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Chair: Mr. Robert Morrissey

Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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• (1705)

[English]

The Chair (Mr. Robert Morrissey (Egmont, Lib.)): I call the meeting to order. Welcome to meeting 121 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

Those appearing virtually have all been sound-tested, and the clerk advises me that they are all good to go. Before we begin, I remind all members in the room, when you're not using your earpiece, to please leave it face down in the assigned area, and please avoid, if you can, touching the microphone boom, especially when it's live, because it can create popping and damage to the translators.

Today's meeting is taking place in a hybrid format, according to House of Commons rules, which means that people are participating virtually and attending in the room. I remind all members and witnesses that you have the option of choosing to participate in the official language of your choice. In the room, interpretation is available by using the headset and selecting the language of your choice. If you are appearing virtually, please refer to the bottom of your screen, click on the globe icon and choose the official language of your choice. If there's an interruption in translation, please get my attention. We'll suspend while it is being corrected.

I remind members to please address all comments through the chair and wait until I recognize you by name. Simply raise your hand to do that. If you're appearing virtually, use the "raise hand" icon.

Today, as you know, we're starting a bit late, and we have five witnesses appearing in the public part of today's meeting on the housing study. Appearing as an individual is Jennifer Keesmaat, president and chief executive officer, Collecdev-Markee, by video conference. We also have, from Alliance to End Homelessness, in Ottawa, Meg McCallum, interim executive director; from the City of Toronto, Abigail Bond, executive director, housing secretariat; from Ontario Aboriginal Housing Services, Justin Marchand, chief executive officer; and from Wesgroup Properties, Beau Jarvis, president and chief executive officer.

I remind all witnesses that you have five minutes. Because of today's reduced time I will advise you at five minutes to conclude your comments, so keep it tight.

Ms. Zarrillo, do you have your hand up?

• (1710)

Ms. Bonita Zarrillo (Port Moody—Coquitlam, NDP): I have a very quick question, Mr. Chair. Can you just advise the committee of the timing for the open meeting today and the in camera meeting? Can you give us a timeline, please?

The Chair: We have, in total, resources until 6:30, so I cannot move beyond 6:30. It is my intention to move in camera at around 6:10 to 6:15, if that's agreeable.

Ms. Bonita Zarrillo: Mr. Chair, will each party get their full round of questions today?

The Chair: You will get at least one round with the five. I will monitor that, and I'll judge the time when we move in camera for 10 to 15 minutes, because I would like to get that part of it done.

Mrs. Tracy Gray (Kelowna—Lake Country, CPC): On a point of order, Mr. Chair, just before we begin I want to put on the record that again there are issues with the sound system. There's the duplication and the sound lag, which is unacceptable, and it appears that the interpreters are not here. This is an ongoing issue we have when they're not physically here and they're working remotely.

The Chair: Thank you, Mrs. Gray.

I did—actually, in the name of the vice-chair—raise at the Liaison Committee that we were experiencing this. They assured us that they will work on that over the summer because—yes, I'm getting the delay—it is not convenient. Thank you for raising that. It was raised with the resources, but I was advised that it is of a quality that allows the committee to proceed.

We begin with Jennifer Keesmaat.

Ms. Keesmaat, you have five minutes or less.

Ms. Jennifer Keesmaat (President and Chief Executive Officer, Collecdev Markee, As an Individual): Thank you very much.

Thank you to the committee and honourable members for undertaking this work [*Technical difficulty—Editor*].

For those of us on the front lines building new [*Technical difficulty—Editor*] almost like it's a negative to be mitigated. In the absence of sufficient supply, as you know, we get all kinds of wonky outcomes in Canadian society. Young people leave the communities where they were raised, unable to imagine their futures. Newcomers become trapped, unable to access the middle class and the opportunity [*Technical difficulty—Editor*] drew them to Canada in the first place.

Ms. Bonita Zarrillo: Mr. Chair, the video and the audio are not—

The Chair: I'll just get you to stop for a moment. The quality here in the room is unacceptable for the committee to proceed.

We're going to move to the next witness, and IT will contact you to address the issue with your sound quality here in the committee room. We'll return to you.

I'm now going to move to Meg McCallum.

Ms. McCallum, go ahead for five minutes.

Ms. Meg McCallum (Interim Executive Director, Alliance to End Homelessness Ottawa): Good afternoon.

