

Name _____
Address _____
Telephone _____
Email _____

Is affordable housing an issue for you or your family? ☐ Yes ☐ No
Do you think that the federal government should do more to provide affordable housing? ☐ Yes ☐ No
Do you think a matchmaking service to match young people seeking housing with seniors with larger homes, allowing seniors to live in their homes longer, is a good idea? ☐ Yes ☐ No

☐ Please sign me up to the *Parliamentary Week in Review* e-newsletter.

Name _____ Address _____
Postal code _____ Email address _____

Your comments

I would like to hear
from you!

5 CUT



I spent my birthday on Salt Spring Island as I have done for the past few years. The theme of the party was “65 and not retiring”, I look forward to the years of work ahead of me!



Something that has been surprising is the overwhelming amount of people who have reached out to congratulate me on these milestones, particularly my constituents. Whenever I was out and about in Sidney and the rest of the constituency, I had people approaching me any chance they could to congratulate me and John!

Thank you so much to those of you who mailed us such thoughtful cards, your kind words mean the world to us. I am incredibly grateful for all of the well-wishes and goodwill I have received from my constituents and I am so thankful to live in such a warm and caring community.

Major life milestones

The year of 2019 has been a whirlwind so far for personal milestones! On Earth Day, John Kidder and I were married, and in June I turned 65!

Our wedding was at the Christ Church Cathedral in Victoria. John and I spent our honeymoon travelling across the country by train, celebrating our union with our loved ones who were unable to travel all the way to Victoria.



What powers does the federal government have to assist?

- As with most areas of public policy, there are many orders of government with roles to play. Housing issues are critical at the municipal and provincial level. Some federal governments have felt it is not the federal government’s role to intervene.
- But clearly we have a crisis in affordable housing. Some federal government policies made things worse. Although the provision has come to an end, the federal incentive of fast-tracking Permanent Resident status for “investors” who brought a million dollars to Canada encouraged people to buy a property and leave it empty. One study found that within five years, refugees were paying more money back into Canada through taxes than the so-called investors’ economic contributions.
- Additionally, tax changes have a real impact on developers’ plans. When the federal government canceled the incentive to build purpose-built rental units, builders largely stopped building rental apartment buildings.
- As noted, the government’s “stress test” on mortgages has made it harder to buy a home.
- But recently, in a change I welcome, the federal government is getting back into the business of funding social housing so that no Canadian is left homeless.
- What more could the federal government do?
- I will keep pressing for the following:
- Recognition that everyone living in Canada is entitled to safe shelter or affordable housing;
 - Restore to the tax system the incentive for purpose-built rental housing, as it existed in the 1970s, on the recommendation of the Federation of Canadian Municipalities;
 - Remove the “deemed” GST whenever a developer with empty condo units places them on the market as rentals. The developer has not sold the unit, may still sell the unit, but Finance Canada deems the unit to be sold if the developer rents it when the market is soft. This punitive measure keeps available and attractive units off the rental market to no one’s advantage.
 - Urge the government to appoint a Federal Minister for Housing to oversee development and implementation of a National Affordable Housing Plan;
 - Require the National Affordable Housing Plan to set an annual rate of building affordable housing so that lack of access to affordable housing is no longer a factor in homelessness by 2025;
- Change the mandate of Canada Mortgage and Housing Corporation (CMHC) to include responsibility, as it once had, for affordable, non-market, and co-operative housing;
 - Create a National Affordable Housing Program that provides sufficient funds annually through CMHC to community-based agencies across Canada to:
 - 1) Ensure that an adequate supply of new subsidized affordable homes is built: 20,000 new and 10,000 rehabilitated affordable units per year for the next ten years using capital grants and changes in tax and mortgage insurance regulations;
 - 2) Provide rent supplements or shelter assistance for an additional 40,000 low-income households per year, for ten years;
 - 3) Provide credit and loan guarantees to non-profit housing organizations and cooperatives for the building and restoration of quality, energy-efficient housing for seniors, people with special needs, and low-income families;
 - 4) Subsidize private developers to include a percentage of affordable housing in their housing projects;
 - 5) Change the *Income Tax Act* to offer tax cuts for affordable housing, including incentives to stimulate construction and investment in the building and maintenance of an ongoing supply of affordable, healthy, energy-efficient, multi-unit rental housing and to include tax credits for gifts of lands, or of land and buildings, to community land trusts to provide affordable housing;
 - 6) Dedicate funding to the co-operative housing sector to enable more new affordable housing projects to proceed.
 - 7) Direct CMHC to support seniors housing for middle-income seniors, such as the current Meadowlane development on Salt Spring.



