



Community Builders...

Building Communities

August 28, 2025

The Honourable Gregor Robertson, Minister of Housing and Infrastructure

minister-ministre@infcc.gc.ca

Build Canada Homes Consultation

bchengagement-mobilisationmc@infcc.gc.ca

Dear Minister,

Re: VRBA Submission for Build Canada Homes Consultation

The Victoria Residential Builders Association supports market housing initiated by the private sector which has produced the vast majority of housing for Canadians without government agencies acting as developers. The federal government's plan for Build Canada Homes says, *"Building – Build Canada Homes could act as a developer in varying capacities, working with contractors, operators, investors and other developers to build housing, develop land, procure materials, share risks and provide expertise."*

This expertise already exists in the private sector, so Build Canada Homes is both unnecessary and costly. Housing has been eroded by three levels of government (federal, provincial, municipal) choking supply via creeping over-regulation, red tape and excessive fees. Governments control the market. They tell builders where and what to build (zoning); when to build (permit approvals); how to build (building code); and how much revenue they require from the project (GST, PTT, DCC's, permit fees, amenity contributions). Inadequate market supply choked by government is the problem. Fix the problem, don't create another bureaucracy spending billions of taxpayers' dollars trying to duplicate expertise that already exists in the private sector.

The biggest challenge is municipalities with their own zoning regulations, building code interpretations, reviewing applications in silos, slow approvals and ever-escalating, costly permits with no cap. National and provincial house design templates have little impact on housing supply. Design is not the issue as stated in a recent Globe and Mail editorial – *A Sketchy Idea for Fixing the Housing Crisis*

<https://www.theglobeandmail.com/opinion/editorials/article-a-sketchy-idea-for-fixing-the-housing-crisis/>

A recent article by the Macdonald-Laurier Institute also says, "Municipalities across Canada limit building heights, set aesthetic standards, ban certain types of construction in designated areas, impose parking requirements, and legislate minimum lot sizes, among a host of other land-use regulations....To solve Canada's housing crisis, Carney must begin by recognizing that affordable housing in Canada is in short supply because local governments have made it impossible to build." <https://macdonaldlaurier.ca/government-not-greed-is-behind-canadas-housing-problem-anthony-de-luca-baratta-for-inside-policy/>

While the federal government would like to see modular housing ramped up, it's unlikely under the existing regulatory system. Japan produces almost 90,000 to 100,000 homes every year using prefab methods, however Japan has central planning, where zoning options are established by the national government. Canada's federal government has no authority over municipalities and zoning. BC has a failed governance policy of municipal self-determination creating 13 Official Community Plans in our region, undermining responsible regional planning for housing and infrastructure such as sewer and water and transportation/LRT.

Presently, 48% of new housing in our region is created in two municipalities – Langford and Colwood out of 13. So market supply and affordability are possible if there is municipal will. Year-to-date, Langford leads in new home construction at 1,066 units followed by Victoria 594, Saanich 571, Colwood 344, Sooke 143, Esquimalt 95, Oak Bay 45, Central Saanich 17, Sidney 12, North Saanich 11, View Royal 2, Highlands 1, Metchosin 0.

There is little accountability for municipalities not doing their fair share to address housing supply and affordability. North Saanich recently declined to meet with BC's housing ministry staff to discuss the municipality missing their housing targets and deficiencies in their reports. In addition, development charges on new housing are being increased by more than 100% despite a provincial [DCC Best Practices Guide which the BC government has shown no interest in enforcing. The City of Victoria recently increased development charges 258%.](#)

Thirteen municipalities in a region of 400,000 people astronomically boost DCCs independently, partly because there is no responsible regional planning. Another reason is the province [expanded municipal charges to include fire and police stations, solid waste facilities and highways, in addition to existing coverage of sewer and water, sidewalks and parks. They also legalized Community Amenity Contributions for recreation centres, public art, cash in-lieu, etc.](#) All charged independently and lacking a regional plan.

Introducing a Build Canada Homes program in this regulatory environment under which the federal government has negligible influence would be a financial disaster for taxpayers. If the market is allowed to work as it should, there would be significantly more supply and affordability, [demonstrated in a study by economist Evan Mast.](#) Billions of taxpayers' dollars could be saved and allocated to services like health care. If the federal government wants to have an impact on housing affordability, here are a few suggestions:

Reduce/Cancel GST on Housing

Inflation has eroded the GST New Home Rebate to being virtually non-existent in Greater Victoria. At the very least index the GST rebate to inflation and today's prices as promised when introduced. Better yet, axe the GST on housing altogether.

Infrastructure Grants

The federal government provides significant infrastructure grants to municipalities and could deny grants to municipalities not doing their fair share.

Reduce Building Code Regulations

End the constant changes to the building code driving up costs, complicating homebuilding and creating unintended consequences.

Capital Gains Tax Deferral

Deferring the capital gains tax on the sale of rental buildings when reinvested in new projects will increase supply and affordability.

Terminate the Underused Housing Tax

This is an unfair, regulatory nightmare for homeowners, duplicates vacancy taxes at municipal and provincial levels, and serves no useful purpose in addressing the real issues of housing supply and affordability outlined in this letter.

In short, all three levels of government must let the market work and save taxpayers billions of dollars.

Thank you for considering these suggestions and feel free to contact me for any additional information.

Sincerely,



Casey Edge
Executive Director

CC: Right Honourable Mark Carney, Prime Minister of Canada