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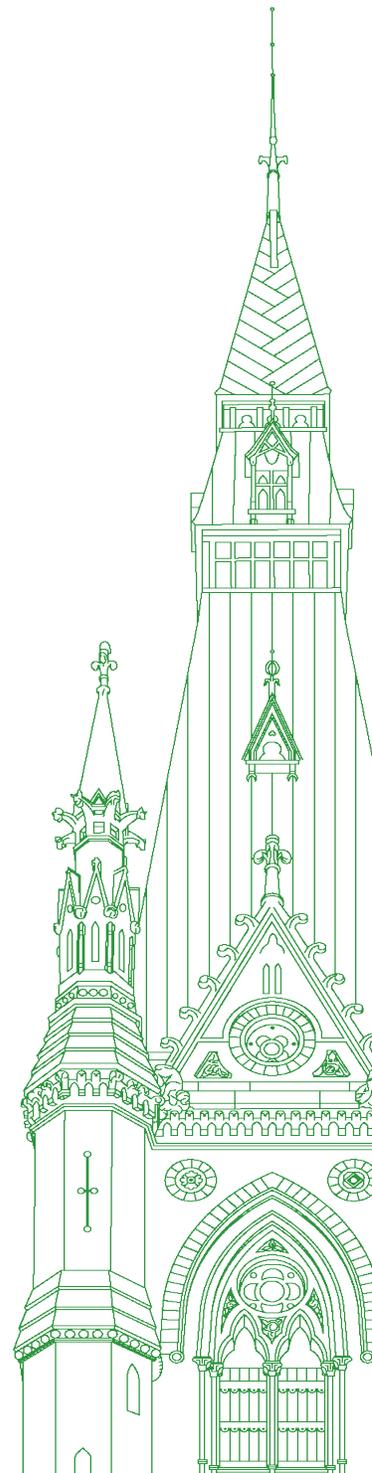
Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities

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Chair: Robert Morrissey

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

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• (1535)

[*English*]

The Chair (Robert Morrissey (Egmont, Lib.)): I call the meeting to order.

Good afternoon, committee members. Welcome to meeting 21 of the Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

The clerk has advised that we have a quorum. No one is appearing virtually and everybody is in the room, which means translation should be fine.

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in the room in person. I would ask all members to familiarize themselves with the headset. Choose the official language in which you prefer to participate. Make sure you're on the right channel so that we don't have disruptions. If there is a breakdown in translation, please get my attention by raising your hand, and we'll suspend while it is corrected.

For the benefit of the interpreters, please refrain from tapping on the boom. As well, make sure all your devices are silenced before we begin the meeting.

Please wait until I recognize you by name before speaking, and address all comments through the chair.

Our subject matter is part 5, divisions 34, 36 and 44 of Bill C-15, an act to implement certain provisions of the budget tabled in Parliament on November 4, 2025.

Ms. Koutrakis, before I introduce the witness, you had your hand up. Is it related to this?

Annie Koutrakis (Vimy, Lib.): Yes, it is. Thank you, Mr. Chair.

Happy new year, colleagues. It's really great to be back here and see you all.

Mr. Chair, if you seek it, I think you will find you have unanimous consent for the following motion, which our colleagues across moved at FINA:

That the committee undertake a subject-matter study of Bill C-15, specifically clause 571 (Division 34), clauses 573 to 575 (Division 36), and clause 599 (Division 44); and that the committee invite the following witnesses:

the Minister of Housing and Infrastructure for one hour,
the Minister of Jobs and Families for one hour,
the Auditor General and Ana Bailão, each for one hour,
and any other witnesses the committee deems relevant; and

That the committee forward any recommendations or suggested amendments arising from this study to the Standing Committee on Finance no later than Thursday, February 27, 2026.

I do have it in French as well.

The Chair: Please circulate it.

The members of the committee have heard the motion of Ms. Koutrakis.

Go ahead, Mr. Genuis, on the motion.

Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Thank you, Chair.

Will that be distributed by email momentarily? Can we have two minutes?

The Chair: You certainly can. We'll suspend for two moments while it is being circulated.

• (1535) _____ (Pause) _____

• (1535)

The Chair: We're back in session.

[*Translation*]

Andréanne Larouche (Shefford, BQ): I apologize Mr. Chair, but I wasn't on the distribution list. I just received the motion. Could we suspend the meeting for a few more minutes?

The Chair: Yes, we can, Ms. Larouche. Would one minute be enough?

Andréanne Larouche: A minute or two should be enough.

The Chair: Okay.

• (1540)

[*English*]

I'll suspend for two more moments.

• (1535) _____ (Pause) _____

• (1540)

The Chair: Committee members, the committee was suspended for a moment while members were reviewing a motion.

Mr. Genuis, go ahead on the motion of Ms. Koutrakis.

[Translation]

Garnett Genuis: Mr. Chair, we support this motion. However, we had an informal discussion today, and I think there's consent from the committee to add that the deadline to submit the names of other witnesses would be the day of our next meeting.

[English]

The Chair: You heard that. Are you good with that?

[Translation]

Annie Koutrakis: We're okay with that. We support the amendment.

[English]

The Chair: Okay.

We've heard the amendment moved by Mr. Genuis. Is it agreed?

(Amendment agreed to [See Minutes of Proceedings])

The Chair: Seeing unanimity, we're on the main motion as amended.