I'd like to acknowledge that Ottawa is located on the unceded Algonquin Anishinabe territory and is also the home of many diverse first nations, Inuit and Métis people. Put simply, these lands were stolen from the traditional keepers for the purposes of settlers. Dispossession of land is just one form of ongoing colonization that has led to first nations, Métis and indigenous people disproportionately experiencing homelessness.

The alliance is a member-driven organization representing 75 non-profit service providers in the housing and homelessness sector in Ottawa. Our members work within systems that have unintentionally caused homelessness to flourish. They have witnessed the changes over the last 40 years, as our country has gone from a small number of mostly men experiencing chronic homelessness in the 1980s, to a mass problem in the mid-2000s, with over 235,000 Canadians experiencing homelessness in a year. That includes women, families, seniors and youth. There has been an explosion in recent years, where homeless encampments are a fixture in Canadian communities. An estimated 10% of people in Ottawa's shelters are employed, but can't afford housing.

The year 2023 marked the highest numbers on record in Ottawa's shelter system. Our shelters are full of people unable to find an affordable home. In many cases, they just need affordable housing. Without being able to access this, people get stuck, increasing the number of people in shelters past the breaking point. This overwhelmed system means that those with greater needs, often dealing with serious mental health challenges, are not getting the support they need either.

We can't talk about the lack of investment in housing without also talking about the investments made into the homelessness programs and connected systems, like emergency services, health and social services, hospitals and the criminal justice system. Homelessness traumatizes people already in crisis and has negative impacts on individuals, families and communities. It is much more expensive than affordable housing and the supports needed to keep people housed.

The national homelessness initiative was created in 1999 to respond to the dramatic growth in homelessness that occurred less than a decade after the funding programs for affordable housing were transferred to the provinces and territories without the fiscal capacity to support them. We've been funding homelessness ever since.

Unfortunately, while homelessness programs are well intentioned, we can't house people without a housing supply. It's like trying to put out a fire, while the gas is turned on and the water is turned off.

The housing programs that were initiated in the 2000s have been well intentioned, but they haven't been strategic. First, under the investment in affordable housing, IAH, program, 470,000 new homes were created from 2000 to 2019. Despite this, in Ottawa, 31 affordable houses in the private market are now lost for each new unit of purpose-built, affordable housing created. A recent report on renovations in Ottawa showed that between 2017 and 2022, there was a 545% increase in the number of eviction notices issued for significant renovations or demolition. We need to protect the affordable housing stock we have.

Next, below market rents, BMR, which make up the majority of rents produced under the IAH and subsequent programs, don't begin to meet the affordability needs of people with low income. BMR sets the affordability in relation to what the market can charge, instead of setting it in relation to the incomes of those who need housing. In January 2024, the average price for a one-bedroom apartment in Ottawa was \$2,000 a month. You'd need an income of \$72,000 a year to comfortably afford that, which is out of reach for anyone on a pension, receiving social assistance or earning a low-to-moderate wage.

Finally, there's a disconnect between the capital funding from the federal government and provincial funding to operate supportive housing, which is affordable housing with on-site health and social services for people who need that assistance to live independently. Without the provincial commitment, funders like CMHC tell supportive housing non-profits that their operating plans aren't viable—and they're right. However, the cost of people cycling through homelessness and hospital emergency wards is much higher than the cost of integrating health services into affordable housing.

Whether we're talking about learning from the past or planning for the future, there are some clear takeaways.

Firstly, we need sustained investment in building deeply affordable and permanently affordable non-market housing. Canada needs to double its non-profit housing stock by 2030 to begin to get a handle on the crisis. Some reports suggest a quadrupling is needed.

The recently announced acquisition strategy is a great idea to prevent the loss of existing housing stock. Increasing the percentage of deeply and permanently affordable housing in the housing market will create healthy vacancy rates in the lower end of the market, meet the needs of people who are not served by the private housing market and have a downward drag on market rents overall.

• (1715)

Secondly, Canada needs a universal, income-based definition of affordable housing so that we can focus housing programs on creating truly affordable housing, regardless of the inadequacy of social assistance rates.

Thirdly, we need to manage affordability by creating a national rent control and vacancy decontrol legislation in line with Canada's commitment to housing as a human right.

Finally, we need to keep people housed through permanent supportive housing.

[Translation]

Thank you for your time and attention.

[English]

I look forward to your questions.

The Chair: Thank you, Ms. McCallum.

