

Canada's new housing minister faces complex, cross-jurisdictional challenges

Ahmed Hussen says he's confident he can reach agreements with provinces, municipalities



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A for-sale sign in Toronto on Oct. 14, 2021. Housing prices are rising dramatically in much of the country. (Evan Mitsui/CBC)

Ahmed Hussen is less than a week into his new role as the architect of the federal government's housing strategy, but he's already drawn up a blueprint.

"I think the first and foremost thing is to build housing supply," Hussen said of his priorities as the first federal housing minister in an interview airing this weekend on CBC's *The House*.

"It is to ban foreign ownership in our housing sector. It is to implement the promised tax on non-residential, non-Canadian vacant homes beginning in January 2022 and [make] sure that we, as a federal government ... get together our other partners to ensure that they can leverage our upcoming investments to build more housing supply, but also to repair the existing stock and increase the capacity of non-profit organizations and municipalities to build more housing supply and more affordable housing."

Housing affordability. Quality of life. Both emerged as defining issues for many voters during the summer election.

The Canadian Real Estate Association says the average price of a home in this country has gone up more than 50 per cent in the last five years. Nationally, the average home price in September was up 13.9 per cent from the [same month](#) last year.

Paul Witterick lives in Fontill, a town in the fruit belt of Ontario's Niagara peninsula. He said housing prices are skyrocketing even there, making it difficult for his daughter to find anything she can afford.

"What worries me is that my 25-year-old daughter will not be able to afford to live in the neighborhood, and in the town she grew up in," he said.

Jurisdictional challenges

During the election, all of the major parties put out [detailed plans](#) to help more Canadians afford homes. The Liberals' proposal covered five pages of their

platform and included promises to take steps to both curb demand and increase supply.

The measures being promised collectively amount to billions of dollars in new spending (or "investments," as the Liberals prefer to describe them) and will require the federal government to work with provincial and municipal governments.

- **With average prices up another 14%, Swiss bank UBS warns of housing bubbles in Canada**

"We're going to put \$4 billion on the table and the municipalities and communities that are willing to be innovative, that are willing to be ambitious as we are, will get access to that money," Hussen said.

"And the ones that, you know, that don't want to move forward in terms of removing those barriers will simply not have those incentives. So, it's a question of really partnering with those that are willing to move faster and in a more ambitious manner to build more housing supply."



Prime Minister Justin Trudeau, right, greets Ahmed Hussen, now the minister of housing and diversity and inclusion, as they tour an under construction affordable housing complex in Hamilton, Ont., Tuesday, July 20, 2021. (Cole Burston/The Canadian Press)

Housing is a provincial responsibility. Even so, Hussen said he is confident that he can work out agreements with the provinces, based on his experience in the last government as the minister for families, children and social development.

"You know, we struck eight agreements with provinces and territories on child care, which is a shared jurisdiction," he said. "It's a clear provincial jurisdiction, but we brought our vision of \$10-a-day child care to provinces and territories and we worked with them to get to eight agreements."

New programs in the works

Hussen won't have his own standalone department. It will be contained within the federal infrastructure department — a decision intended to leverage housing into federal-provincial agreements on transit.

For example, the Trudeau government negotiated a [\\$12 billion agreement](#) with the Ontario government last May for new transit lines in Hamilton and Toronto. But the money came with conditions, including a commitment to build affordable housing along those routes.

Those lines, and the housing, are years away. For many Canadians, finding a place to live is an immediate concern.



Little Jamaica in Toronto is seeing an influx of development proposals as the Eglinton Crosstown LRT nears completion. (Evan Mitsui/CBC)

Wendy Peters is a real estate broker in Winnipeg. She said she's resigned to helping her children afford their first homes, in part because high rents make it hard to save for a down payment.

"Real estate is like the rising tide that lifts all boats. But you have to have a boat to begin with," she said. "If you're renting, you don't have a boat."

She said she wonders how the federal promise of a rent-to-own program would help young people looking to get into their own home.

"Because really, why don't we just go to a zero per cent down?" she asked. "Banks want you to put five per cent in to show you have skin in the game. Well, all these people who are renting now have skin in the game. They don't want to be on the street."

The Canadian Real Estate Association confirmed what so many frustrated house hunters already know — prices just keep going up. In some markets, like Toronto and Vancouver, people are just giving up in the face of million-dollar prices. 1:53

The Liberals' rent-to-own plan depends on landlords charging lower than market rates over five years to help renters build up savings.

Hussen said he will be looking at every option, including a new tax-free home savings plan that would allow Canadians younger than 40 to save up to \$40,000 for a first home and withdraw it tax-free with no repayment required.

"Our approach has to be that we have to address the housing needs of Canadians, the different housing needs of different Canadians across the housing spectrum, when it comes to affordable rent," he said.

It's a complicated plan. Hussen said he's confident it's a blueprint for success as more and more Canadians looking for affordable housing find themselves on the outside looking in.