Go ahead, Madame Larouche.

[Translation]

Andréanne Larouche: Could you read the amended motion, please, Mr. Chair, so it's easier to follow?

[English]

The Chair: Yes. I'll let Mr. Genuis speak to the amendment. It was to give a date for additional witnesses.

Go ahead, Mr. Genuis.

Garnett Genuis: Yes, exactly. The motion says:

[Translation]

“and any other witnesses the Committee deems relevant;”

I only suggested that the deadline to submit the names of other witnesses be the day of our next meeting.

The Chair: Thank you, Mr. Genuis and Mrs. Larouche.

[English]

Then, on the motion as amended, are we all in agreement?

(Motion as amended agreed to [See Minutes of Proceedings])

The Chair: Seeing agreement, that's clarified.

I would now like to continue with introducing our witnesses for today.

We have with us the Minister of Housing and Infrastructure, the Honourable Gregor Robertson, accompanied by Paul Halucha, deputy minister; Michelle Baron, assistant deputy minister, corporate services, and chief financial officer; Michel Tremblay, chief financial officer and senior vice-president, corporate services, CMHC; and Joël Hupé, chief financial and administrative officer with the Windsor-Detroit Bridge Authority.

Minister, you have up to five minutes for your opening statement.

Hon. Gregor Robertson (Minister of Housing and Infrastructure): Thank you, Mr. Chair and committee members, for inviting me to appear before you today to discuss the proposed measures in Bill C-15, the budget implementation act.

I am pleased to be joined here today by several officials who can answer any of the more technical questions you may have.

[Translation]

As the committee is aware, housing is one of our government's top priorities. That is why in September, Prime Minister Carney and I launched Build Canada Homes, a new federal agency with the mandate to scale up the supply of affordable housing across Canada.

[English]

Importantly, Build Canada Homes is part of a much broader set of measures to catalyze the housing industry. By leveraging public lands, deploying flexible financial tools and catalyzing modern methods of construction, the agency is driving a more productive and innovative homebuilding sector.

However, the impact of Build Canada Homes is poised to go well beyond just the housing sector. As a nimble and focused agency, Build Canada Homes is a fundamental shift in how the federal government can invest in our Canadian economy. Build Canada Homes is about building, but it's also about buying, and that's buying Canadian. In these turbulent times, the federal government is committed to being Canada's best customer to help Canadian industries scale up and retool amidst global uncertainty.

Central to Build Canada Homes' mandate is to prioritize projects that use Canadian materials and therefore strengthen domestic supply chains. Every new home means more demand for Canadian steel, aluminum and lumber, and as that construction ramps up, we will grow, train and support Canada's skilled workforce, creating good-paying jobs along the way.

To do all of this critical work, budget 2025 committed an initial investment of \$13 billion over five years to support Build Canada Homes. The measures proposed under Bill C-15 here would operationalize Build Canada Homes and ensure that it has the required resources to deliver results, results that Canadians are counting on: from the construction worker who's looking for work to young people looking for their first home for their growing family.

Specifically, these measures will authorize payments out of the consolidated revenue fund of up to \$11.5 billion to support Build Canada Homes' operations and activities, primarily the activities in financing affordable housing across the country. This funding will enable the agency to acquire land, partner with developers and make investments that accelerate housing construction through modern construction methods like factory-built housing. We cannot build hundreds of thousands of new homes without the infrastructure that makes communities work.

That brings me to division 4 of part 5 in Bill C-15, which amends the Canada Infrastructure Bank Act.

Budget 2025 announced our government's intention to increase the Canada Infrastructure Bank's statutory capital from \$35 billion to \$45 billion. This \$10-billion increase is a strategic investment in Canada's future. The increase in capital will unlock financing for major projects that drive national priorities. First and foremost is housing, along with trade, decarbonization and indigenous economic development, as well as new investments in key nation-building projects and advanced technologies like AI, all of those in line with the CIB's mandate. These investments will be very impactful and grounded in the real needs of communities across Canada.

The proposed investment is about investing smarter and maximizing the impact of the public dollar. By strengthening the CIB's capital base, the infrastructure bank's funding, we are enabling it to keep pace with pressing national infrastructure needs, supporting good jobs, inclusive growth and a more resilient future for everyone in Canada.

The budget implementation act 2025 is essential to deliver affordable housing at scale and to build the infrastructure required to build at that scale. Our government was elected with a strong mandate to make the generational investments that we need right now and to build strong and sustainable communities.

• (1545)

[*Translation*]

Thank you again for inviting me. I look forward to answering your questions.

Thank you everyone.

The Chair: Thank you, Minister Robertson.

[*English*]

You were on time. We will begin the first round, which is six minutes, with Ms. Lewis.

You have six minutes, Ms. Lewis.

Leslyn Lewis (Haldimand—Norfolk, CPC): Thank you, Minister, for coming today.

Minister, this committee that you're appearing in front of today exists to ensure that public policy serves the people first. Your government has increased the Canada Infrastructure Bank's budget by \$10 billion while expanding its role into AI-enabled digital infrastructure. Can you point me to specific legislation in which Parliament explicitly approved expanding the Canada Infrastructure Bank's mandate from traditional infrastructure like bridges, roads and water systems into AI, the cloud and digital systems?