I'll go to Abigail Bond from the City of Toronto, and then we'll return to Ms. Keesmaat.

Ms. Bond, you have five minutes.

Ms. Abigail Bond (Executive Director, Housing Secretariat, City of Toronto): Thank you, Chair.

I'm pleased to be here today to speak to the committee's study on federal housing investments.

I'm in Toronto today, so I'm joining from the traditional territory of many nations, including the Mississaugas of the Credit First Nation, the Anishinabe, the Chippewa, the Haudenosaunee, and the Wendat peoples. This place is now home to many diverse first nations, Inuit and Métis people. I also want to acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit.

The City of Toronto and its people are facing massive challenges across the whole housing continuum, including 11,000 people in Toronto who are experiencing active homelessness as of May 2024. This is combined with a shelter system that is operating at maximum capacity on a daily basis and a lack of supportive housing to move people out of chronic homelessness and into permanent housing.

We have nearly 87,000 applicants on our wait-list for social housing as of Q1 2024. We house only 3,000 of them per year. We have insufficient affordable housing supply to manage current demand and future needs. As income levels have not kept pace with housing costs, many in our city are in core housing need and nearly 80% of full-time minimum wage households cannot afford to live in Toronto.

The federal government's immigration targets of close to 500,000 new permanent residents each year from 2024 to 2025 are something we can support. However, we need to set up these newcomers for success, including ensuring they have access to affordable housing and a good quality of life.

These significant housing and homelessness crises are complex, with various contributing and intersecting factors, including rising

rents and home ownership costs, as well as low social assistance rates and insufficient access to physical and mental health supports and social supports, as well as structural racism and discrimination. Nonetheless, these crises are decades in the making and have not occurred in a vacuum. A lack of sufficient housing investments from all levels of government in recent decades has combined to compound a dire housing situation in Toronto.

The majority of purpose-built, private and publicly owned rental homes were built more than 35 years ago. Beginning in the 1980s and into the early 1990s, the construction of purpose-built rental housing and non-profit co-ops rapidly declined, while provincial and federal investments in housing lessened and housing responsibilities were downloaded to municipalities. Today, over 80% of all rental housing is privately owned, with the balance of the remaining stock managed by the Toronto Community Housing Corporation and other non-profit housing providers.

In response to the ongoing housing and homelessness crisis, the city aims to increase the overall supply of housing, and it's essential that we also grow the stock of affordable and supportive housing so that we address the full housing continuum. That is why Toronto's city council has approved a new increased target of 65,000 rent-controlled homes, including 6,500 rent-geared-to-income homes, 41,000 affordable rental homes and 17,500 rent-controlled market units, all to be delivered by 2030.

The city has already taken steps to unlock housing supply through housing-enabling policy changes such as removing parking requirements and expanding housing options across Toronto, including laneway homes, garden suites and multiplexes of up to four units as of right, as well as six storeys as of right on major streets in our city. The City of Toronto is ready to work with private and non-profit partners to get shovels in the ground faster and create new homes that meet residents' needs in all neighbourhoods across the city.

Investing in housing-enabling infrastructure, as well as public transit, is critical as the city is advancing due diligence on over 50 city-owned sites that have been identified for housing development. With the right type of investment, these sites can create mixed-income, mixed-use, transit-friendly communities that will benefit current and future residents for generations to come.

Along with our partners, the city stands ready to build new homes faster to deal with decades of pent-up demand. Toronto's city council has previously requested an allocation of grants between \$500 million and \$800 million per year and low-cost loans of between \$900 million and \$1 billion, annually, from each order of government so that we can, together, advance new supply under a public developer model. This guaranteed application would provide certainty for projects for immediate advancement.

• (1720)

To achieve a generational change and systemic shift in building homes faster, the city knows that we must work closely with our partners, with the federal and provincial governments and with indigenous, non-profit and private sector organizations to develop bold and innovative ideas across the housing continuum.

Recently, the federal government has made important investments in Ontario, and in Toronto specifically, including the housing accelerator fund. We are encouraged by the policy and financing changes the federal government is considering that would enable more projects to advance at a faster pace.

I would encourage the committee, in its review of the past, to document lessons learned so they can be effectively leveraged today to address what is one of the most pressing national issues.

I will just finish by saying that the need for significant action, investment and leadership at a federal level cannot be understated. Work with us at a portfolio level, not just at a project-by-project level. We look forward to the Canada builds program being launched in Toronto.

Thank you.

