home ownership was not some alien notion ascribed to the

few. In the post-industrial world following the devastating realities of the Victorian era, all were eventually taught that if you worked hard, managed your resources well and behaved responsibly there was no reason you could not own your little part of the world.

There are few among us who would argue that times have changed. For the first time in generations, a huge swath of people simply cannot conceive of a path to securing for themselves a home they can afford and maintain over a period of time.

Increasingly, young people in particular are abandoning the dream of home ownership. They face an economic reality that ascribes for them a seemingly endless period of living in the basement of their parent’s or sharing accommodation with multiple acquaintances.

This is not just a narrative about a vision of inadequate living arrangements. It is a reality that, if not addressed, will create vast and enduring societal impacts, none of which any of us should want to envision.

I return to the beginning of this article and reiterate that a safe, comfortable and stable home is the basis upon which all other success in life is ultimately predicated upon. Lose this and we lose societal cohesion, the foundational institution of the family unit, productivity, wealth creation and growth and more nebulously the very societal linkage that supports strong cities, nations and the world itself.

This may sound a little dramatic, but it is the truth. All of us, and in particular those who govern, need to realize that this housing crisis goes way beyond the ability to build, purchase and occupy a building; it speaks to the foundational nature of what a home really is - and it’s definitely way beyond bricks and mortar.

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REVIEW OF ONTARIO BUILDING CODE WOULD BE A MAJOR UNDERTAKING

Dave Henderson
Senior Manager, Technical Services

Minister Flack appears to be sincere in his desire to undertake a line-by-line review of the Ontario Building Code.

It seems like we frequently write about building code or other regulatory changes. The regulatory landscape is constantly evolving, and it is difficult for builders to stay on top of all the changes.

Some changes are positive and remove actual or perceived barriers. Other changes simply make delivering housing increasingly difficult and costly.

Municipal Affairs and Housing Minister Rob Flack is one of the first politicians with this portfolio to understand the challenges our industry faces.

He is attempting to make structural changes to housing policy and regulations the best way he knows how. It isn't easy when there have been decades and multiple layers of anti-development rhetoric and government direction to chip away.

The minister recently announced he would like to initiate a line-by-line review of the Ontario Building Code. This is in addition to several other major policy shifts like those found in bills 17 and 60.

During his address to members at RESCON's annual general meeting in January, he relayed the story of his first days as minister of municipal affairs and housing and seeing two gigantic binders in his office. He asked what they were. When he was told they contained the province's building code, he immediately questioned why it was so big.

Most of us who are very familiar with the document(s) ask ourselves the same question every time we need to find that one item, that one illusive article hidden somewhere in the volumes of paper. Why is it so big? And more importantly, how did it get to be that way?

Those of us with a little grey in our hair can remember a time when it was only one book.

The answer to the question may simply be, it is that big because we let it get that way. In code, regulatory and policy development, it is very easy to continue to add onto the existing files. We build additional language and rules on top of a thin scaffolding of policy and objectives.

Every code change cycle, we add more. More rules. More regulation. More cost. We add, but rarely do we ever take away. We don't stop to ask if what is currently there is still needed. We don't review or question if minimum standards have gone too far. And we certainly don't perform a cost-versus-benefit-analysis on adopted policy.

Maybe we should.

It is still early days. Minister Flack appears to be sincere in his desire to undertake a line-by-line review of the Ontario Building Code. If the project goes ahead, this will be a major undertaking.

There have been no announcements as to the scope of the project, the expected duration of the project, or what guardrails will be in place.

Reviewing the code to ensure that all the regulatory language aligns with the objectives will not result in much change. What is needed is a bold, hard examination of "wants" versus "needs" of the code.

Core principles like fire and life safety, structural sufficiency, and durability are fundamental. Energy efficiency arguably has merit as a core principle. But what of the others?

The social policy objectives that have wriggled their way into the code over numerous code change cycles and ever-shifting government mandates will require significant debate and discussion.

What exactly are the needs, what are nice-to-haves, and what can the market determine?

Also, what have all of these things added to the cost of construction, and do their objectives outweigh the basic human need for safe, affordable shelter?

These will be the challenges facing any group tasked with Minister Flack's project agenda.

Personally, I believe this project is long overdue. But I expect it will be like watching an episode of the infamous television show Hoarders. You are eager to see the dramatic before and after montage, but you fear the process will be consumed by lots of arguing, shuffling things around, awkward intervention from therapists and, in the end., a house full of neatly stacked boxes with little change in volume.

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PRESS RELEASE

RESCON CALLS ON GOVERNMENT TO FIX THE CRISIS



Feb. 4, 2026, Vaughan, Ont. – The Residential Construction Council of Ontario (RESCON) is urging the provincial government to take a series of bold steps in its upcoming budget to address the most severe housing crisis the province has ever faced.

In a [pre-budget submission](#), the association outlines 10 fixes, including expanding Ontario's HST rebate to all new home purchasers, rolling back municipal development charges and changing the system, digitizing the approvals process, and supporting off-site construction methods.

"The numbers speak for themselves and they are alarming," said RESCON president Richard Lyall. "Housing starts have evaporated precisely when Ontario needs new homes the most. This is not a market correction - it is a systemic failure that demands immediate government leadership. The Ontario budget is an opportunity for the province to make real inroads."

RESCON's submission comes at a time when the new homebuilding sector is contending with a perfect storm of challenges that have brought residential construction to a near standstill.

The housing cost-to-income ratio in Ontario now exceeds 9:1, placing home ownership increasingly out of reach for many families. In the Greater Toronto Hamilton Area, figures show that single-family home sales are down 71 per cent and condo sales have plunged 90 per cent.

Tens of thousands of jobs have already been lost across the province, with further losses expected in the months ahead.

Reports suggest Ontario could face a GDP reduction of 1.5 to 2.5 per cent between 2026 and 2027 directly linked to the collapse in residential construction.

Budget 2026 provides a unique opportunity to reverse course. Housing affordability challenges have been decades in the making, but the Ontario government is uniquely positioned to lead, given its jurisdiction over taxes, housing policy, infrastructure funding and municipal governance.

"Housing should not be taxed like alcohol or tobacco as it is a basic economic necessity," said Lyall. "If we want a prosperous, competitive Ontario, we must restore the conditions that allow builders to build and consumers to buy or rent homes at attainable prices. The present situation is unsustainable and, if further action is not taken, will only lead to more pain for Ontarians."

The pre-budget submission recommends that:

- Ontario's HST rebate be expanded to all new home purchasers for homes up to \$1.3 million.
- Municipal development charges be rolled back to 2015 levels for three years.
- A new provincial infrastructure funding model be created to reduce reliance on development charges.
- Municipal and provincial land transfer taxes be suspended on new and never-occupied homes for three years.
- Planning and approvals processes across Ontario be digitized and standardized designs and as-of-right modalities be applied.
- Offsite and innovative construction methods be supported.
- Measures to advance PropTech and ConTech adoption be implemented.
- Foreign buyer bans for new housing, particularly high-rise projects, be removed.
- Public-private partnerships be expanded to accelerate housing delivery.
- Housing programs, such as MURB and Limited Dividend Company models, be reactivated.

"Incremental or piecemeal measures will not be sufficient as Ontario has fallen far behind global leaders in housing delivery," adds Lyall. "Currently we rank second last among OECD countries for development approval timelines, underscoring the urgent need for bold, systemic reform. Our members know how to build homes. The time for decisive action is now."

[Click here](#) for the pre-budget submission.

RESCON RELEASES ITS SUGGESTIONS

The present situation is unsustainable and if further action is not taken, will only lead to more pain for Ontarians.

*By Canadian Contractor
Feb. 12, 2026*

The Residential Construction Council of Ontario (RESCON) is urging the provincial government to take a series of bold steps in its upcoming budget to address the most severe housing crisis the province has ever faced.

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“Currently we rank second last among OECD countries for development approval timelines, underscoring the urgent need for bold, systemic reform. Our members know how to build homes. The time for decisive action is now.”

HOUSING SYSTEM MUST BE RESET

*By Richard Lyall
for Canadian Real Estate Wealth
Feb. 17, 2026*

Ontario's housing crisis has reached a point where euphemisms no longer help. This is not a normal market correction, a soft landing, or temporary cyclical slowdown. It is a systemic failure.

Housing starts have all but evaporated at precisely the time we need new homes the most. The upcoming Ontario budget must tackle the issue head-on and include measures to kick-start the industry.

Ontario's housing cost-to-income ratio now exceeds 9:1, putting ownership well beyond the reach of many middle-class families.

In the Greater Toronto Hamilton Area, single-family home sales have fallen 71 per cent and condominium sales have plunged an astonishing 90 per cent. Across Ontario's major urban centres, housing starts are down sharply year over year, with Toronto alone seeing a drop of nearly 60 per cent.

Tens of thousands of construction jobs have already disappeared, and economists warn the collapse in residential construction could shave between 1.5 and 2.5 per cent off Ontario's GDP over the next two years.

In a recent pre-budget submission, RESCON laid out 10 ways to fix the problem. For RESCON, Budget 2026 is not just another fiscal exercise. We have called on Queen's Park to move decisively on a package of reforms aimed at restoring affordability and reviving homebuilding.

At the heart of the argument is a simple premise: housing is a basic economic necessity, not a luxury item, and should not be taxed or regulated as if it were alcohol or tobacco.



Budget 2026 is an opportunity for the province to reverse years of policy drift that have layered taxes, fees and delays onto new housing until many projects no longer make financial sense to build.

One of our most prominent asks is an expansion of Ontario's portion of the HST rebate to all new homebuyers for homes priced up to \$1.3 million, not just first-time purchasers. By extending the rebate more broadly - and pushing Ottawa to follow suit on the federal share - the province could lower the upfront cost of new homes and help restart stalled projects.