Hon. Gregor Robertson: Through the chair, thanks to the member for the question.

The CIB, to date, has indeed focused on what we call traditional infrastructure, as you mentioned. Given the growth opportunities we have as a country and given the scale of opportunity with projects of national interest right now, whether they be in energy or in technology like artificial intelligence, Canada is positioned to lead in these sectors.

The Infrastructure Bank is a great tool for investing in the infrastructure required to make sure that these industries can scale and be successful, not only creating jobs in Canada but also creating opportunities to grow our economy in export markets.

• (1550)

Leslyn Lewis: Thank you for the answer, Minister.

I take from that that there is no legislation that has approved this expansion of \$10 billion, and this has also not come before Parliament.

AI services have the potential to drastically alter how Canadians access government services. Who decided that AI and digital services systems now qualify as infrastructure, and why was that decision not brought to Parliament or presented in a stand-alone bill?

Hon. Gregor Robertson: The Canada Infrastructure Bank's priorities are in priorities letters and then part of the corporate plan. Also, the increase from \$35 billion to \$45 billion was in the budget policy statement. The legislation does not have the expressed purposes of the funding. They're in the priorities letters and then the corporate plan of the CIB.

Leslyn Lewis: Thank you, Minister.

Before approving that \$10-billion increase to the CIB budget and before even producing those letters, what assessment was conducted on how AI-enabled infrastructure financed through the Canada Infrastructure Bank—or even the private sector—would affect workers, users and vulnerable Canadians?

Hon. Gregor Robertson: If we look at the broader purpose of the Canada Infrastructure Bank, we see that it is to leverage private sector investment into sectors in Canada that enable our economy to grow and create jobs.

There have been many benefits to Canadians, particularly vulnerable Canadians, as we have been building housing infrastructure and funding it through the Infrastructure Bank, as well as broadband for remote communities across the north. The Infrastructure Bank has invested in energy infrastructure for remote communities to make them more energy-secure. Many investments to date have already achieved that purpose of growing our economy while also serving more vulnerable communities.

Leslyn Lewis: Minister, as government services become more digitized and AI-enabled infrastructure is financed through the CIB, what protections exist for the public sector workers whose jobs may be automated, reclassified and eliminated because of AI tools?

Hon. Gregor Robertson: At this stage, artificial intelligence obviously offers enormous opportunities for businesses across Canada to be more efficient and to scale. We see enormous growth in that industry alone. Obviously, the investment in AI globally and in Canada has been very significant. Canada needs to be a leading country in terms of the AI industry globally. We want to make sure we're part of that.

In this case, we want to make sure, as government, that we are leveraging all of the tools we have with public financing, but that public financing needs to leverage private capital to invest and grow the industries and benefit the many other industries that are deploying AI to make themselves more productive and efficient.

Leslyn Lewis: Minister, my question was specifically related to the protections of workers when AI displaces them, but I'll move on.

We've heard a lot of complaints. Members of Parliament receive complaints from seniors who are having trouble even accessing benefits because of digitization.

Will AI systems financed through the Canada Infrastructure Bank be used for eligibility decisions on any benefits?

Hon. Gregor Robertson: I'm not aware of the specific purposes and technologies that will flow from investments by the Infrastructure Bank into that sector. Those are down the line in terms of outcomes. Initially, it's about making sure that the infrastructure can exist and serve Canadians.

The whole purpose of this is public benefit. That is at the core of what the Infrastructure Bank is mandated to do, and we want to make sure they deliver.

Leslyn Lewis: Speaking of serving Canadians and public benefit, can you point me to a legal guarantee in any statute or regulation that no Canadian will lose benefits, employment opportunities or access to services without a timely and meaningful human review of AI-influenced decisions? Is that something that your government has contemplated, Minister?

• (1555)

Hon. Gregor Robertson: Through the chair, I would urge the member to take those questions forward with some of my colleagues who are working more specifically on delivering those services in the departments that do that work.

My focus with the oversight of the Infrastructure Bank, in this case, is in attracting private investment into Canadian infrastructure that serves the public.

The Chair: Thank you.

Go ahead, Madame Desrochers, for six minutes.

[*Translation*]

Caroline Desrochers (Trois-Rivières, Lib.): Thank you, Mr. Chair.

Thank you for being here this afternoon, Minister Robertson. I'd like to start by congratulating you on the agreement with Quebec regarding Build Canada Homes that was announced yesterday.

I'd also like to congratulate Mr. Halucha. It's a great agreement and a great first step.

I think the news is good regarding the number of housing starts in 2025 compared to 2024. Things are heading in the right direction, but everyone knows it's not enough. We know that Canadians' first concern is the cost of living, and housing costs are the main reason behind the rise in the cost of living. The news is good, but we need to increase the pace and build more housing units, especially affordable housing units. That's Build Canada Homes' first mission.

You talked about catalyzing the construction industry to reduce delays and build faster. Could you talk about how Build Canada Homes will use modern methods to help modernize the construction industry? How will Build Canada Homes be used to reach that objective?

Hon. Gregor Robertson: Thank you for the question.

[*English*]

I'll respond in English.

With Build Canada Homes, we have an investment policy in place now that emphasizes the importance of modern methods of construction. We want to help our housing and homebuilding industry to modernize. In Canada, less than 5% of our construction is off-site in factories, which is far behind many of our peer countries, particularly in Scandinavia, where Sweden is approaching 50% of their construction happening off-site in factory-built components. We need to catch up to the front-runners.