• (1725)

The Chair: Thank you.

We'll now return to Jennifer Keesmaat.

Ms. Keesmaat, you have the floor for five minutes.

Ms. Jennifer Keesmaat: Thank you very much.

Those of us on the front lines of building new housing supply are challenged by the regulatory constraints that treat housing like it is a negative to be mitigated. In the absence of sufficient supply, we know there are all kinds of wonky outcomes in Canadian society. Young people are leaving communities where they were raised, unable to imagine their futures. Newcomers are becoming trapped, unable to access the middle class and the opportunity and stability that drew them to Canada in the first place. We know that anti-immigration sentiment then grows, as a scarcity mentality driven by fear takes root.

Housing insecurity has become a defining feature of Canadian life. The well housed worry about interest rates and property taxes. Insecure about the future, they worry about the future of their children and grandchildren. Those well employed worry about being laid off and its impact on paying a mortgage or paying the rent.

Then, too, there are the vulnerable among us. As an example, domestic violence against women is declared an epidemic in Toronto

and elsewhere, yet women and children, unable to access stable housing, stay with their abusers.

I am a founder, owner, president and CEO of Collected-Markie. We have over 8,000 homes in the development pipeline in the GTA—mostly rental. We are a self-performing construction company. We build in walkable, urban locations close to schools, parks and transit. We prioritize maximizing affordable housing and accessibility. We have homes under construction and at every stage, and we partner with organizations to deliver complete communities that integrate day cares, community spaces and recreation facilities.

Since April 1, we have handed over 120 keys to new homeowners in a 427-home, 12-storey building on Wilson Avenue, steps from the subway. This morning, we finalized the acquisition of two sites for a 62-unit, missing-middle building. Construction will begin this year.

In September, we begin site work on a 1,500-home development, which is an infill project in our suburbs, known as Tyndale Green. This development will benefit from an injection of incentives from the Toronto housing secretariat—from Abby Bond, who you just heard. She administered that program, which enables the building of hundreds of new affordable homes.

We have just recently partnered with Toronto to develop 456 new homes on city-owned land, 30% of which will be affordable, because of a remarkable partnership with CreateTO, which is the development arm of the city. This development, in particular, will benefit from HST forgiveness. The HST forgiveness incentivized us to transition from a condo development to a purpose-built rental one. It enables the inclusion of deeply affordable homes.

There are three key points I'd like to make. We need to stop regulating housing like it is something that we do not want. This problem is both old and it's new. When I was chief planner in the City of Toronto from 2012 to 2018, we approved a remarkable, record amount of housing, 86% of which was approved in just 18 months or less. Today, the bureaucracy has swelled, adding nearly a third more, and approval times have slowed. At last count, 16% of developments were approved in 18 months or less. This is a recent problem.

There are three things I want to highlight.

Government fees are undermining the deliverability of new housing. Housing-specific fees and taxes are harming the viability of housing and worsening this crisis. In some municipalities, government fees are a quarter or more of the overall development cost. Just last week, as hundreds of new housing developments are put on hold due to high costs, multiple municipalities across the country increased development charges, including Toronto, with a 42% increase that was planned in very different market conditions.

The second key point I would like to make is that infrastructure costs should not be layered on to the cost of new homes. For years, the concept of “growth pays for growth” through taxation vehicles such as development charges has been commonplace and, for some time, the market could withstand these costs. Today, this is no longer true. In Ontario, the idea of a municipal infrastructure fund to replace development charges has been proposed and floated. This is a solid idea that is worthy of exploration.

Lastly, governments should do the thing they can do now, which is to use their own land. Unlocking land is at the root of new housing development. The federal government should incentivize other levels of government to unlock their lands and, at the same time, lead by example by expediting partnerships to build homes on government land, not unlike the CreateTO example I highlighted earlier.

- (1730)

The problem is solvable. We need to think about housing differently and act creatively. We can begin by getting regulatory constraints and high government fees out of the way and by using government land to deliver more housing everywhere.

Thank you.

The Chair: Thank you, Ms. Keesmaat.

We'll now go to Justin Marchand.

Mr. Marchand, you have five minutes or less, please.

Mr. Justin Marchand (Chief Executive Officer, Ontario Aboriginal Housing Services): Thank you, Chair. *Meegwetch.*

Greetings, members of Parliament. My name is Justin Marchand. I'm the CEO of Ontario Aboriginal Housing Services.

