



## Long-term GTHA housing delivery at risk

HomeNews

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A looming housing shortfall in the Greater Toronto and Hamilton Area could have ramifications beyond merely delivering too few homes for a growing population.

A report from the Canadian Centre for Economic Analysis (CANCEA) warns that the region is both building too slowly and building the wrong types of housing, and if the current trajectory continues, 165,600 homes risk not being built by 2041 to accommodate the region's population growth.

“That’s an annual average of 7,200 homes not being built,” said CANCEA President Paul Smetanin. “One hundred and sixty-five thousand homes is the size of Brampton. If we’re not building to the annual average we’ve measured to be at risk, we’re costing the economy almost \$2 billion per annum in lost economic activity through the absence of residential construction activity.”

The Places to Grow Act, which was established in 2005, updated last year, and outlines growth policy for municipalities, is at risk of going unrealized. The CANCEA report, GTHA's

Unbalanced Housing Stock: Benchmarking Ontario's New LPAT System, notes that not only do key municipalities have to raise their rates of construction, they have to build certain types of housing.

“It’s pointless building stuff that the future population doesn’t want or find particularly desirable,” continued Smetanin. “If we keep doing what we’re doing, we’re not going to meet these population targets. It really is a report that’s looking at recent changes in approvals processes and essentially saying the province has population targets and we need to find more efficiency within the approvals process to meet them. Developers need to think about taking advantage of the fact that the province wants to grow at particular rate and start building these buildings.”

Smetanin also says that Toronto doesn’t have diverse housing. Rather, it’s largely comprised of single-family and semi-detached houses, as well as tall towers.

“That makes it difficult for the population to move around over time,” he said, adding that medium density—which could be duplexes, multiplexes or buildings that usually top out at around 12 storeys—houses larger units. “They become more family- and baby boomer-friendly.”

Homeownership isn’t the only answer, though. Andy Manahan, executive director of the **Residential and Civil Construction Alliance of Ontario**, says that purpose-built rental stock has fallen by a third in the GTHA and that forces many would-be renters into homeownership.

“It’s a structural impediment to the economy,” he said. “We have a different kind of economy right now with a lot of skilled workers—that could be anybody from Google employees to Research in Motion [now known as BlackBerry Limited] out in Waterloo, and everybody in between—who tend to be younger, more mobile, and not necessarily wanting to get into homeownership situations. Condos seem to be the tenure of choice because we’re lacking in purpose-built rentals.”