Certainly that will benefit us in terms of having jobs that are more flexible. People can work 12 months a year in a warm factory, building homes and components of homes that can be assembled much more rapidly on-site. We anticipate this being a real benefit for affordability as the factories become efficient and productive. As the assembly process is accelerated, we expect to see real affordability gains on the construction side.

We also have great opportunities to use Canadian materials at the factory level. I've been in many plants across the country that are using all Canadian wood, basically assembling that wood into wall and floor panels that are insulated and then flat-packed and shipped to the site, where they can be assembled and bolted together quickly. There's a great savings in that process when it is efficient.

As a country, we have to become more efficient at this. We don't have scale with our production lines. Many of the producers right now are running one shift in their factories. We want to see that improve to help bring the cost down.

Also, I think there are great career opportunities in these factories, given the increased flexibility in work hours and being able to work 12 months of the year. You don't want to be building houses on-site from scratch outside here in Ottawa right now, when it's snowing and -20°C. There are some great workers endeavouring to do that, typically doing the interior work, but we think we can have a much more productive sector by investing in the companies that we see scaling up, and most importantly by driving the supply chains, making sure we're financing projects that prioritize these materials and create demand for the manufacturers.

Caroline Desrochers: Thank you very much for this. It's very exciting to be part of this project.

With the little time I have left, two minutes, can we talk quickly about the build communities strong fund and how, as we're expanding the offer of housing, we're also thinking about building communities, making sure they have the community infrastructure they need, whether it's water or sewers, while also building climate resilience.

• (1600)

Hon. Gregor Robertson: Certainly.

The build communities strong fund is not expressly included in this BIA package and the budget implementation act before us right now. That will be coming, as it's been in the budget through the budget process. With the blessing of Parliament, \$51 billion is going to be available for communities to invest in housing-enabling infrastructure. Water, drinking water, waste water, stormwater systems, public transit, health and education infrastructure are included in this fund. We expect to see really strong uptake from communities across the country in seeking funding to enable them to scale, to grow their communities and to build more housing. That will be coming before us soon.

The infrastructure component here in this consideration is with the Infrastructure Bank. It is a component of the investment that they will make. If they're increasing it from \$35 billion to \$45 billion, there's a lot of housing-enabling infrastructure that they will invest in—again, water systems and waste-water treatment plants. There are lots of investments happening across the country at a community scale through the Infrastructure Bank, and importantly, they are attracting private investment as part of the condition of that investment. Those investments attract private investments and leverage the public capital that is going into community infrastructure.

[*Translation*]

The Chair: Thank you, Ms. Desrochers.

Welcome, Ms. Larouche. You have the floor for six minutes.

Andréanne Larouche: Thank you very much, Mr. Chair.

Thank you very much, Minister Robertson, for appearing before the committee and answering questions on this priority issue for the Shefford riding, namely for the city of Granby, located in the heart of the riding, which is tackling this issue head on.

I want to underline the city's willingness to tackle the housing issue, because for years, it had the lowest vacancy rate. However, Granby is not the only municipality dealing with this issue. There

are many other small municipalities in the area that find themselves in the same situation, but I'll come back to that.

The housing issue has been a priority since my election in 2019. That's why today, I've decided to ask questions from other stakeholders, namely the FRAPRU.

An agreement was signed last week with Quebec. Here's my first question: Since Quebec's share seems to be unknown, can you confirm the province will have its share of Build Canada Homes' funds, a share estimated at almost \$3 billion? Can you confirm that?

Hon. Gregor Robertson: Thank you for the question.

Affordable housing is a very important issue for all Canadians.

[*English*]

I was very happy to announce the agreement with Quebec last week in Quebec City around Build Canada Homes and our process for approving and getting housing built in Quebec. My thanks go to the minister, Minister Proulx, who was very keen to advance this partnership as well, along with our teams that negotiated the agreement.

The opportunity with Build Canada Homes is different from what we've seen with housing support from CMHC, as an example. It is not a program that requires applications. Build Canada Homes is an agency with an investment committee. The way we will work with Quebec will be that Quebec will be at a collaboration table with us, bringing forward opportunities for partnering together on financing housing projects. Those will be reviewed at the collaboration table and then advanced to the investment committee at Build Canada Homes.

The investment committee at Build Canada Homes will be reviewing all the proposals that come in. Right now, we have over 400 proposals that have come in through the public portal of Build Canada Homes. The investment committee will review those proposals, based on how they align with the investment policy. The Build Canada Homes investment policy is on the website currently. You can search it there.

Proponents like the city of Granby and other communities in your riding can advance proposals with Quebec. They can see the public criteria on the website for Build Canada Homes and basically work their proposal with Quebec. That will come forward to Build Canada Homes.

• (1605)

[*Translation*]

Andréanne Larouche: Minister Robertson, why did it take so long to reach an agreement on housing between Quebec and Ottawa? Would it not have been simpler, and more efficient, really, to transfer funds directly to Quebec? In fact, that's what the Quebec government and the Bloc Québécois were asking for.

Why insist on having the federal government impose housing-related conditions? It's counter-productive, since Quebec can best determine what its needs are and how to best meet them. Why not recognize that?