Arguably more urgent is RESCON's call to roll municipal development charges (DCs) back to 2015 levels for a three-year period and fundamentally rethink how infrastructure is funded.

DCs have ballooned in many municipalities. They are effectively hidden consumer taxes embedded in the price



“ Development charges have ballooned in many municipalities. They are effectively hidden consumer taxes embedded in the price of new homes. They unfairly load the cost of growth-related infrastructure onto new buyers while existing homeowners are largely insulated

up and simplify the notoriously slow and fragmented planning and approvals system.

Canada ranks second last among OECD countries for development approval timelines, a statistic that should trouble any government serious about boosting supply. We are calling for province-wide digitization of planning approvals, standardized designs and broader use of as-of-right zoning to cut delays that can stretch projects by years. Builders know how to build homes. What they cannot control is a glacial approvals regime that adds cost without adding value.

We must also look to the future of construction. We need stronger provincial support for off-site and innovative building methods, as well as incentives to accelerate adoption of PropTech and ConTech.

RESCON members visited Germany last fall and saw how that country has embraced industrialized, factory-built construction and digital planning to dramatically shorten timelines and improve productivity. Catching up is essential if we are serious about boosting supply.

We have also called on the government to remove foreign buyer bans for new housing, particularly high-rise projects. In the current market, these bans are doing more harm than good by suppressing demand for pre-construction units that are critical to financing large projects.

Our housing policy failures did not happen overnight, nor can they be fixed with a single budget. However, bold fiscal and policy movement now can mitigate the potential consequences.

Ontario can continue with piecemeal measures that fail to match the scale of the crisis, or it can use its authority over taxes, housing policies, infrastructure and municipalities to reverse course.

of new homes. They unfairly load the cost of growth-related infrastructure onto new buyers while existing homeowners are largely insulated.

Shifting more of those costs onto the broader tax base, with predictable provincial support for municipalities, would spread the burden more equitably and reduce sticker shock for buyers.

Land transfer taxes are another target. RESCON wants both provincial and municipal land transfer taxes suspended for new, never-occupied homes for three years. These taxes are regressive, adding thousands of dollars to the cost of ownership without contributing to housing supply.

In a market already strained by high interest rates and weakened consumer confidence, there is little justification for keeping them in place on new construction.

Beyond taxes and fees, action must be taken to speed

RESCON URGES ACTION

In a pre-budget submission, RESCON has suggested 10 fixes that the Ontario government can take to tackle the severe housing crisis.

*By Daily Commercial News
Feb. 6, 2026*

The Residential Construction Council of Ontario (RESCON) is urging the provincial government to take a series of bold steps in the upcoming budget in order to tackle the severe housing crisis.

In its [pre-budget submission](#), the association outlines 10 “fixes,” including expanding Ontario’s HST rebate to all new home purchasers, rolling back municipal development charges and changing the system, digitizing the approvals process and supporting off-site construction methods.

“The numbers speak for themselves and they are alarming,”

said RESCON president Richard Lyall, in a statement.

“Housing starts have evaporated precisely when Ontario needs new homes the most. This is not a market correction – it is a systemic failure that demands immediate government leadership. The Ontario budget is an opportunity for the province to make real inroads.”

According to RESCON, the housing cost-to-income ratio in Ontario now exceeds 9:1, placing home ownership increasingly out of reach for many families.

In the Greater Toronto Hamilton Area alone, figures show single-family home sales are down 71 per cent and condo sales have plunged 90 per cent.

Housing affordability challenges

“ Housing should not be taxed like alcohol or tobacco as it is a basic economic necessity. If we want a prosperous, competitive Ontario, we must restore the conditions that allow builders to build.”



have been decades in the making, a release notes, but the Ontario government is uniquely positioned to lead, given its jurisdiction over taxes, housing policy, infrastructure funding and municipal governance.

“Housing should not be taxed like alcohol or tobacco as it is a basic economic necessity,” added Lyall. “If we want a prosperous, competitive Ontario, we must restore the conditions that allow builders to build and consumers to buy or rent homes at attainable prices. The present situation is unsustainable and, if further action is not taken, will only lead to more pain for Ontarians.”

The pre-budget submission recommends the following:

Ontario’s HST rebate be expanded to all new home purchasers for

homes up to \$1.3 million.

Municipal development charges be rolled back to 2015 levels for three years.

A new provincial infrastructure funding model be created to reduce reliance on development charges.

Municipal and provincial land transfer taxes be suspended on new and never-occupied homes for three years.

Planning and approvals processes across Ontario be digitized and standardized designs and as-of-right modalities be applied.

Offsite and innovative construction methods be supported.

Measures to advance PropTech and ConTech adoption be implemented.

Foreign buyer bans for new

housing, particularly highrise projects, be removed.

Public-private partnerships be expanded to accelerate housing delivery.

Housing programs, such as MURB and Limited Dividend Company models, be reactivated.

“Incremental or piecemeal measures will not be sufficient as Ontario has fallen far behind global leaders in housing delivery,” he said. “Currently we rank second last among OECD countries for development approval timelines, underscoring the urgent need for bold, systemic reform. Our members know how to build homes. The time for decisive action is now.”

[Click here](#) for the entire pre-budget submission.

WHY HOUSING NEEDS A RESET

By Richard Lyall
for Canadian Real Estate Wealth
Feb. 17, 2026

Ontario's housing crisis has reached a point where euphemisms no longer help. This is not a normal market correction, a soft landing, or temporary cyclical slowdown. It is a systemic failure.

Housing starts have all but evaporated at precisely the time we need new homes the most. The upcoming Ontario budget must tackle the issue head-on and include measures to kick-start the industry.

Ontario's housing cost-to-income ratio now exceeds 9:1, putting ownership well beyond the reach of many middle-class families.

In the Greater Toronto Hamilton Area, single-family home sales have fallen 71 per cent and condominium sales have plunged an astonishing 90 per cent. Across Ontario's major urban centres, housing starts are down sharply year over year, with Toronto alone seeing a drop of nearly 60 per cent.

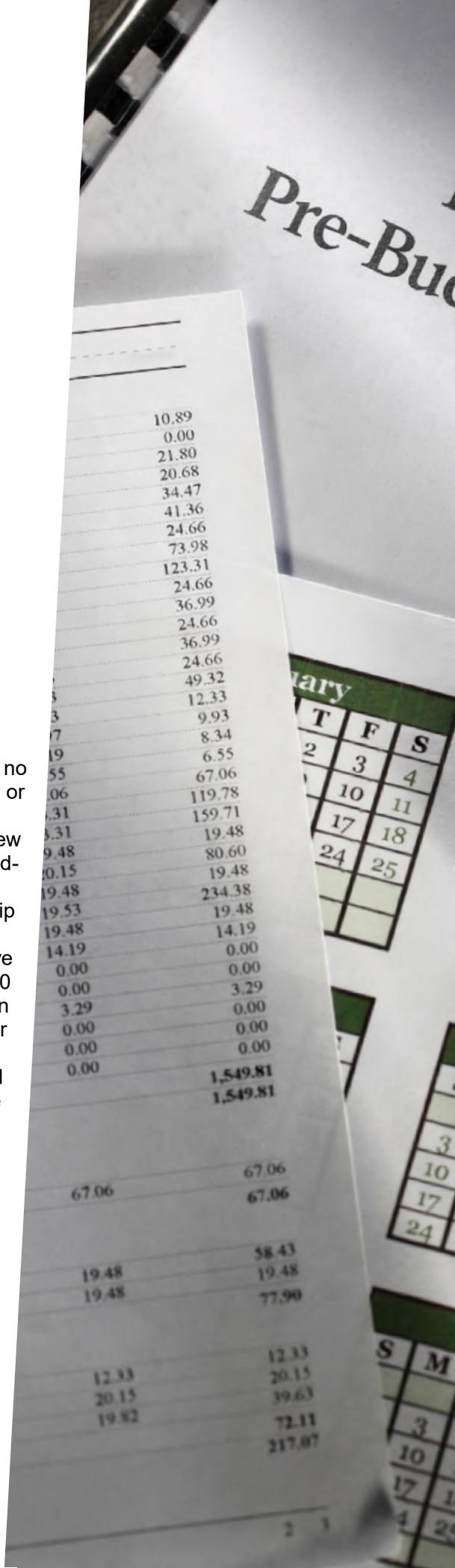
Tens of thousands of construction jobs have already disappeared, and economists warn the collapse in residential construction could shave between 1.5 and 2.5 per cent off Ontario's GDP over the next two years.

In a recent pre-budget submission, RESCON laid out 10 ways to fix the problem. For RESCON, Budget 2026 is not just another fiscal exercise. We have called on Queen's Park to move decisively on a package of reforms aimed at restoring affordability and reviving homebuilding.

At the heart of the argument is a simple premise: housing is a basic economic necessity, not a luxury item, and should not be taxed or regulated as if it were alcohol or tobacco.

Budget 2026 is an opportunity for the province to reverse years of policy drift that have layered taxes, fees and delays onto new housing until many projects no longer make financial sense to build.

One of our most prominent asks is an expansion of Ontario's portion of the HST rebate to all new homebuyers for homes priced up to \$1.3 million, not just first-time purchasers. By extending the rebate more broadly - and pushing Ottawa to follow suit on the federal share - the province could



RESCON Budget Submission



Beyond taxes and fees, action must be taken to speed up and simplify the notoriously slow and fragmented planning and approvals system.

lower the upfront cost of new homes and help restart stalled projects.

Arguably more urgent is RESCON's call to roll municipal development charges (DCs) back to 2015 levels for a three-year period and fundamentally rethink how infrastructure is funded.

DCs have ballooned in many municipalities. They are effectively hidden consumer taxes embedded in the price of new homes. They unfairly load the cost of growth-related infrastructure onto new buyers while existing homeowners are largely insulated.