Elizabeth May

Your Member of Parliament in Saanich-Gulf Islands

 /ElizabethMayMP
 @ElizabethMay



CONSTITUENCY OFFICE 1 - 9711 Fourth Street Sidney, BC V8L 2V8 Phone 250-657-2000 Toll-Free 1-800-667-9188 Fax 250-657-2004 Email elizabeth.may.cia@parl.gc.ca	PARLIAMENTARY OFFICE 518 Confederation Building House of Commons Ottawa, ON K1A 0A6 Phone 613-996-1119 Fax 613-996-0850 Email elizabeth.may@parl.gc.ca
--	---



My bill to ban keeping cetaceans in captivity passes, after a record 3.5 year battle in Parliament. Alongside a few of the amazing people that helped make it happen!
Photo credit: Humane Society International (HSI) - Canada

Introduction

It is amazing to think that this will be the last newsletter I send to you before the October election. I always try to keep this newsletter non-partisan and informative. Your replies and comments have been very helpful in further informing my views.

While there are no end of timely topics to focus on in the newsletter, it has been quite a while since I addressed the challenge of affordable housing. So, housing and affordability are my theme for this newsletter.

When I was first elected—eight years ago—local challenges for workforce housing were the top priority for the Saanich Peninsula Chamber of Commerce. It was clear that people wanted to live near where they worked on the Peninsula, but that far too many were forced to commute long distances in order to work in Sidney. This led me to create a community roundtable to try to promote more affordable options on the Peninsula and southern Gulf Islands. The Sidney North Saanich Industrial Group offered a lot of leadership in the quest for affordable housing for

TABLE OF CONTENTS

Introduction.....	1
How globalization has contributed to our housing crisis	2
Housing issues	2,3
By the numbers.....	4
Major life milestones	5
What powers does the federal government have to assist?	6

local employees. That Housing Roundtable benefited from the engagement of provincial and municipal elected people and staff, as well as a large number of committed volunteers. A Housing Society emerged and continued to try to speak to local projects. New community associations also stepped up to speak to better planning. These and other aspects fell outside of federal jurisdiction. I hope we made a difference in promoting more affordable housing, but clearly, we have a long way to go.

We are now far more aware how money laundering impacted housing prices in Vancouver, with a serious spill over into Saanich—Gulf Islands and other parts of Vancouver Island. In this issue, I will attempt to sort out competing claims of the source of our housing woes and share some solutions.

Thanks as ever for your attentiveness and engagement!

How globalization has contributed to our housing crisis

In earlier times, housing prices had to be responsive to what the local market could bear. Housing prices were tied to local conditions. But recently, there has been a disconnect between local needs and available housing.

This analysis first came to my attention in a brilliant essay by University of British Columbia professor, William Rees, (*“Why the ‘Housing Crisis’ Is Really About Globalization,” January 18, 2018, The Tyee*).

Rees related the history of cities such as Vancouver, where prices fluctuated but housing remained available within the price range of local salaries. How did our current housing stock become so far above average salaries? Our salaries, on average, have increased, but far below the exponential growth in housing prices.

What changed? Rees explained, “All this has changed with advanced globalization and the free flow of capital.”

“As politically stable, aesthetically attractive markets like Vancouver became magnets for foreign investment, the latter emerged as a major price-setting factor. Certainly, much demand in recent years has been driven by offshore purchasers with much deeper pockets than local wage earners.”