Hon. Gregor Robertson: Once again, thank you for the question.

[English]

The good news is that the Government of Quebec has come to an agreement with the Government of Canada. We are very excited to be working together, collaborating around a table to advance affordable housing projects in Quebec.

It's important to think of Build Canada Homes as accelerating the Government of Canada's investment in affordable housing. That's the purpose here. It's to speed up the process. We've had a history of decades of not enough investment from the Government of Canada into affordable housing. We are catching up on that. We have to accelerate the process by which we review and finance affordable housing proposals that come from across the country.

I'm encouraged to see the Government of Quebec's enthusiasm and their support for this agreement and the collaboration we are embarking on. I think both governments are very interested in speed and in making sure that we achieve affordability in communities of all shapes and sizes.

[Translation]

Andréanne Larouche: You talked about two levels of government, so I'd like to talk about the third one, which is municipal government. I'd like to take a moment to read a recommendation the Fédération québécoise des municipalités, the FQM, sent me. Last fall, and a few days ago, I met with some of my constituents from the rural areas, and they're worried. Let me read the recommendation from the FQM:

That Build Canada Homes support remote communities as much as large-scale property development projects by adopting a tailored approach based on needs and the impact of projects on communities, rather than on the proposed number of housing units;

That Build Canada Homes recognize local governments' jurisdictions;

That the Build Canada Homes program have a separate stream for local communities, managed by local communities, to meet housing needs in Quebec regions;....

This recommendation comes from the FQM. Many municipalities in my riding have sent it to me, and I know you've also received copies of this recommendation.

The Chair: Your time is up, Ms. Larouche.

[English]

Mr. Aitchison, it's good to see you back. You have five minutes.

Scott Aitchison (Parry Sound—Muskoka, CPC): Thank you, Mr. Chair. It's always a treat to be back under your wise leadership.

Minister, thanks for coming.

I'd like to ask you a little bit about housing starts. I would note that housing starts are up a little bit in Canada across the board, and that is good news. I heard the Liberal members talking about that. That's great news.

Interestingly enough, they've fallen off a cliff in places like the GTA and Vancouver. Of course, one of the main reasons is that those are two regions of the country that have particularly high development charges and local fees and charges.

One of the things that came up in the election campaign and that the Prime Minister promised to do was to address the issue of these outrageously high development charges, which we now know are halting starts. He promised to cut them in half, yet we see nothing about that. Why is that?

Hon. Gregor Robertson: Through the chair, thanks to the member for the question.

On housing starts, I agree with you. We see some good results overall for Canada last year.

Some regions have been struggling. Their numbers are down. Toronto in particular is obviously significantly down. Vancouver was down 3% last year, but there are signs that it's soft for the coming years. We'll keep a close eye on that, but we've also seen good growth of housing starts in many regions across Canada, particularly in Quebec and Alberta.

We need to keep focused on seeing success there and on ensuring we're getting more affordable housing built. Development charges are certainly a part of the challenge, particularly in Ontario and B.C. The approach we are taking as a government is with the build communities strong fund and ensuring that a portion of that fund—there's \$51 billion proposed there of investment into infrastructure—is for provinces and territories to match and then bring down development charges, to show that the development charges in those provinces are reduced by that amount.

• (1610)

Scott Aitchison: Is that funding contingent upon those municipalities and those provinces cutting their development charges in half?

Hon. Gregor Robertson: That funding is contingent on reducing their development charges by the amount of the funding that's being advanced and being matched by the provinces or territories.

Scott Aitchison: When do you suppose that will occur?

Hon. Gregor Robertson: Well, we have to get Parliament's support for the build communities strong fund within the budget process that we're in now.

Scott Aitchison: Just for the record, housing sales are down 43% or 49% in the GTA. I would suggest that, arguably, the biggest supply gap for housing in this country happens to be in the GTA. If that is the case and housing starts are dropping precipitously, we need to be building, as the CMHC tells us, close to 500,000 units a year. We're building 259,000. We're building really none in Toronto, none in the GTA and very few in the Lower Mainland.

In fact, builders of homes are laying people off. It's already happening. Not only will the government not be collecting huge GST cheques off new homes, but you're going to be losing jobs in this industry.

You indicated on one of these podcasts that big, sweeping changes are a bit risky—like cutting the GST on all new homes under \$1.3 million—and that you would try these little things to see what would happen. How many jobs should be lost before we do the big things?

Hon. Gregor Robertson: We are doing big things with Build Canada Homes. This is the largest single investment in affordable housing that we've seen in Canada in a budget, and that is scaling up the construction of affordable housing, which is what Canada needs first and foremost—

Scott Aitchison: I need you to define “big things” for me. How many units have you announced with Build Canada Homes so far?

Hon. Gregor Robertson: In the first couple of months, we have over 7,500 homes that are now enabled, and tens of thousands more that are working their way into the system and will be announced in the coming weeks.

Scott Aitchison: How will Build Canada Homes help us get to 500,000 units a year?

Hon. Gregor Robertson: The 500,000 is what CMHC has estimated, based on the research, as the number that we need to build to catch up for decades of not building enough housing in Canada, so it's a long-term goal to scale up construction. We have to do construction differently. We have to use modern methods of construction so that we can build faster and more affordably, and we also have to ensure that we are hitting those affordable targets first and foremost.