Shifting more of those costs onto the broader tax base, with predictable provincial support for municipalities, would spread the burden more equitably and reduce sticker shock for buyers.

Land transfer taxes are another target. RESCON wants both provincial and municipal land transfer taxes suspended for new, never-occupied homes for three years. These taxes are regressive, adding thousands of dollars to the cost of ownership without contributing to housing supply.

In a market already strained by high interest rates and weakened consumer confidence, there is little justification for keeping them in place on new construction.

Beyond taxes and fees, action must be taken to speed up and simplify the notoriously slow and fragmented planning and approvals system.

Canada ranks second last among OECD countries for development approval timelines, a statistic that should trouble any government serious about boosting supply. We are calling for province-wide digitization of planning approvals, standardized designs and broader use of as-of-right zoning to cut delays that can stretch projects by years. Builders know how to build homes. What they cannot control is a glacial approvals regime that adds cost without adding value.

We must also look to the future of construction. We need stronger provincial support for off-site and innovative building methods, as well as incentives to accelerate adoption of PropTech and ConTech.

RESCON members visited Germany last fall and saw how that country has embraced industrialized, factory-built construction and digital planning to dramatically shorten timelines and improve productivity. Catching up is essential if we are serious about boosting supply.

We have also called on the government to remove foreign buyer bans for new housing, particularly high-rise projects. In the current market, these bans are doing more harm than good by suppressing demand for pre-construction units that are critical to financing large projects.

Our housing policy failures did not happen overnight, nor can they be fixed with a single budget. However, bold fiscal and policy movement now can mitigate the potential consequences.

Ontario should step in where some municipalities aren't getting the message, as has been done in Alberta, and use its authority over taxes, housing policies, infrastructure to reverse course.

10 FIXES FOR HOUSING

RESCON calls on provincial government to seize opportunity.

By Senso Magazine

The Residential Construction Council of Ontario (RESCON) is urging the provincial government to take a series of bold steps in its upcoming budget to address the most severe housing crisis the province has ever faced.

In a pre-budget submission, the association outlines 10 fixes, including expanding Ontario's HST rebate to all new home purchasers, rolling back municipal development charges and changing the system, digitizing the approvals process, and supporting off-site construction methods.

"The numbers speak for themselves and they are alarming," said RESCON president Richard Lyall.

"Housing starts have evaporated precisely when Ontario needs new homes the most. This is not a market correction - it is a systemic failure that demands immediate government leadership. The Ontario budget is an opportunity for the province to make real inroads."

RESCON's submission comes at a time when the new homebuilding sector is contending with a perfect storm of challenges that have brought residential construction to a near standstill.

The housing cost-to-income ratio in Ontario now exceeds 9:1, placing home ownership increasingly out of reach for many families.

In the Greater Toronto Hamilton Area, figures show that single-family home sales are down 71 per cent and condo sales have plunged 90 per cent.

Tens of thousands of jobs have already been lost across the province, with further losses expected in the months ahead.

Reports suggest Ontario could face a GDP reduction of 1.5 to 2.5 per cent between 2026 and 2027 directly linked to the collapse in residential construction.

Budget 2026 provides a unique opportunity to reverse course. Housing affordability challenges have been decades in the making, but the Ontario government is uniquely positioned to lead, given its jurisdiction over taxes, housing



policy, infrastructure funding and municipal governance.

"Housing should not be taxed like alcohol or tobacco as it is a basic economic necessity," said Lyall. "If we want a prosperous, competitive Ontario, we must restore the conditions that allow builders to build and consumers to buy or rent homes at attainable prices. The present situation is unsustainable and, if further action is not taken, will only lead to more pain for Ontarians."

The pre-budget submission recommends that:

- Ontario's HST rebate be



expanded to all new home purchasers for homes up to \$1.3 million.

- Municipal development charges be rolled back to 2015 levels for three years.
- A new provincial infrastructure funding model be created to reduce reliance on development charges.
- Municipal and provincial land transfer taxes be suspended on new and never-occupied homes for three years.
- Planning and approvals processes across Ontario be

digitized and standardized designs and as-of-right modalities be applied.

- Offsite and innovative construction methods be supported.
- Measures to advance PropTech and ConTech adoption be implemented.
- Foreign buyer bans for new housing, particularly high-rise projects, be removed.
- Public-private partnerships be expanded to accelerate housing delivery.
- Housing programs, such as

MURB and Limited Dividend Company models, be reactivated.

“Incremental or piecemeal measures will not be sufficient as Ontario has fallen far behind global leaders in housing delivery,” adds Lyall.

“Currently we rank second last among OECD countries for development approval timelines, underscoring the urgent need for bold, systemic reform.

“Our members know how to build homes. The time for decisive action is now.”

RISING COSTS

THE COST OF BUILDING IS TOO HIGH

New home sales have collapsed across Ontario and beyond.

*By Richard Lyall
for The Toronto Sun
Feb. 13, 2026*

Ontario's housing crisis didn't happen overnight. It's been decades in the making, caused by overly restrictive policies and regulations, slow approvals, excessive red tape and exorbitant taxes.

Half-measures and incremental change will not cut it. The data shows that the industry has clearly hit a wall. To correct course, we need governments to fire all their guns at the same time.

New home sales have collapsed across Ontario and beyond, not just in downtown Toronto or Vancouver, but in cities large and small, and in markets like Calgary, Edmonton and Kitchener-Waterloo.

The cost of building new units is too high to compete with the resale market. Condo apartment starts are down 51 per cent across most municipalities in the Greater Golden Horseshoe.

Just 5,300 new homes sold in the GTA in all of 2025 - the worst year in 45 years of record-keeping. December sales were down 82 per cent from the 10-year average.

In the City of Toronto, new ground-oriented and condo



apartment sales plunged from roughly 40,000 units in 2021 to about 2,000 in 2025. In Kitchener, Waterloo and Cambridge, sales fell from 2,000 to just 250 over the same period.

The Canadian Centre for Economic Analysis is forecasting that there will be a deep and persistent slowdown in new housing relative to the 10-year average. The anticipated scenario implies roughly 36 per cent fewer starts and 39 per cent fewer completions than the 10-year average.

Economic modelling suggests that about 35,000 residential construction workers in Ontario could be displaced on average.

In a keynote speech at RESCON's recent annual general meeting, Premier Doug Ford addressed the issue squarely and was unequivocal, stressing that housing is critical to Ontario's economic prosperity, and he is ready and willing to work with builders to get shovels in the ground faster.

Ford's remarks were encouraging and left little doubt leaders know what must be done.

It was clear from his remarks - and those made by others at the meeting - that the provincial and municipal governments understand the challenges ahead and are



determined to act further and decisively.

The housing outlook, as confirmed by economist Mike Moffatt of the Missing Middle Initiative, is grim.

A recent report card he did for RESCON showed that the housing weakness in the Greater Golden Horseshoe extends well beyond the condo market. Based on the state of new home sales, the report indicated that things are likely going to get worse in the region before they get better.

Demand has fallen sharply, yet construction costs have not followed suit. Prices may be down roughly 20 per cent from their peak, but the cost to build remains stubbornly high. The result is a market where builders cannot compete, so projects are shelved and supply dries up further.

To its credit the provincial government has already taken steps to streamline approvals, reduce red tape, build housing-enabling infrastructure and remove the provincial portion of the HST on new purpose-built rental housing.

A rebate on the eight-per-cent provincial portion of the HST for first-time buyers of new homes up to \$1 million and on a sliding scale for first-time buyers of new housing between \$1 and \$1.5 million is scheduled to go into effect

when the feds pass a five-per-cent GST rebate.

The province also announced another \$1.6 billion for the Municipal Housing Infrastructure Program to speed up construction on homes and projects like roads, bridges and water systems. The program has enabled the construction of 800,000 homes across Ontario since 2014.

These measures are important and they matter. But as the premier himself acknowledged, more action is needed.

Cutting sales taxes for all new home buyers would be a good start.

Lowering development charges and accelerating approvals further would also change the economics of homebuilding.

As Ford observed, if people aren't buying, governments aren't collecting revenue anyway. Lower costs would spark construction activity, create jobs, and generate economic spinoffs across Ontario.

It is time to pull out all the stops. Leaders know what needs to be done to cut through the housing Gordian Knot.

The commitment and understanding are there. Now, the action must follow.

SLOWING SECTOR

AT A CROSSROADS

*By Richard Lyall
for Senso Magazine
Feb. 13, 2026*

Ontario's residential construction industry is staring down one of the bleakest outlooks in its history. The consequences for the economy, workforce and future homeowners could not be more serious.

A perfect storm of policy mismanagement, soaring costs and market uncertainty has brought housing construction to a near standstill at the very moment when demand is most urgent.

The data tells a troubling story.

Housing starts across Ontario have evaporated. Single-family home sales in the Greater Toronto Hamilton Area have fallen by more than 70 per cent, while condominium sales have plunged by a staggering 90 per cent. Housing starts outside Toronto are down 29 per cent year over year, while in Toronto they have dropped by 58 per cent.

The result is a looming economic shock, with forecasts suggesting Ontario could lose up to 2.5 per cent of GDP in 2026 due directly to the paralysis gripping the residential housing sector.

With the cost-to-income ratio now exceeding 9:1, homeownership has become an illusion for many Ontarians.

Builders face stifling taxation, escalating material and labour costs, high interest rates, cumbersome approvals processes and excessive municipal development charges.

Economist Mike Moffatt underscored the gravity of the situation recently at RESCON's annual general meeting, dispelling the myth that the downturn is limited to downtown Toronto or Vancouver. Slowing demand and collapsing new-home sales are appearing across Canada.