Our organization is the largest indigenous-led housing provider in Ontario. We have a portfolio of 3,300 rental units, and we serve close to 11,000 people every day through our housing programs and supportive services. We have over 40,900 people on our waiting list. Our organization was also a founding member of the National Indigenous Collaborative Housing Inc., or NICHI.

OAHS was formed over 30 years ago to address the disproportionate housing need among indigenous people living in urban and rural communities across Ontario and to exercise our right to develop indigenous-led housing programs as affirmed in UNDRIP. Three decades later, the needs of our communities have not been adequately met. Indigenous people remain disproportionately underhoused and inadequately housed. The proportion of indigenous people living in urban areas has only continued to climb. In Ontario, 88% of indigenous people live off reserve in urban, rural and northern areas.

There is an extensive body of research documenting the housing crisis as it affects urban indigenous communities.

First, the final report of the National Inquiry into Missing and Murdered Indigenous Women and Girls, released in 2019, identified housing as a critical component of safety and well-being. The final report, critically, mentions housing 299 times. There are 10 calls for justice that refer to housing. In short, the provision of housing is both a preventative measure against violence and a solution to addressing current acts of violence.

Second, this standing committee's 2021 report on urban, rural and northern indigenous housing detailed a tremendous need in urban, rural and northern, URN, indigenous communities. The committee heard the government's distinctions-based approach to indigenous investments in the NHS creates service gaps and does not address the needs of indigenous people living in urban, rural and northern areas. It also heard that a minimum of \$1 billion per year would be required to address indigenous housing needs in Ontario alone.

Third, the PBO released a report in 2021 that identified 677,000 indigenous households living in URN areas across the country, and of this total, 124,000 indigenous households are experiencing housing need. Over 37,500 indigenous people experience homelessness in a given year.

Fourth, Scotiabank is acknowledging that Canada is last among G7 nations for housing investments and is calling on Canada to double the level of social housing just to get to the G7 average.

Fifth, in 2022, the federal government's own national housing council released recommendations on URN indigenous housing, indicating a need for a \$63-billion investment, and recommended an immediate minimum investment of \$6.3 billion over two years.

In our three decades of operation, our organization has witnessed the hollowing out of federal housing investments and the lack of a proactive commitment to an urban indigenous housing policy, despite the data and evidence clearly indicating a significant and embarrassing policy and service gap. Federally, there is no long-term plan to address the end of operating agreements, and as a result we are witnessing the expected displacement of residents living in subsidized housing, an increase in homelessness and growing encampments.

In an era of supposed reconciliation, implementing UNDRIP and addressing MMIWG recommendations, limited federal funding has had mixed results at best. Federal housing funding favours certain geographic areas over others and favours politically and distinctions-based groups rather than being based on need, service and evidence. It fails to address the most urgent and unmet needs and fails to address the disproportionate negative outcomes for demographically disadvantaged groups, thereby perpetuating the practice of genocide recognized in the final report of MMIWG.

We can see how these restrictions impact the results of federal funding. For example, in the RHI funding, out of 10,000 housing units in the first two rounds of housing, only 12 units went to urban indigenous housing providers. Recent federal funding opportunities have been tailored to municipalities with eligibility criteria that have been highly exclusionary of urban indigenous housing providers, and the funding hasn't prioritized the highest demographic need: indigenous women and their families.

OAHS recommends the federal government address the calls for justice of the National Inquiry into MMIWG and the national action plan priorities, especially those related to housing, infrastructure and safety.

It recommends the federal government address the disproportionate housing need in urban, rural and northern indigenous communities by ensuring that all federal funding is in compliance with UNDRIP and the Charter of Rights and Freedoms and allows for indigenous control and self-determination by URN indigenous-led housing providers.

• (1735)

It recommends that the federal government create a sustainable infrastructure program that is cost-matched by all levels of government and that ensures federal housing targets for new builds are matched with adequate infrastructure.

It recommends that the government establish a sustainable source of operating funding to ensure that supportive housing can be built with wraparound supports to address homelessness and housing inadequacy.

It recommends that the government adopt a comprehensive understanding of infrastructure that incorporates funding for community and social infrastructure, including community safety and connection to culture-based supports, education and employment.

Finally, it recommends that the federal government develop a long-term rental subsidy program to support ending chronic homelessness, supporting housing stability and ensuring the safety and well-being of urban indigenous people who are disproportionately homeless and experiencing housing need.

