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August 18, 2023

The Hon. Sean Fraser, P.C., M.P.
Minister of Minister of Housing, Infrastructure and Communities
House of Commons
Ottawa, ON K1A OA6

Dear Minister Fraser:

On behalf of the members of the Canadian Home Builders' Association (CHBA), I would like to congratulate you on your appointment as Minister of Housing, Infrastructure and Communities. CHBA looks forward to continuing our productive working relationship with you as was started under your previous role as Minister of Immigration, Refugees and Citizenship.

With some 8,500 member firms from coast to coast, including home builders, renovators, land developers, trade contractors, product and material manufacturers, CHBA is one of your largest stakeholders in your new role. Residential construction, for both new housing and renovation, accounts for 1.5 million jobs across the country—jobs in every community—representing \$107.2 billion in wages, and \$211.3 billion in economic activity. Our members build low-rise, mid-rise, and high-rise homes for both ownership and rental.

You have taken on this new role at a critical time. Canada is in the midst of a housing affordability and supply crisis. Rising interest rates are severely impacting the home building sector leading to a decline in housing starts. There needs to be federal government policy to counter these impacts on new construction as well as assisting the well-qualified first-time homebuyers who are continually finding themselves locked out of owning a home. A lot of work needs to be done to reach the Budget 2022 goal of needing an additional 3.5 million homes over the next decade, over and above the 2.3 million the sector would normally build. CHBA welcomes working with you to achieve this necessary target and I trust you will champion Finance Minister Chrystia Freeland's comments from her Budget 2022 speech that the government "will make it easier for our young people to get those first keys of their own." Further to that, it is important to note that thanks to the current interest rate environment, starts have decreased and we are falling further behind in housing supply deficit. Policy measures to reverse this trend and then sustain increased housing starts are needed urgently.

To remind you of CHBA's recommendations on how to address these challenges to our industry and to provide direction on how the federal government can address housing supply and affordability challenges, I am attaching CHBA's recent <u>pre-budget submission</u> to the Standing Committee on Finance, as well as CHBA's infoguide <u>Unlocking the Door to Homeownership:</u> Recommendations on the Federal Role 2023.

Since every minute counts in addressing the critical housing issues in Canada, I invite you to discuss these recommendations at your earliest convenience. Please have your office contact Nicole Storeshaw, Director, Government Relations at nicole.storeshaw@chba.ca or 613-230-3036 (ext. 241) to set up a meeting.

Sincerely,

Kevin Lee, P.ENG., M.ARCH.

CEO, CHBA