The industry faces a stark choice: a future of low-volume, high-cost housing - or bold reforms that enable high-volume, lower-cost

“ Builders face stifling taxation, escalating material and labour costs, high interest rates, cumbersome approvals processes and excessive municipal development charges. ”



A PERFECT STORM OF POLICY MISMANAGEMENT, SOARING COSTS AND MARKET UNCERTAINTY HAS BROUGHT HOUSING CONSTRUCTION TO A NEAR STANDSTILL.

construction, according to Moffatt.

Amid the gloom, however, there were glimmers of optimism at our AGM. It appears that governments now understand the gravity of the situation and know what must be done.

Premier Doug Ford committed to work with homebuilders to get shovels in the ground faster.

It was a welcome signal that government recognizes the urgency of the moment.

The province's investments in infrastructure - more than \$220 billion for schools, hospitals, highways and housing-enabling projects - represent a foundation upon which real progress can be built.

Additional funding through the Municipal Housing Infrastructure Program and the Building Faster Fund is already helping communities move projects forward.

Measures such as removing the provincial portion of the HST on purpose-built rental housing

and offering rebates for first-time homebuyers could shave tens of thousands of dollars off the cost of a new home.

Meanwhile, it was equally encouraging that Municipal Affairs and Housing Minister Rob Flack acknowledged that it still takes too long and costs too much to build homes in Ontario - and governments must create the conditions for builders to succeed.

The government's moves to simplify and standardize the provincial building code and ensure development charges are being used for the purpose they were intended are steps in the right direction.

But more action is needed.

The housing crisis has been decades in the making, so it will be difficult to solve overnight.

However, the upcoming provincial budget represents an opportunity to reset policy, reverse damaging taxation, modernize approvals systems and align infrastructure

planning with growth.

Digital platforms and data-driven planning and co-ordinated action must replace delay and fragmentation.

Primary among the provincial government's actions must be the reversal of taxation and fiscal policies that have undermined the ability of homebuilders to construct residential projects people can afford. Digital platforms must be required so that we can expeditiously advance homebuilding.

Canada, and by implication Ontario, has placed second last in approval timelines among Organization of Economic Cooperation and Development nations.

It is time to change the narrative.

Failure to take action will only lead to lost opportunities and lost jobs, a decline in our GDP, and a generation locked out of home ownership.

My advice to the provincial government?

AT STAKE

JOB IN FOREST PRODUCTS INDUSTRIES ARE UNDER THREAT

*By Richard Lyall
for Canadian Forest Industries
Feb. 11, 2026*

The most dangerous misconception about Canada's housing slowdown is that it is just a market correction - something that affects investors, developers, and spreadsheets, but not real people.

Nothing could be further from the truth.

Tens of thousands of jobs in the residential construction sector are at stake - as well as jobs in the wood and forest product industries.

Falling demand for framing lumber will lead to price drops and production cuts for softwood lumber manufacturers, less work for sawmills and the logging industry, and

reduced demand for structural panel manufacturers and those who make engineered wood and prefabricated components.

The ripple effect will be disastrous for many industries and our economy.

Economic modelling by the Canadian Centre for Economic Analysis indicates that there will be a deep and persistent slowdown in new housing relative to the 10-year average. The anticipated scenario implies about 21,500 fewer housing starts and about 18,000 fewer completions than the 10-year average, roughly 36 per cent fewer starts and 39 per cent fewer completions.

Just 5,300 new homes sold in the GTA in all of 2025 - the worst year in 45 years of record-keeping. December sales were down 82 per

cent from the 10-year average.

The implications for the workforce are significant.

The expected scenario suggests that about 35,000 residential construction workers in Ontario could be displaced on average. The estimated displacement profile is approximately 21,000 workers aged 35 or younger, about 5,000 aged 36 to 54, and about 9,000 aged 55 and over.

This matters because these jobs losses will turn into a permanent skills crisis for our industry.

Construction jobs aren't like retail or office jobs. When workers leave, they don't magically return when conditions improve. Apprenticeship chains break. Crews dissolve. And workers with specialized skills in trades such as high-rise concrete



“ Falling demand for framing lumber will lead to price drops and production cuts for softwood lumber manufacturers, less work for sawmills and the logging industry and reduced demand for structural panel manufacturers.

forming and mechanical systems disappear.

Once they're gone, they're gone.

Developers are cancelling projects at record levels. Crane counts are down and condo launches in the Greater Toronto and Hamilton Area are at the lowest point in more than three decades.

Behind every cancelled project is a crew that never gets hired, an apprentice who never starts, and a worker who looks for a future elsewhere.

When demand eventually returns, we will discover an inconvenient truth: the workforce that is needed to solve the housing shortage no longer exists.

There has been a tendency to treat the downturn as a downtown Toronto condo story. But as we heard

at RESCON's recent annual general meeting, the data doesn't support that narrative.

Mike Moffatt, founding director of the Missing Middle Initiative at the University of Ottawa, soundly debunked that storyline. Data shows that sales have slowed not just in Toronto and Vancouver, but also in markets like Calgary, Edmonton and Kitchener-Waterloo.

Demand for new housing is down across the board as the cost of building new units is too high to compete with the resale market. Condo apartment starts are down more than 50 per cent across most municipalities in the Greater Golden Horseshoe.

The core issue is whether builders can build homes that people can afford to buy. Prices for new homes

have fallen roughly 20 per cent from their peak, but construction costs have not followed suit.

Costs for land, labour, materials, development charges, financing costs, and layered taxes remain stubbornly high. Builders can't lower prices enough to attract buyers without locking in losses.

So, projects stall. Financing evaporates. Jobs disappear.

To their credit, provincial leaders acknowledge the problem. It was clear from remarks by Premier Doug Ford and Municipal Affairs and Housing Minister Rob Flack at RESCON's meeting that they get the challenges ahead and are determined to act further and decisively this year.

They intend to speed up approvals, cut red tape and invest billions of dollars in housing-enabling infrastructure. A cut to both the provincial and federal sales taxes on new housing for first-time buyers is also in the works. All of this will certainly help but only at the margins.

The leaders know what needs to be done systemically to cut the rest of the housing Gordian Knot. If governments are serious about protecting housing supply, they must take further action.

That means slashing development charges that add tens of thousands of dollars to each new unit, eliminating the tax-on-tax that inflates construction costs, shortening construction timelines so carrying costs don't kill projects, and slashing the sales taxes on all new housing.

We know exactly why the housing crisis is happening - yet we're still not acting at the scale required.

Governments must fire their guns all at once. We can not wait any longer. The clock is ticking. Every cancelled project pushes skilled workers closer to the exit. There are too many jobs on the line.

BUILD CANADA HOMES

A delivery strategy that Canada cannot miss.

By Arash Shahi
CEO of Landlogic

Build Canada Homes (BCH) could be a real turning point for missing-middle housing in Canada, but only if governments treat it as a delivery strategy instead of another policy announcement.

The federal government's BCH initiative, along with its recent Request for Information (RFI) on Modern Methods of Construction (MMC), signals a shift from incentives to execution.

It points to a more practical role for government in housing: not only encouraging supply, but helping organize how homes get built, who builds them, and how quickly they can be delivered.

That shift matters because the main housing bottleneck in Ontario, especially across Toronto and the GTA, is no longer only about permissions.

Municipalities have started to allow more gentle density in low-rise neighbourhoods. The next challenge

is turning permitted density into completed homes that people can actually afford.

This is why the missing middle should be the priority. Duplexes, triplexes, fourplexes, stacked townhouses, and small walk-ups add supply in a form that fits existing neighbourhoods. They can be delivered faster than many larger projects and with less pressure on major infrastructure. Yet these projects are still often treated like custom builds. They move slowly, cost certainty is weak, and smaller builders carry too much pre-development risk.

BCH creates an opening to change that pattern. By focusing on MMC and building a vetted roster of manufacturing and technology partners, the federal government is signaling that housing delivery



must move from one-off projects to repeatable systems. Missing-middle forms are well suited to this approach because they rely on compact unit layouts, repeated building types, and predictable structural and servicing patterns.

That makes them strong candidates for panelized systems, modular construction, and hybrid prefabrication.

In a market where financing costs and schedule risk remain major barriers, repeatability is not just an efficiency gain; it is a survival strategy for builders and a policy necessity for governments.

But industrialized housing only works when the right product is matched to the right site.

This is where many modular efforts slow down. The construction system may be ready, but the property is not.

LandLogic can help governments and delivery partners identify suitable parcels for housing.



Canada does not need another cycle of housing pilots that generate headlines but cannot scale. It needs a repeatable housing pipeline with clear cost, timeline, and approval expectations.

A design that works on one lot can fail on another because of setbacks, lot coverage, servicing limits, access conditions, or local planning rules.

This is why land intelligence has to be built into the BCH strategy from the beginning.

Tools such as [LandLogic](#) can help governments and delivery partners identify which parcels are actually suitable for missing-middle modular or portable housing, what form is feasible on each site, and where standardized products can be deployed with fewer redesigns and delays. In practical terms, this means faster site screening, better procurement decisions, and shorter timelines from concept to construction.

For policymakers, the message is straightforward. Zoning reform was necessary, but it is not enough. The next phase of housing policy must be about production.

That means aligning municipal standards, approvals, and procurement around repeatable housing forms, and using feasibility data to select sites before they enter long approval queues. It also means co-ordinating federal funding and procurement with provincial and municipal implementation so projects do not stall between levels of government.

For manufacturers and builders, BCH is also a market signal. The federal government is effectively saying that if the industry can deliver

housing faster, more predictably, and at scale, there will be sustained demand. That should encourage investment in factories, product standardization, and delivery models designed for urban infill and missing-middle conditions, not only for high-rise or greenfield projects.

Canada does not need another cycle of housing pilots that generate headlines but cannot scale. It needs a repeatable housing pipeline with clear cost, timeline, and approval expectations.

The missing middle is one of the few segments where policy alignment, modern construction methods, and neighbourhood fit can work together.