Meegwetch. Thank you for inviting us to your standing committee.

The Chair: I did not want to interrupt while you were concluding your comments, but we do have bells ringing in the chamber. This means that, before I can proceed, I have to consult with the committee and get direction.

Is it agreeable?

Mrs. Gray.

Mrs. Tracy Gray: Thank you, Mr. Chair.

We have one more witness to hear an opening statement from, so I think we have time to hear from that witness.

Because we've had these multiple votes today and because of our limited amount of time, I'm sure all committee members would agree that it would be very reasonable to invite these witnesses back. I know we've done that with other witnesses at other times. The suggestion is that they be invited back to the first meeting we have in the fall session in September. That would give them a lot of flexibility at that time. Our time will be very limited here with them, and we have quite a number of witnesses we'd like to hear more from. I'm sure the committee members would agree with that. I know we've done that with other meetings.

The Chair: We'll take it one step at a time, Mrs. Gray.

We will hear from the—

Mrs. Tracy Gray: Do we have consensus on that?

The Chair: I don't—

Mr. Peter Fragiskatos: We have another witness to hear from.

The Chair: We can only take it a step at a time, Mrs. Gray.

If there's agreement with the committee, we'll hear from the final witness, and then we'll choose after the final witness.

With that, I see consensus to hear Mr. Jarvis.

You have five minutes or less.

Mr. Beau Jarvis (President and Chief Executive Officer, Wesgroup Properties): Thank you.

My name is Beau Jarvis, and I'm president and CEO of Wesgroup Properties.

We are one of the government's largest housing providers and partners via CMHC's apartment construction loan program. I'd like to offer a perspective directly from a large Canadian home builder, an important observation.

Ninety-five per cent of housing in Canada is built by private sector developers using private and institutional capital. This means that most of our housing comes from non-government sources, yet, for decades, we've perpetuated a damaging narrative that often casts for-profit home builders in a negative light. This perception is pervasive across all levels of government, leading to policies overly focused on not "enriching developers". I have many examples of this.

This is a crucial issue because we are in the midst of a housing crisis, widely acknowledged to be caused by a supply shortage. Our housing paradigm in Canada relies on the private sector, which must achieve a risk-adjusted return on capital to continue building. In simpler terms, developers need a profit to take on the substantial and ever-growing risks of new housing projects. However, years of regulatory expansion have only increased the complexity, along with ever-growing levies and taxes, making home building in Canada extremely risky. In fact, the risk is becoming untenable.

Metro Vancouver, for example, is experiencing the highest levels of court-ordered sales of development land in recent memory. Many of our largest home builders are now investing as much or more in the United States as in Canada. Stop and think about that for a moment. In the midst of a housing crisis, some of our largest home builders are building as much or more housing in a different country as they are in Canada. Before we say, "That's not right," we should try to understand the reasons.

We must urgently change the narrative of private sector home builders in Canada. Sustainable policy creation will not happen until we do. The narrative surrounding the homebuilding industry often contrasts sharply with how the government treats other industries. For example, the recent announcement of tax credits and subsidies for electric vehicle battery plants with companies like Honda and Volkswagen, both for-profit companies, shows a clear government strategy in response to the climate crisis.

Just as government recognizes the need to incentivize and support the electric vehicle industry to combat climate change, it should also recognize the need to support the housing industry to address the housing crisis. Both crises demand urgent action and innovative solutions. However, while government is willing to offer tax credits and incentives to other industries, it remains hesitant to do the same for housing. In fact, the opposite is true regarding taxation.

We must reflect on why private capital is flowing out of our country to build homes elsewhere. The answer lies in the general narrative and the imbalance of risk versus reward in Canada.

Regarding taxation, many reports, including from CMHC, estimate that 20% to 30% of a new home's cost goes to taxes, with collective governments earning more than three times what a builder makes, significantly hindering housing affordability and delivery. The Urban Development Institute reports that levies and taxes make up 29% of the average condo price in Vancouver. This doesn't even include the full scope of the new metro Vancouver development cost charges.

Between 2015 and 2027, the City of Vancouver's DCCs will have increased by 130%. Metro Vancouver's DCCs are expected to soar by 1,943%, adding \$21,000 per unit.

The federal government's role is also problematic. This government is charging GST on almost every input of a new home purchase, including interest on construction debt. Moreover, GST is being charged on DCCs that we pay to the municipalities. The federal government is charging housing taxes on other levels of government housing taxes.