If we are not building more non-market, affordable housing, we're going to continue to have the huge challenge we have with homelessness and the challenges we have for young people affording affordable homes.

Scott Aitchison: You cannot sacrifice market housing in the process.

The Chair: Thank you, Mr. Aitchison. You will be up again, as I see from my list.

[*Translation*]

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

[*English*]

Annie Koutrakis: Thank you, Mr. Chair.

Thank you, Minister, for being here with us today, and thank you to all the witnesses who are here.

This a great segue, actually, because I was going to speak to you about the next generation of young people and how we keep hearing that homes are not affordable and how they have a bit of a hard time purchasing their first home.

I was just wondering if you could please speak to how Build Canada Homes is supporting both affordable housing and meaningful employment for the next generation, not only for the youth, but for job creation in general.

Hon. Gregor Robertson: Through the chair, I thank the member for her question.

We need to focus on affordability for young Canadians. Build Canada Homes has a significant commitment along those lines to make sure that we're building affordable housing, first and foremost, that will benefit our younger generation. We have additional measures in this budget for first-time homebuyers, such as a GST cut of up to \$50,000 for first-time homebuyers for homes up to \$1 million, and an extension for homes up to \$1.5 million, which is needed in some of the more expensive markets.

That's very dramatic. We're investing billions of dollars to help first-time homebuyers and young Canadians access their first home.

We're also supporting the home-building industry at a time when.... Our MP was just asking questions about challenges with housing starts. We need to be building more for first-time homebuyers. That incentive is a really important piece of the puzzle, but overall it's about getting our numbers up, getting our productivity up and making sure that we're leveraging public dollars alongside private investment, whether that's developers investing in projects that are helped with financing by Build Canada Homes, or ensuring that we're investing to scale up an industry that makes housing more affordable and can build faster.

It's a comprehensive approach with Build Canada Homes. We're going to see a focus on student housing. We've had lots of proposals coming from student housing developers, non-profit and for-profit combined, to deliver housing for students, which is obviously a critical element for the housing continuum, as well as for middle-market housing for young Canadians to access the market.

• (1615)

Annie Koutrakis: Thank you.

We've now reached the 100-day mark since the launch of Build Canada Homes. I'm wondering if you could speak to us a bit about what the initiative has already been able to accomplish in that time, and how these early results are helping advance the government's housing objectives.

Hon. Gregor Robertson: Certainly.

Since the launch in September, we have seen several landmark agreements with provinces. We have an agreement with Nova Scotia, as well as with Quebec, which was made last week. We have agreements with Ottawa, where we sit today, to scale up affordable housing in the city. In the partnership with Ottawa, as an example, they will fast-track their approvals and densify alongside the federal government on federal lands here in the city of Ottawa.

We have a big effort with the Government of Nunavut right now to get over 700 homes built in Nunavut. It's a much-needed component of the Nunavut 3000 housing plan.

We're seeing great uptake across the board. We have fantastic proposals from other provinces, as well, which are working their way into the system. We have six federal land projects that are now advancing toward construction in Longueuil, Shannon Park, Ottawa, Edmonton and Winnipeg.

In Toronto, we just announced Dunn House, which is a supportive housing project, partnering with the City of Toronto and the Province of Ontario to get 54 homes for supportive housing. That is really essential as part of a solution for homelessness. There's \$1 billion in Build Canada Homes that's earmarked for supportive housing, which is the ultimate solution for homelessness if it has the appropriate wraparound health supports to help people get off the street and out of shelters, and transition into secure, long-term housing.

We're seeing commitments already in place for thousands of new affordable homes. Shovels are going into the ground this year, and I expect tens of thousands to be coming through in the proposals in the months ahead.

[Translation]

Annie Koutrakis: Thank you, Minister Robertson.

The Chair: Ms. Larouche, you have the floor for two and a half minutes

Andréanne Larouche: Thank you very much, Mr. Chair.

Minister Robertson, as I said before, this is a very serious issue in Quebec and many different groups are affected. Housing is an issue for the elderly, and the Fédération de l'âge d'or du Québec would like to know if Build Canada Homes will have a stream dedicated to housing for the elderly.

Hon. Gregor Robertson: Thank you for the question.

[English]

Build Canada Homes is looking forward to building affordable housing for everyone who's in need of it, including seniors. We anticipate a lot of proposals related to seniors' housing. There's undoubtedly a real need. We're also seeing many local governments coming forward with changes as a result of the housing accelerator fund where they are adding density in existing neighbourhoods. Four as-of-right—four homes on one parcel—is now becoming a pretty standard approach in the planning departments of hundreds of cities and towns across Canada. This enables seniors to move into homes that are built within their neighbourhoods; they don't have to leave a neighbourhood if they need to change their housing.

I think we're going to see a number of different solutions. Build Canada Homes will certainly be part of delivering affordable housing for seniors and ensuring that they have access as a priority.

• (1620)

[Translation]

Andréanne Larouche: Minister Robertson, I have many questions to ask you, but I'll end with this one.

There was a program aimed at homelessness and homeless camps. In December, with winter at our door, it was announced the program wasn't going to be renewed. In early January, I met with organizations in my riding, such as Auberge sous mon toit, Partage Notre-Dame or Le Passant, and they were very worried. This decision means there are fewer spots and beds available in the middle of winter, and people need to stay warm.