The BCH RFI is a real opportunity to build that pipeline. If governments use this moment to connect land, feasibility intelligence, and modern construction systems, Canada can move past announcements and start delivering homes the way it delivers infrastructure: systematically, predictably, and at the scale this crisis demands.

STRUCTURAL REFORM IS NEEDED

By Richard Lyall
for Storeys
Feb. 4, 2026

Ontario's residential construction sector is not just slowing - it is collapsing under the weight of a policy, cost and confidence crisis that has been decades in the making.

RESCON's latest pre-budget submission to the province lays it bare, noting that a literal perfect storm of factors has come together to create an environment where building homes that builders can manage to build and purchasers can afford is illusory.

Stifling taxation, rising material costs, unpredictable market forces, labour costs, interest rates, cumbersome planning approvals processes and overly restrictive regulatory policies are to blame.

The numbers are not just troubling - they are catastrophic.

Ontario's cost-to-income housing ratio has now surpassed 9:1, a level that makes affordability structurally impossible for most families.

Housing starts have all but evaporated, precisely when they are needed most.

In the Greater Toronto Hamilton Area, single-family home sales are

down 71 per cent, while condo sales have collapsed by 90 per cent. Across Ontario's Census Metropolitan Areas, housing starts are down 29 per cent year-over-year, and in Toronto alone the drop is a staggering 58 per cent.

It isn't just a housing crisis - it's an economic one as well.

Ontario could see a 1.5-to-2.5-per cent GDP reduction in 2026 directly tied to the residential construction collapse.

The ripple effects would be catastrophic for our economy.

Fewer homes mean fewer jobs, fewer purchases, fewer spinoff industries, and less economic resilience across the province.

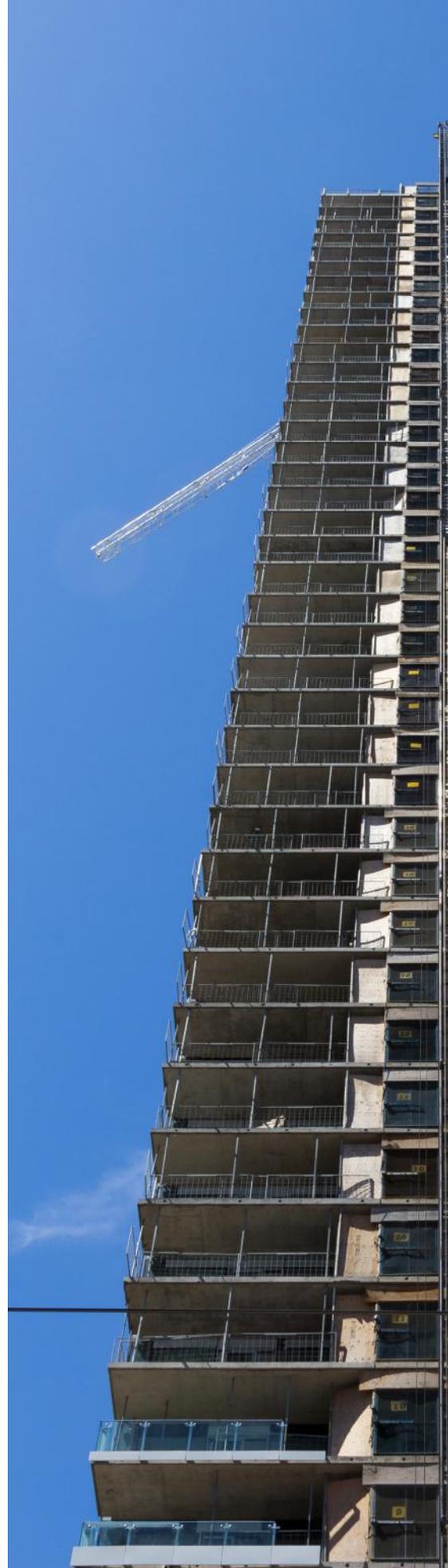
At RESCON's recent annual general membership meeting, economist Mike Moffatt of the Missing Middle Initiative reinforced that this is not just a "downtown Toronto condo problem."

It's everywhere.

From Toronto to Kitchener-Waterloo to Calgary and Edmonton, demand is down across the board.

New home sales in Toronto have plunged from roughly 40,000 in 2021 to about 2,000 in 2025. In Kitchener-Waterloo-Cambridge, sales dropped from 2,000 to just 250 in the same period.

Data from the Building Industry





“ Ontario's cost-to-income housing ratio has now surpassed 9:1, a level that makes affordability structurally impossible for most families, and housing starts have all but evaporated, precisely when they are needed most.

and Land Development Association confirmed that 2025 marked the worst year for GTA new home sales in 45 years of records.

At the AGM, we heard that the core problem is simple: prices have fallen, but costs haven't. Meanwhile, market prices continue to soften - a death spiral for viability.

Builders can't build, buyers can't buy, and renters can't find supply. Everyone loses.

Yet, for the first time in a while, there is at least a glimmer of hope - a co-ordinated political recognition that the system itself is broken.

In remarks at the AGM, Premier Doug Ford committed to work with homebuilders to get shovels in the ground faster. This is truly a welcome sign that the government recognizes the urgency of the moment.

To its credit, the province has made inroads, investing more than \$220 billion for schools, hospitals, highways and housing-enabling projects. This is a foundation upon which real progress can be built.

Funding through the Municipal Housing Infrastructure Program and the Building Faster Fund is also helping communities move projects forward, as are measures such as removing the provincial portion of the HST on purpose-built rental housing

and offering rebates for first-time homebuyers which could shave tens of thousands of dollars off the cost of a new dwelling.

The province needs to take its tax cuts a step further and eliminate the full HST on all new homes, not just for first-time buyers, alongside significant reductions in development charges.

Moves such as these could genuinely move the needle.

Municipal Affairs and Housing Minister Rob Flack acknowledged at the AGM that it still takes too long and costs too much to build homes in Ontario.

He noted that governments must create the conditions for builders to succeed.

The crisis we face in the residential construction industry is systemic - which means it can be fixed.

We know what the solutions are. The problem has been mustering the political will to do something about it. I am hopeful we are on the cusp of that happening.

The upcoming provincial budget presents an opportunity to do something about it.

We don't need incremental tweaks. We need real structural reform. And it needs to come sooner rather than later.

SYSTEM MUST BE TWEAKED



*By Richard Lyall
for Canadian Real Estate Wealth
Feb. 6, 2026*

Ontario needs more homes. There is little doubt about that. But more importantly, it needs a steadier way to deliver them.

At the present rate of building, we are nowhere near reaching the targets set by the Ontario and federal governments.

However, recent planning policy changes may be of some help, as they have opened the door to small multi-unit housing on residential lots across several municipalities in the GTA and beyond.

The shift could be meaningful, as it makes as-of-rights path for three-to-six-unit buildings more feasible than it has been in 100 years. The challenge now is operational, not ideological. The key is to turn what's allowed on paper into projects that reach occupancy, at a fast-enough pace to move the needle.

Large, master-planned developments and high-rise projects are still needed and will remain essential. But they are complex to finance, slow to start, and sensitive to the cycles of the market.

On the other hand, smaller, multiplex projects with typically three to six units within existing neighborhoods, operate differently. They rely on familiar envelopes and well-understood systems. Offsite suppliers can standardize components and concentrate attention where context varies.

Multiplex could be the answer

If Ontario wants near-term housing delivery without trading away quality or local character, multiplex could be the answer.

A smarter, standardized approach can deliver multiplex housing at scale and enable consistent delivery.

There are good tools available to make this happen. A GIS-led screening step, supported by PropTech solutions like [LandLogic](#) can bring zoning insights, parcel geometry and servicing into focus so design and engineering teams can decide quickly whether a lot is viable or doesn't fit the bill.

This front-loads predictability, reduces false starts and frames early conversations with municipal staff and neighbours around facts rather than hunches.

Beyond planning and zoning review, delivery also depends on early financial modeling.

Before design begins, property owners and advisors should assess how different forms of multiplex - triplex, fourplex, or sixplex - perform under realistic rents, costs and interest rates.

Many property owners sit on underused parcels where a single bungalow or detached home could support multiple rental units with better long-term yield. Early financial analysis can reveal when that conversion makes sense and how to structure it sustainably.

New refinancing drivers such as [CMHC's MLI Select program](#) are changing this calculus. By rewarding energy efficiency, accessibility and affordability with longer



amortizations and higher loan-to-value ratios, these programs make it feasible for small developers and homeowners to think long-term.

What once required deep-pocketed investors can now be financed through standard lenders, provided the project meets measurable performance goals. When paired with professional design, this kind of financing can unlock thousands of small but meaningful projects across Ontario's existing neighbourhoods.

Standardized templates can be used

Design must also be treated as a configurable product. With Building Information Modelling at the core, standardized design templates can be used while preserving room for professional judgment where sites differ.

Co-ordinated architectural, structural and 3D representations of a building's mechanical, electrical and plumbing systems enable problems to be resolved early, and basic modeling ensures time schedules are kept and costs are aligned with scope. The outcome is fewer bylaw variances, more comparable pricing, and higher first-pass approvals.

Multiplexes must also be built in ways that reward repetition. Many such projects are suitable for panelized or modular assemblies such as cold-formed steel, structural insulated panels or hybrid systems that move labour offsite and reduce exposure of the structure to the elements.

Where conventional framing is the better fit, a standard sequence and detail set still shortens timelines and smoothes inspections. The point is not to have a single construction ideology; it is choosing methods that convert developments at larger volume across cities and towns.

Rules must be legible

For all this to happen, the rules for multiplex projects must be legible. Digitizing provisions for multiplex and additional residential units and aligning them with a standard submission package reduces interpretation risk for applicants and reviewers. It doesn't replace judgment; it provides a shared structure for it.

