



UDI Statement on 2019 B.C. Budget

VICTORIA – UDI President and CEO Anne McMullin, responding to today’s provincial budget, said: “Sadly, Budget 2019 offers little to encourage more housing options for British Columbians and zero incentives for purpose-built rental homes. In fact, Budget 2019 forecasts a dramatic collapse in provincial housing starts, including rental homes, over the next four years. This slowdown in starts will result in less homes, taking us back to average levels in the 1990s, when we critically need more housing options as our region is poised to attract 500,000 new jobs and one million new residents over the next 20 years. It’s difficult to see how government will be able to meaningfully improve the vacancy rate, while building fewer rental homes.”

	2017	2018	2019	2020	2021	2022
Housing Starts (units)	43,664	40,857	34,015	31,846	30,517	30,519
% change	4.4	-6.4	-16.7	-6.4	-4.2	0.0

Source: 2019 BC Budget and Fiscal Plan

Ahead of Budget 2019, UDI and other stakeholders had proposed [aggressive new rental incentives and rebates](#) that could assist the Government in achieving its laudable commitment of building 114,000 new social and rental housing units before 2027.

McMullin added: “While we were relieved to see no additional housing taxes in this year’s budget, we are disappointed the government didn’t take this opportunity to clarify the application of last year’s tax measures on development lands. While these taxes may have seemed popular, most British Columbians know that they do not do anything to create true affordability or a diversity of home choices to rent or buy.”

UDI has requested that the B.C. Government amend the new housing tax measures introduced in Budget 2018, by including new exemptions for lands under development from the Additional School Tax (AST) and the increased Property Transfer Tax (PTT). These new taxes purportedly targeting luxury homes, also apply to development lands and add significant costs to building new homes, further hurting affordability for owners and renters. (See [June 2018 Embedded Taxes & Fees in housing analysis](#)).

More detail on the [Provincial Budget can be found at this link](#).

Anne McMullin will be available for phone interviews until 4:30pm today or onsite in Victoria.

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The Urban Development Institute is, a non-profit and non-partisan industry association of the residential, commercial and industrial builders. This sector supports more than 220,000 good-paying, family-supporting BC jobs through nearly \$23 billion in annual economic activity. Through municipal fees and contributions, the industry builds homes, offices, daycares, social housing, parks, public art, museums, schools and community centers throughout BC.