The issue with DCCs is even more concerning, as there is little to no in-stream protection for existing projects. Imagine if the auto industry faced similar conditions. A manufacturer buys inputs to produce a vehicle at a certain profit margin, and while working with the government to obtain plant approvals, the same government imposes a retroactive levy on those inputs previously acquired as inventory. This would disrupt the entire business model, and this is exactly what is happening with DCCs and housing. We must change taxation on new housing.

Regarding capital, numerous experts' recommendations suggest improving municipal processing time, simplifying building codes, standardizing processes, etc. While these suggestions are indeed vital, the scale of the crisis and our ability to respond effectively are often overlooked.

Key to addressing this crisis is the availability of capital, which I believe receives insufficient attention. Numerous reports claim that Canada is exporting capital at an alarming rate. Anecdotally, I witnessed the increased frequency of decisions by my peers and colleagues to deploy capital in jurisdictions outside of our borders.

● (1740)

In closing, to solve the housing crisis, Canada must attract capital to be deployed into housing by creating an environment with competitive risk-adjusted returns. Without this, housing projects to the necessary scale will not progress, infrastructure will not be built, and new technologies will not advance.

Thank you, and I would love to answer questions.

The Chair: Thank you, Mr. Jarvis.

We have 20 minutes left before the bells, and it takes us 12 minutes to vote. We have a choice. The committee can proceed, vote virtually from here, suspend while we vote virtually and get a round of questioning in. If we follow the routine with members going to the House, by the time they get back, we'll be at 6:25, and we have resources until 6:30.

Is there agreement from the committee members to vote through the app?

Mr. Peter Fragiskatos (London North Centre, Lib.): That's my position.

The Chair: With the app, we can suspend and do that. That's done, but I need unanimity from the committee on that.

Mrs. Tracy Gray: Mr. Chair, when we look at the last two votes that just happened, there were multiple members from all parties who weren't able to vote on the app and had to vote in the House, including when they were on Zoom. They had to race to the House, and that was just in the last two votes, myself included on the first one. I had an issue. I don't think it's reasonable, especially considering that this vote relates to government legislation, specifically the Canada Elections Act.

It's government legislation, and the government is the one that has chosen to vote at this time. They can choose to vote at any time. They could have had votes later this evening, but they chose to do it right now during our committee time. It's their choice.

We would want to go to the House to be able to vote on this based on what's already happened today with the voting app.

• (1745)

The Chair: Madame Chabot, you had your hand up.

[*Translation*]

Ms. Louise Chabot (Thérèse-De Blainville, BQ): Thank you, Mr. Chair.

I want to sincerely thank the witnesses for their patience. In addition, as we can see, the work of the House will disrupt the schedule.

[*English*]

Ms. Bonita Zarrillo: On a point of order, Mr. Chair, I'm waiting for my translation.

The Chair: Translation is working fine. Interpretation is fine. It's in the room.

[*Translation*]

Ms. Chabot, you have the floor.

Ms. Louise Chabot: I stand in solidarity with Ms. Zarrillo.

Mr. Chair, as you said, the unanimous consent of the committee is required. I agree with suspending the meeting momentarily while we vote electronically. Although we may question the repetition of the voting we have to do in the House because of the gag order, it was the government that decided that. That said, I am prepared to vote remotely so that we can continue the meeting.

[*English*]

The Chair: Thank you.

Madame Chabot, I do not have consent. Without unanimous consent, I have to suspend, but I'm not adjourning the meeting. I'll suspend according to the rules, and we'll resume when the vote is recorded in the House.

Witnesses, we will have to ask you to bear with us for at least 30 minutes, whoever wants to stay on.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Let's let the witnesses go.

The Chair: Well, I can't....

Those witnesses who have pressing things, you were committed here for an hour and a half—

Voices: Oh, oh!

Mrs. Tracy Gray: This is the government's timeline doing this.

The Chair: Order. I'm going to suspend in a moment because the committee would not reach a consensus, and some members want to return to the chamber to vote, which is their prerogative.

I'll suspend, but to those witnesses who are still online, when we resume, we may get to you, but that will be a question. You'll have to judge accordingly. At this time, we suspend until the vote is announced in the chamber.

• (1745)

(Pause)

• (1820)

The Chair: Thank you, committee members. Everybody is back, so we can resume the committee meeting.