A collective step toward smarter housing delivery can make multiplex developments work. We have the available land and a growing ecosystem of planners, designers and builders who are ready to act. What's missing is a framework to make the process repeatable.

A standardized and data-driven approach to multiplex delivery can change that, turning a standardized process, rooted in data, design quality, and collaboration, to generate opportunities without overwhelming communities or compromising design integrity.

Such an approach would strengthen the housing ecosystem.

While tackling Ontario's housing crisis will not come from one project or policy, we need to remove barriers and focus on housing forms that can be delivered consistently and at scale.

INCLUSIONARY ZONING

PROVINCIAL PAUSE WELCOMED

For many, the forced inclusion of IZ into developments simply adds one more hit to the economic viability of housing projects.

*By Richard Lyall
for Real Estate Magazine
Feb. 19, 2026*

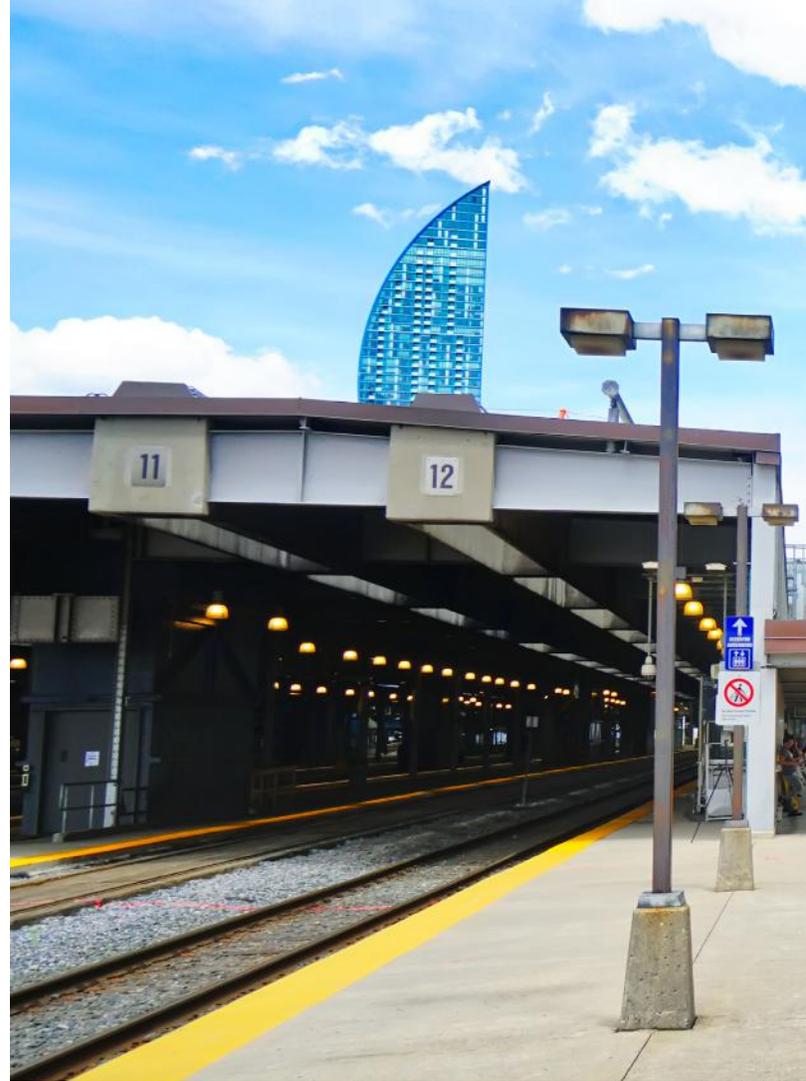
Ontario needs more homes - urgently. But just as important as volume is reliability. We need a housing system that can deliver consistently, across market cycles, without stalling every time costs rise or financing tightens.

That is why RESCON supports the provincial government's proposal to pause Inclusionary Zoning (IZ) requirements in Toronto, Mississauga and Kitchener that force developers to include a certain percentage of affordable apartments in major housing projects near transit stations.

For many, the forced inclusion of IZ into developments simply adds one more hit to the economic viability of housing projects.

At first glance, IZ might sound like a sensible way to encourage a greater supply of affordable housing. In practice, under current market conditions, it has done the opposite. The math doesn't work.

Requiring developers to include below-market housing only adds cost, complexity and uncertainty at a time when many residential projects are already struggling to remain viable. When projects don't proceed, no housing gets built - affordable or otherwise.



We're facing a significant market correction already and IZ has long since shown it has a chilling effect on new building.

The reality facing Ontario's homebuilding sector today is stark.

IZ compounds an already challenging situation where development charges, taxes, fees and levies now account for up to 36 per cent of the cost of a new home in parts of the Greater Toronto and Hamilton Area. Lengthy approval timelines, restrictive zoning frameworks and inconsistent municipal interpretation further compound the problem.

Adding mandatory affordable unit requirements on top of this cost structure doesn't redistribute value - it erodes it, often to the point where projects are shelved entirely.

We've seen this play out in real time. In municipalities where IZ has been implemented or proposed, builders have increasingly paused or cancelled projects after running the numbers. The result has not been a surge in affordable housing, but fewer housing starts overall.

Current or pending IZ policies in municipalities such as Toronto, Mississauga and Kitchener have not contributed to growth in affordable housing options. In fact, they've given rise to pause on the part of homebuilders who, when reviewing all cost drivers associated with projects, conclude that economic viability does not exist.

In a housing crisis, policies that suppress supply are counterproductive.



Pausing inclusionary zoning until at least 2027 is not about abandoning affordability. It is about recognizing that affordability cannot be mandated into existence when the underlying economics don't work.

The province's proposal gives the industry breathing room to restart stalled projects, restore confidence and get shovels back in the ground.

RESCON has recommended that the 2027 date be treated as a review point rather than an automatic reinstatement, allowing policy to respond to actual market conditions rather than an arbitrary deadline.

At the same time, Ontario must focus on the forms of housing that can be delivered quickly, repeatedly and at scale.

Small-scale multiplex housing like triplexes, fourplexes and sixplexes within existing neighbourhoods use familiar building envelopes, repeatable construction systems and well-understood servicing constraints, and can be built much more quickly.

That repetition is an advantage. It allows trades, suppliers and designers to standardize what should be standard, reduce risk and shorten timelines. In short, multiplex housing can deliver steady supply without overwhelming neighbourhood character or municipal capacity.

To unlock that potential, Ontario needs a smarter, more standardized approach to delivery. Early GIS-

based site screening, supported by PropTech solutions like LandLogic, can quickly identify viable lots and reduce false starts. Front-end financial modeling helps property owners understand when conversions make sense, particularly as financing tools like CMHC's MLI Select program reward energy efficiency, accessibility and long-term affordability.

None of this requires lowering design standards or sacrificing planning objectives. It requires aligning policy with how housing is actually built.

Ontario has the land, the skills and the industry capacity to address its housing shortage. What it cannot afford right now are policies that unintentionally stall construction.

Pausing IZ is a pragmatic step - not a retreat from affordability, but a recognition that supply is the foundation on which affordability is built.

If we want more affordable homes tomorrow, we need viable projects today. That means removing barriers, restoring confidence and focusing on housing forms that can be delivered consistently, at scale, across Ontario's communities.

Removing IZ alone will not solve the housing supply crisis. There are many other factors that must be addressed.

But it is another welcome move by the provincial government to get the ball rolling on housing.

SINGING THE SAME TUNE

*By Richard Lyall
for Daily Commercial News
Feb. 20, 2026*

In these extreme times of political division and policy gridlock, consensus is rare. But refreshingly, when it comes to housing affordability, a recent Senate report and RESCON's pre-budget submission appear to be strikingly aligned - and governments would be wise to take note.

The Standing Senate Committee on Banking, Commerce and the Economy report delivered a blunt assessment of Canada's housing crisis, noting that affordability will not improve unless governments dramatically increase supply.

Witnesses before the committee were clear that demand-side tinkering - such as expanding borrowing capacity - risks driving prices higher rather than solving the problem. Instead, they noted that policy must focus on removing the cost and structural barriers that are preventing new homes from being built.

That diagnosis mirrors what Ontario's homebuilders have been saying for years.

Despite Canada allocating a higher share of investment to housing than any other G7 country, homes remain out of reach for millions of Canadians. The reason is a policy environment that layers taxes, fees and regulatory costs onto new housing until projects simply no longer make financial sense.

The Senate report identifies those obstacles with unusual clarity - and in doing so, validates many of the core recommendations in RESCON's 2026 Ontario pre-budget submission.

Consider sales taxes. The Senate committee recommends that the federal government provide a 100-per-cent GST/HST rebate on new homes priced below \$1 million, with a phased-out rebate up to \$1.5 million and annual indexation to inflation.

The logic is straightforward: the GST/HST is the single largest government charge on new housing and removing it would immediately lower prices while making stalled projects viable.

RESCON has advanced a complementary solution tailored to Ontario's realities. While Ottawa's proposed rebate would apply only to



first-time buyers, RESCON is urging the province to expand its eight per cent portion of the HST rebate to all new home purchasers up to \$1.3 million for a temporary period. Doing so, while continuing to push the federal government to match Ontario's approach, could ultimately deliver a full 13 per cent sales tax rebate for all new buyers.

Both proposals recognize the same truth: if governments are serious about affordability, they must stop taxing new housing as if it were a luxury good.

The alignment becomes even clearer on development charges, one of the fastest-growing costs in new construction.

The Senate report acknowledges what builders and buyers already know - that development charges have drifted far beyond their original intent and now force purchasers of new homes to pay for infrastructure that benefits entire communities.

CMHC officials told senators



that Ontario municipalities alone are sitting on more than \$12 billion in unspent development charge reserves.