Can the decision about this extremely important program on homelessness be reversed so homeless people can get the help they need?

Hon. Gregor Robertson: Once again, thank you for the question.

[English]

We have several programs around solving and tackling homelessness in Canada. Reaching Home is the overarching program; it has supported almost 10,000 projects since 2019. About 200,000 people have been helped; 110,000 people have been housed as a result. That program is coming up for potential renewal, as well as the unsheltered homelessness and encampments initiative, which was in budget 2024. That was \$250 million over the last two years.

We will be reviewing these programs for next steps. The urgent need is very clear, I think, to all of us right now, so we'll be reviewing that. I look forward to hearing from you on your needs across the country as we consider next steps with program renewal.

The Chair: Thank you, Madame Larouche.

Mr. Aitchison, you have five minutes, please.

Scott Aitchison: Thank you, Mr. Chair.

Minister, you indicated that there are about 400 proposals currently before Build Canada Homes. Can you give me top-line numbers? How many units do those 400 proposals represent? Do you know?

Hon. Gregor Robertson: I think for those details.... You will have Ana Bailão coming before the committee. It sounds like she is on your list in terms of witnesses. She can give you updated numbers on—

Scott Aitchison: You don't have them. That's okay. That's fine.

Hon. Gregor Robertson: I don't have a top-line number, and they're coming in every day right now, which is fantastic.

Scott Aitchison: Okay.

You mentioned about 7,500 units that Build Canada Homes has approved that were, I guess, in truth, already in the works with the Canada Lands Company, but that's okay. We'll grant you that. They've somehow accelerated things.

So, there are 7,500 units. How many more affordable units do we need to augment the market housing with to get us to that 480,000 to 500,000 units per year? Of that mix, how much needs to be affordable?

Hon. Gregor Robertson: I think a good standard that we see in European countries is roughly 10% of housing construction being at the affordable end of the spectrum. In Canada, we're below 5%. We're at about 4.5% that are non-market. European countries are typically two to three times that.

Scott Aitchison: How many affordable units do you think we need to build in this country to catch up, then?

Hon. Gregor Robertson: At this point, we need to be building tens of thousands of homes, going forward, that are affordable for Canadians. That gets us on the catch-up curve. I think the critical thing right now is having all types of housing scaled up. However, the focus of Build Canada Homes is on non-market housing, and it will leverage some middle-market and market housing, depending on the proposals.

• (1625)

Scott Aitchison: That's great. I think it's important that we're building the non-market housing. It has absolutely been neglected. I have no doubt about that.

The problem I hear with all of your plans, though, is that there isn't enough attention being paid to market housing, specifically in those areas of the country where the gap is biggest. I'm talking about the GTA and, of course, the Lower Mainland.

I've talked to builders in Vancouver, your home city, who tell me there will probably be 20,000 units a year for the next two years that will get completed, but they're not digging any new holes. They're not starting any new projects, and they're laying off people. It's a similar story in the GTA, in Toronto, and the surrounding cities.

Also, of course, again we're back to the cost, the process and everything that adds to that cost of getting a unit built. Let's take Toronto, where there are hundreds of thousands of dollars in local government charges and fees. Collectively, cities in Ontario are sitting on \$12 billion in reserve funds that have been collected in development charges.

I wonder if you have a plan to work with the Province of Ontario to unlock some of that money to build housing-enabling infrastructure right now, because the crisis is today, not 10 years from now.

Hon. Gregor Robertson: Through the chair, I agree with the member. We need to see action in Ontario at the provincial level to make sure all the regulations are in place to ensure that cities and towns are using their development charges that they've collected already. If ever there was a time to use that funding, it's now, given the market conditions.

There are a lot of other factors right now, I think, that are affecting people's choices around homes. Obviously, the economic instability—the trade pressure from the U.S.—is having a really negative effect on our housing market in some markets. In other markets, we're booming. That's the challenge across Canada.

Scott Aitchison: I would agree with you that the scale of the problem is absolutely massive. There's no doubt about that, and I appreciate that you understand that.

The builders in the GTA have told us loud and clear, though, that rebating the GST only for first-time homebuyers is not enough of a market to start projects again. They don't make up enough of the market. The builders have said over and over again, as have people like Mike Moffatt, that we need to cut the GST on all new home projects to help get the market going again.

You agree that the scale of the problem is massive. You've just told me that you agree. You think the municipalities in Ontario should tap into their development charge reserves. I agree.

I think we should cut the cost of government at all levels, including cutting the GST on all new homes. Why won't you make that move?

Hon. Gregor Robertson: We are looking at all the tools that we can use as a federal government. It doesn't make sense to cut the GST on homebuilding in provinces where it's booming and where the numbers are up dramatically. That's Alberta and Quebec, for starters. We've seen an enormous lift in the number of homes that are being built there. It's not even across—

Scott Aitchison: If housing is a human right, why do you think we should tax it the way we tax cigarettes and booze?

Hon. Gregor Robertson: It's not even across the country. That's why the tools we use have to be precise and have to get the desired outcomes. Blaming it all on development charges is not accurate when we see the way the market is behaving right now—

Scott Aitchison: I don't blame it all on development charges, Minister. I blame it on all levels of government that charge too much tax.

The Chair: Thank you, Mr. Aitchison and Minister.

We'll now go to Madame Fancy for five minutes.