We have five more minutes. We must conclude at 6:30, because our resources go until then. It's not my intention to go in camera, because to go in camera would use that time. It's unlikely, but I'll take direction from the committee.

One item that we can deal with is that this is the last scheduled meeting that I have on this particular issue, so we can move in one of two ways. If we do conclude, I would like to give the analyst the opportunity to begin reviewing and preparing a report. The only way we could provide drafting instructions would be written drafting instructions to the analyst. I would suggest that we do that and have them in before the end of June. This does not pre-empt the committee choosing, at a later date, to examine this study more. It would be incorporated in the final report, which the committee must do. That's the only clarification that I would like to get direction from the committee on.

I will get to you, Mrs. Gray, in a moment.

I would want to advise the witnesses that it's unlikely we'll get to questioning at this time, but all those witnesses who have appeared can provide additional written information to the committee clerk on anything else that they wanted to proceed with.

With that, I have Mrs. Gray.

• (1825)

Mrs. Tracy Gray: Great. Thank you very much, Mr. Chair.

It's obvious that this discussion around housing is very important, and we need to continue this. We know that homelessness encampments are increasing. We saw, just within the last couple of days here, reports of a surge in people living in RVs and highway rest stops. We know how incredibly unaffordable it is for many people to house themselves. We heard some testimony here today. I think it makes sense to have the witnesses come back so that we can ask them some questions.

This meeting was the way it was because of the Liberals and how they're managing their agenda. Conservatives are willing to work over the summer to continue working on this housing crisis. Therefore, I'd like to move the following motion:

Given the amount of outstanding work at this committee, the committee instruct the chair to schedule five meetings between July 9 and September 13, in order for the committee to continue its work on Canada's housing crisis and propose solutions so more Canadians can afford to buy and rent a place to live.

Thank you, Mr. Chair. It should be in order.

The Chair: It is in order. I have a motion that is in order from Mrs. Gray.

Is there discussion on this?

I have a speaking list of Ms. Zarrillo, Mrs. Falk, Ms. Ferreri, Mr. Fragiskatos and Madame Chabot. The clock is running.

Ms. Bonita Zarrillo: My speaking order wasn't for this motion, Mr. Chair. You can take me off.

The Chair: Go ahead, Mrs. Falk.

Mrs. Rosemarie Falk (Battlefords—Lloydminster, CPC): Thank you very much, Chair.

I think it's imperative that we meet over the summer. We've heard very compelling testimony, and we know that we need to bring these witnesses back in order to—

The Chair: Mrs. Falk, the bells are ringing again.

It is now 6:30, so with that, I'm going to adjourn the meeting.

An hon. member: Are we not even going to...?

The Chair: I'm following the rules, the standing order. The bells are ringing in the chamber, and it is 6:30.

An hon. member: The bells are not ringing. The lights are not flashing.

The Chair: Okay. I'll go back to Mrs. Falk.

• (1830)

Mrs. Rosemarie Falk: Thank you very much, Chair.

I think it's imperative that we meet this summer. We've heard very compelling testimony, especially in the middle of this housing crisis, and we need to continue to do this work. We know this committee is very vast, and we have multiple ministers who answer for this.

The seriousness of this housing crisis that we're in was raised in the last meeting by MP Long, so I think it's imperative that we continue to meet throughout the summer.

The Chair: I have Ms. Ferreri.

Ms. Michelle Ferreri (Peterborough—Kawartha, CPC): Thank you, Mr. Chair.

Thank you to my colleague, Tracy Gray, for bringing forward this motion.

I think the motion is critical, and I hope we have NDP support for it, because they have proclaimed themselves to be the worker bees of Parliament multiple times.

Ms. Bonita Zarrillo: Mr. Chair, on a point of order, I was under the impression that there were resources only until 6:30, and it's now 6:30.

The Chair: Are you calling for adjournment?

Ms. Bonita Zarrillo: I don't know. Is that the way to do it?

I'll call for adjournment then, please.

The Chair: Would somebody move for the meeting to adjourn?

Ms. Bonita Zarrillo: I'll move for the meeting to adjourn.

Ms. Michelle Ferreri: I'll call for a vote, as I have the floor.

Mrs. Tracy Gray: Are we having a vote? Are you calling for a vote?

(Motion agreed to: yeas 7; nays 4)

The Chair: Thank you.

I'll simply advise the witnesses who appeared that the committee has adjourned.

With that, the meeting has concluded. Thank you.

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