RESCON's recommendation goes further, calling for decisive financial action in Ontario's 2026 budget to return development charge rates to 2015 levels for a three-year period. The association is also advocating for a direct-to-buyer development charge model that would expose these costs transparently and prevent them from being taxed.

Both the Senate and RESCON point to the same conclusion: excessive development charges are suppressing supply, delaying projects and inflating prices, and governments at all levels must share responsibility for funding growth-related infrastructure.

Productivity is another area of rare agreement.

The Senate report highlights Canada's construction sector as one of the least digitalized in the

economy and urges the adoption of modular and factory-built housing to reduce costs and speed delivery. Other countries, senators noted, have successfully used government policy to stimulate demand for off-site construction for decades.

RESCON is calling for exactly that kind of co-ordinated approach. Our submission to the province urges Ontario and the federal government - including the new Build Canada Homes entity - to accelerate financial supports for off-site and innovative homebuilders through purchasing guarantees, shared-risk expansion models and favourable financing.

The goal is not experimentation for its own sake, but a fundamental shift in how homes are built in a province facing chronic labour shortages and escalating costs.

Even on politically sensitive issues such as the foreign buyers ban, the Senate report signals a willingness to reconsider policy outcomes rather than intentions.

While the ban was introduced to curb speculation, RESCON argues that it is actively harming the viability of new high-rise projects in Ontario's largest cities, where pre-sales are essential to securing financing.

Removing the ban for new construction - immediately rather than waiting until 2027 - would help unlock projects that add supply without displacing Canadian buyers.

The Senate report and RESCON's pre-budget submission form a coherent roadmap for action. They focus on the fundamentals: lowering government-imposed costs, reforming municipal finance, boosting productivity and letting the private sector build.

The housing crisis did not emerge overnight, and it will not be solved with half-measures or political slogans. But when federal senators, provincial homebuilders and housing agencies all arrive at the same conclusions, the path forward becomes hard to ignore.

SOUNDING THE ALARM

A new report warns about the costly implications a ban on tiebacks would have across Ontario's construction industry.

By ReNew Canada
Feb. 4, 2026

A new report rings the alarm on the costly implications a ban of tiebacks would have across Ontario's construction industry.

According to the report, [“Steel Bracing Vs. Tiebacks A Proposed Regulatory Change That Study Shows To Be Counter-Productive and Costly.”](#) a regulatory ban on tiebacks, which are a state-of-the-art engineering practice in construction, would spike building costs, increase congestion around project sites, present significant health and safety challenges for workers, prolong construction schedules, and render more developments uneconomical.

The report was released by the Residential Construction Council of Ontario (RESCON) and the Ontario Association of Foundation Specialists (OAFS) in partnership with the Residential and Civil Construction Alliance of Ontario (RCCAO).

Tiebacks are used on construction sites across Ontario.

The report estimates there have likely been over 2 million tiebacks installed to date in the City of Toronto alone.

The practice has been used safely and effectively since the 1970s because tiebacks free up construction excavations compared to bulky internal steel bracing, making it easier, faster and more cost-effective to build while simultaneously providing the best protection of



streets and neighbouring buildings, and the safety of workers on-site.

The report notes that one incident in 2022, resulting from a costly municipal administrative clerical error, led to challenges for a sewage tunnel boring machine in a west end Toronto neighbourhood.

The costly mistake is being used as the justification to ban the use of tiebacks in several Ontario municipalities.

“We could not remain silent as municipal bureaucrats through stealth pen strokes seek to overhaul modern engineering practices through sheer ignorance,” said Peter Smith, executive director of the Ontario Association of Foundation Specialists. “Our industry is speaking out to educate Mayors, Councillors,



“ The practice has been used safely and effectively since the 1970s because tiebacks free up construction excavations compared to bulky internal steel bracing.

and Queen’s Park policymakers to intervene and stop the implementation of this costly proposal that would add millions in new costs to each new high-rise development in Ontario.”

The findings demonstrate tiebacks enable faster and more economical project delivery by reducing site congestion, allowing concurrent construction activities, and simplifying excavation and concrete forming procedures.

Tiebacks also shortened the duration of necessary lane closures. In a representative high-rise multi-unit residential development scenario, the use of internal steel bracing resulted in an estimated \$5 to 6.5 million of additional costs, or \$14,000 to \$18,000 per unit, and increased the excavation and forming timeline by 5

to 7 months compared to tiebacks.

Over the coming weeks RESCON, OAFS, and RCCAO will be meeting with municipal and provincial leaders to educate policymakers on the realities of tiebacks and the reckless and unsafe impacts municipal bans on their use will have.

“Tiebacks are the most commonly utilized bracing system to support deep excavations, a foundational practice required to facilitate high-rise building construction.” said Paul De Berardis, VP, Building Standards & Engineering at RESCON.

“The research shows how costly a ban would be and the industry is speaking out to educate policy makers on the realities of how this would negatively impact modern construction practices.”

A PERSISTENT PROBLEM

Suicides and drug overdoses remain exceedingly high for construction workers.

*By Richard Lyall
for Canadian Contractor
Feb. 26, 2026*

For decades, construction has been defined by grit and an unspoken expectation to push through just about anything - long work hours, pain and exhausting work. But that culture can take a toll.

Latest stats show that mental health and addictions issues are still a persistent problem for the industry, as suicides and drug overdoses remain exceedingly high for construction workers.

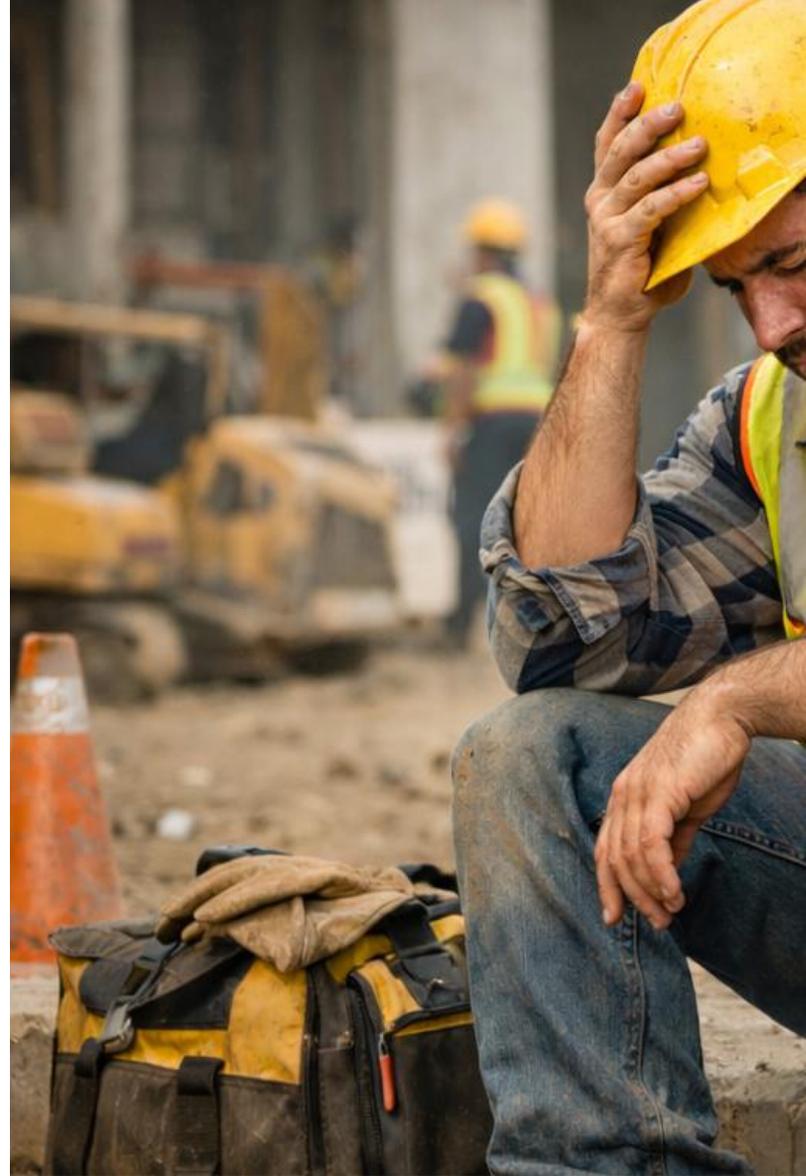
Disturbingly, that fact was driven home by speakers and panelists at a recent webinar on mental health and addictions issues in the construction industry that was hosted by RESCON.

Presently, one in three workers report poor mental health and 83 per cent have experienced moderate to severe mental health issues, including depression and anxiety.

Suicide rates in construction are 53 per 100,000 workers, nearly four times the national average, while construction worker deaths by suicide outnumber on-the-job fatalities from accidents by a ratio of roughly four to one.

Alarmingly, roughly 30 per cent of Ontarians who die from drug overdoses are construction workers.

As speakers at the webinar made clear, mental health



is no longer a personal issue. It is a workplace safety issue, a productivity issue, and a workforce sustainability issue.

Mental health is being discussed more openly, the stigma has started to ease, and resources are more widely available than ever before.

To tackle the problem, the mental health of construction workers must be treated like any other critical workplace safety issue.

As RESCON VP Andrew Pariser noted during the webinar, when we started conversations years ago, people were afraid to talk about the issue, but today mental health is recognized as a problem.

While prepared to talk about the issue, though, many are still not willing to admit they might need help themselves.

That reluctance remains deeply rooted in construction culture. Many workers fear that asking for help could cost them their job or damage their reputation on site.

As Ontario Ministry of Labour director Kate Cowan put it bluntly, "The silence is costly, impacting safety, productivity, and lives."