Jessica Fancy (South Shore—St. Margarets, Lib.): Thank you very much, Chair.

Welcome, Minister. I think—you know me now—you probably know what I'm going to talk about.

We've talked a lot about one end of the spectrum, with urban housing. My colleague across the way talked very quickly about rural housing. The theme of my questions today would be access and infrastructure.

It was really neat to hear you say that, beginning today, we cannot build homes without infrastructure and accessibility. Build Canada Homes is a significant new tool—I'll give you that—to help accelerate housing here, but how will smaller and rural communities, like the ones in South Shore—St. Margarets, where I'm from, be supported to access programs?

I've talked to a lot of developers and non-profits in my riding. They're saying that it's really hard to gain access. I'm wondering if you could talk to us today about it and whether there's any rural-centric policy development with this big, shiny, new Build Canada Homes so that my developers and the people in my riding, the little guys, can get a fighting chance when they don't have 100 or 1,000-plus units.

Hon. Gregor Robertson: Thanks for your question.

We want to see affordable housing built in communities of all shapes and sizes, and that is a challenge under the current set of programs. The plan with Build Canada Homes is to ensure that we're reviewing proposals from communities of all sizes. We are supporting rural projects, because a small project in a rural community can have a big impact on the success in that community by ensuring that people have an affordable place to live in rural Canada.

There are two things happening right now. Everyone is welcome to send in proposals through the public portal on the Build Canada Homes website, first and foremost. We are also seeing provinces and territories bundling rural projects together. We saw this from New Brunswick recently in their proposal to Build Canada Homes, with lots of projects included from small communities across that province. They will help, as a province, to ensure that projects get built and the details are managed, which I think is very helpful in terms of being more efficient with the whole review process and the financing.

That's the approach we're seeing from some parts of the country. I understand there are regions that are also bundling rural communities so that the process of going through the Build Canada Homes review and decision is easier, but it is possible for small communities, as well, to put their proposals forward. We're trying to be as collaborative as possible in the way we're approaching this.

I'd certainly encourage you to ask the CEO of Build Canada Homes, Ana Bailão, questions on how that's going and what that looks like for rural communities. I've visited rural communities in your riding. You can also ask about how it's supporting the manufacturing businesses that are in many parts of rural Canada, including yours. There are great innovative companies that are doing really good work to make building products that can be used in affordable housing. We're looking forward to supporting the construction side and getting the housing built.

• (1630)

Jessica Fancy: That's awesome. Thank you for some concrete examples today, Minister.

In the little amount of time that I have left, I'll ask about infrastructure. In many rural and coastal communities like mine, housing development is very constrained, less by the amount of land—we have lots of land—but more by infrastructure, like waste-water and sewage systems.

How does the housing framework from budget 2025 align with federal infrastructure funding to ensure that these projects can move forward a lot faster, rather than be in silos?

Hon. Gregor Robertson: Thanks for the question. We are prioritizing the build communities strong fund to invest in community infrastructure that enables housing to be built. There's no question that we have an infrastructure deficit across the country. In my former role as a mayor, we always talked about the infrastructure deficit that local governments could not solve on their own. I think the \$51 billion in the new fund will help us start catching up on the infrastructure that's needed, particularly to build housing in rural communities.

At the same time, we need to be more strategic and more efficient with the land that is already serviced by infrastructure, and

that infill development is going to be really important in small to large communities. That's where the housing accelerator fund has been helping to deliver. Anywhere we can build where there's existing infrastructure, we need to be pursuing that and making good use of that infrastructure.

The build communities strong fund is an unprecedented investment in housing-enabling infrastructure that will help communities of all shapes and sizes.

Jessica Fancy: Thanks.

Do I have any time?

The Chair: That concludes the round.

Thank you, Minister. Just before you go, I'm going to use my prerogative as chair. I have a question.

You referenced in your answer to one of the earlier questions understanding the needs of the new housing and the young housing entrants. If those people are watching today, how can you assure them that all the tools the government has and all the bureaucracy sitting around understand the dilemma they're facing, and that their needs will be a primary focus as we move forward on addressing this housing inequity?

• (1635)

Hon. Gregor Robertson: Thanks, Mr. Chair, for the question.

I think it's a shared priority of everyone across Canada now. Affordable housing has reached crisis levels. We certainly see that on our streets. The homelessness challenge is the tip of the iceberg when there are this many people who don't have a home. That reflects that we don't have anywhere near enough housing that's affordable for Canadians.

I feel I speak on behalf of my colleagues when I say that we're extremely passionate about getting affordable housing built and the infrastructure that enables that to happen. We are a community-building department, and we'll be throwing everything at it to make sure that we build faster, build more affordably and build across the country, particularly in communities with the greatest need.

We will be redoubling our efforts. We are heartened by the new structure of Build Canada Homes, taking a more innovative approach, and also by the interest we are seeing from governments of all levels, developers, non-profit housing providers and first nations. We are seeing a ton of interest now in coming forward with great new proposals to build affordable housing. It's going to be our job to implement that and make sure that the financing is moving and that homes get built as quickly as possible.

The Chair: Thank you, Minister.

With that, we conclude the first hour of today's meeting.

We'll suspend for a few minutes while we move into the business portion of the meeting.

Thank you, Minister and your officials, for appearing today.

[Proceedings continue in camera]

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