Construction is a demanding profession - physically, mentally, and emotionally. Workers must deal with myriad



“ Suicide rates in construction are 53 per 100,000 workers, nearly four times the national average, while construction worker deaths by suicide outnumber on-the-job fatalities from accidents by a ratio of roughly four to one.

issues that contribute to chronic stress. Many workers still suffer in silence.

Statistics shared during the RESCON webinars were startling. Eighty-three per cent of construction workers have experienced moderate to severe mental health challenges, 50 per cent report burnout and 25 per cent of trades report they use substances daily or weekly to cope.

A consistent message from industry leaders is that mental health must be treated the same as physical safety - planned for, talked about, and supported from the top down.

The good news is that the industry has reached a turning point. Many tools already exist in the construction industry - and more are being developed - to support workers who need help.

However, the problem is that sometimes workers don't know support is available, so communication is important.

Many benefit plans include confidential counselling, mental health services, and addiction supports. However, clear messaging and education are critical to ensure workers know how to seek help.

Organizations like Medcor Canada have introduced virtual mental health platforms that give workers a safe,

confidential space to talk - without requiring a diagnosis or formal treatment plan.

As Medcor's Koren Waines told the RESCON webinar, "Not everyone needs therapy. Everybody needs somebody to talk to."

The Infrastructure Health and Safety Association (IHSA) has developed free toolkits and resources for workers, employers and supporters, including guidance on mental health, substance use and opioid awareness.

The IHSA is also equipping its leadership with skills aimed at tackling the stigma and measuring the problem in a workplace and supporting those who come forward. The agency has a toolkit for workers, employers and supporters, and free resources and information.

Importantly, Associate Attorney General Michael Tibollo emphasized that support must extend beyond the jobsite. Families play a critical role in recovery, and resources need to be accessible to them as well.

Mental health challenges in construction are not new, but there is now a willingness to confront them openly.

The next step is to ensure that workers know help is available - and feel safe asking for it. Because in construction, strength isn't about pushing through at all costs; it's about looking out for one another.



CRISIS REQUIRES TAX RELIEF

Vaughan, ON, Feb. 19, 2026 (GLOBE NEWSWIRE) -- A three-year HST holiday on new home construction is needed to boost Ontario's battered housing sector.

That is the ask the Residential and Civil Construction Alliance of Ontario (RCCAO) and the Residential Construction Council of Ontario (RESCON) are making of the Government of Ontario and Federal government. The policy is backed by economic analysis conducted by the Canadian Centre for Economic Analysis (CANCEA) and shows it would be statistically revenue-neutral for all governments.

High taxes on new home construction in Ontario is worsening the province's housing crisis. The Government of Ontario must take urgent action to provide meaningful tax relief to jumpstart the collapsed housing sector.

The CANCEA research supporting the policy found that a three-year HST holiday would:

- Help preserve skilled trade jobs and have builders constructing new housing supply.
- Create economic urgency in the market to incentivize buyers to purchase new homes.

- Be revenue-neutral for all governments.

"Ontario's housing crisis is worsening and prolonged job-losses risk adding to long-term problems plaguing the sector," said Nadia Todorova, Executive Director of RCCAO. "The men and women in the skilled trades need to see urgent government action to improve market conditions in the sector so they can get back to building desperately needed homes across Ontario. A 3-year sales tax holiday does just that by saving 26,000 direct industry jobs"

"Our governments tax homes at the same level of alcohol and tobacco. We need fast action to provide tax relief to kickstart Ontario's housing industry back into building," said Richard Lyall, President of RESCON. "A three-year HST holiday would help reverse market conditions devastating the industry and support \$3.9 billion of GDP to Ontario's economy."

RCCAO and RESCON say their call should be heeded swiftly and enacted through the upcoming 2026 provincial budget, with the Federal government moving in lockstep.

The Federal Government also needs to see Bill C-4 passed in the Senate of Canada and given Royal Assent.

MEDIA REPORT

Newstalk 1010

Jerry Agar of Newstalk 1010 speaks with RESCON president Richard Lyall about a report and the council's push for a full HST rebate on all new home purchases. [Click here](#) to listen to the interview.

BUILDING Magazine

RESCON president Richard Lyall said in an [article](#) in BUILDING Magazine that inclusionary zoning sounds good but doesn't work.

Storeys

Ontario's cost-to-income housing ratio has now surpassed 9:1, a level that makes affordability structurally impossible for most families, Lyall writes in a [column](#) in Storeys.

ReNew Canada

In an [article](#) in ReNew Canada, Lyall states that a new report rings the alarm on the costly implications a ban of tiebacks would have across Ontario's construction industry.

Kincardine News

In an [article](#) in the Kincardine News, RESCON calls on the provincial government to seize opportunity to fix the housing crisis.

Canadian Rental Services

In an [article](#) in Canadian Rental Services, RESCON says the new homebuilding sector is contending with challenges that have brought residential construction to a near standstill.

NRU GTHA

A recent pre-budget submission from RESCON has laid out 10 steps it would like to see the Province of Ontario pursue in its upcoming 2026 budget to address the housing crisis in Ontario, [NRU GTHA reports](#).

The Ottawa Sun

In an [article](#) in The Ottawa Sun, Lyall stated that we need to "reduce the red tape and bureaucracy around development approvals - and just as important, allow more density in our cities."

PRESS RELEASE

RESCON JOINS GROUP CALLING FOR ACTION

TORONTO, Feb. 25, 2026 (GLOBE NEWSWIRE) — Ontario and Canada remain in the grip of a housing crisis that is increasingly defined not only by insufficient supply of the housing that is needed, but also by a decline in confidence across the housing ecosystem. While governments and industry have made meaningful progress on planning reform, funding programs, and streamlining approvals, housing delivery is still constrained by stalled demand, frozen capital, and regulatory uncertainty. As a result, tens of thousands of approved housing units across Ontario and Canada remain unbuilt, putting future supply at risk.

The underlying housing shortage has not abated. Ontario continues to face a severe lack of housing options that would allow seniors to downsize, families to move up, and younger households to enter stable ownership. These dual challenges of weak demand alongside persistent structural undersupply of family-friendly homes require coordinated, disciplined, and fiscally responsible action by both the federal and provincial governments.

As governments prepare fiscal and policy decisions, a coalition of REALTORS®, builders, trade associations, not-for-profit organizations, and rental providers from Ontario's housing sector continues to speak with one voice, urging a renewed focus on restoring confidence and unlocking demand. The coalition is proposing a renewed push for targeted action by the Government of

Canada and the Ontario Government on the following:

Federal Policy Recommendations

- Expand the GST sales tax rebate on new homes to all buyers.
- Modernize federal financing tools to support rental and missing middle ownership housing.
- Restore practicality to mortgage qualification rules.
- Amend the prohibition on foreign home buyers, with clear and enforceable guardrails.

Ontario Policy Recommendations

- Reform development charges and improve cost transparency.
- Expand the HST sales tax rebate on new homes to all buyers.
- End exclusionary zoning in large municipalities.
- Remove municipal barriers to housing delivery.

We must act now through bold measures; the time for incremental steps is behind us. The housing sector stands ready to partner with both orders of government to translate the recommendations found in our joint letter into real homes, real jobs, and lasting affordability for Canadians.

[Click here](#) for the coalition letter.

The purpose of the Housing Advancement Coalition is committed to advancing housing development in the Greater Golden Horseshoe.

RCCAO REPORT

- On Feb. 19, [RCCAO released](#) its 64th commissioned [economic report highlighting that a temporary HST holiday](#) on new home construction is needed to boost Ontario's battered housing sector.
 - High taxes on new home construction is worsening the province's housing crisis. The Government of Ontario must take urgent action to provide meaningful tax relief to jumpstart the collapsed housing sector.
 - Temporary HST relief will help preserve skilled trade jobs, create economic urgency and be revenue-neutral for all governments.
 - RCCAO also attended [the recent Empire Club luncheon featuring Minister Flack](#) as he discussed his vision for solving Ontario's housing crisis.
- RCCAO joined other leading industry organizations in pushing back against the City of Toronto's proposal to ban gas and diesel generators to power site trailers on projects.
 - RCCAO will participate in a roundtable in the coming days with city officials, industry stakeholders and Toronto Hydro to find a workable solution for obtaining predictable and timely grid connections and review viable backup options before any restrictions on gasoline and diesel-powered generators are implemented.
- RCCAO is [thrilled with the progress being made on the Ontario Line](#), including beginning work on new elevated guideway and four new stations for the future subway line. Continued construction progress on priority infrastructure like the Ontario Line is essential to keeping people moving, supporting thousands of good-paying construction jobs, and strengthening Ontario's economy.
- Following consistent and sustained advocacy from RCCAO, on Feb. 26, the Ministry of Public and Business Service Delivery and Procurement announced that the new regulation extending the validity of relocates for deep excavation sites to 180 days has been [approved](#).
 - The policy will take effect Nov. 1, 2026, and in the meantime, Ontario One Call and the ministry are expected to host webinars to help industry prepare for the change.
- RCCAO executive director Nadia Todorova [penned an op-ed](#) for The Pointer, discussing the need for investment in both transportation and transit infrastructure across Ontario.
- In February, RCCAO executive director Nadia Todorova was delighted to attend the annual general meetings of several members, including [TARBA](#) and [OAFS](#), to hear directly from members and provide an update on RCCAO's advocacy work.
- In mid-February, RCCAO was delighted to attend the annual [Municipal Infrastructure Summit](#) co-hosted by its members, GTWSCA, HCAT and TARBA, which provided presentations from City of Toronto, Region of Peel, York Region, Halton and Durham Regions and Metrolinx on their municipal capital infrastructure plans for the year.
- RCCAO's newsletter is expanding from a quarterly to a monthly publication – to read it and subscribe, click [here](#).
- RCCAO remains active on all of its communication channels – stay on top of infrastructure news on:
 - [LinkedIn](#)
 - [X/Twitter](#)

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