With local conditions no longer being the major determinant for pricing, real estate became a global commodity driven by global demand. As we all know, the housing bubble in the lower Mainland has profoundly impacted housing prices on Vancouver Island. Many young people cannot imagine how they will ever own their own home.

Yet there is no housing shortage. At the time Rees wrote his article there were 25,000 empty houses and condominiums in Vancouver; 11,195 more in Surrey, 5,829 in Burnaby and 4,021 in Richmond.

Meanwhile, in recent years, bidding wars for houses broke out with homes selling well above the original asking price. With no rules to stop the practice, some in real

estate were “flipping” a property back on the market before any real purchaser had time to move in. Speculation was begetting speculation.

To combat the erosion of community life and the use of BC real estate as a place to dump wealth – or worse, to launder dirty money – the BC government brought in its speculation tax. In a year, the number of empty properties has dropped by 15%. But despite the tax, one percent of downtown Vancouver properties remain unoccupied.

The provincial response is outside my jurisdiction as your MP, but I will make one comment; I wish the speculation tax had been designed to avoid penalizing Canadians who, for whatever reason, have more than one property. The tax could have applied only to those who live outside Canada. Prince Edward Island has banned non-resident ownership for years.

Professor Rees regards any solution that focuses only on “housing” as being unlikely to solve the housing crisis. We need to look at fundamental issues of equity. As he wrote, “What might work are strong policy initiatives to re-localize land and housing markets. Massive taxes on foreign buyers or empty house taxes might help fix market inequities, but an outright ban on foreign ownership would be more honest and effective. In the absence of serious civil unrest, however, such ‘extreme’ measures are unlikely to be implemented.”

The notion of “re-localizing” is very attractive. How do we keep our local home pricing connected to what we earn locally?

Federal policy to eliminate poverty through a Guaranteed Annual Income will help, as will policies that are designed to protect what is local from consumption by global elites. Can we build support for what is really needed: the Prince Edward Island solution?

Saanich Peninsula, we found it useful to separate issues along a spectrum.

At one end of the spectrum are the needs of Canadians without a roof over their heads. Every Canadian should have the right to housing. The “Housing First” approach has proven effective in stabilizing people struggling at the margins of society. People with addiction issues or mental health challenges can be helped, but the first

priority is to get them housed. That challenge requires government help. Social housing needs cannot be met through market solutions.

We also need decent housing for lower- and middle-income seniors. Some projects are run by charities, like the Royal Canadian Legion that operates a terrific property in Central Saanich.

Once we get past the issues created by poverty, the next housing challenge is affordability. Even Canadians with good jobs, and families where both partners are employed, find it increasingly difficult to afford a home. In our community, many find it hard to find a home near where they work. This issue is often described as “Affordable Housing” or “Workforce Housing.”

Given the housing bubble created by the impacts of globalization and speculation, we are facing a challenge that requires “correction” from more than market forces. One such move has been the BC Speculation Tax. Another more controversial measure is federal Finance Minister Bill Morneau’s move to “stress test” for mortgages – making it harder for first-time homeowners to enter the market. Housing stocks in BC have also dropped due to the shortage of carpenters and other skilled laborers.

Taken together, for our area, some planned developments in Sidney have been put on hold. But few of those would have done much to create truly affordable housing.

Increasingly, people are looking to models beyond single family home ownership. Cooperative housing has long been popular. I support the federal government doing more through CMHC to support and build more cooperative housing.

Most of Canada’s co-op housing was built to provide more affordable housing. The tenants run the building as a legal entity. In that sense it is not unlike a strata, but the units are not separately owned. The whole building is a legal cooperative. Across Canada, there are over 2,000 housing cooperatives housing over 90,000 families.

There is a strong case – and demand – for more.

Other models are also emerging. Living in an intentional community, individuals can build equity in their own units. Increasingly, Canadians are looking at “Co-housing” as an option.

When I travel, I generally stay with supporters in their homes. This both saves money and allows me to get to know people and enjoy their company. This practice has allowed me to experience a number of co-housing projects – Creekside Commons in Courtenay, Rare Birds in Kamloops, Pacific Gardens in Nanaimo and Prairie Sky in Calgary. The essential idea of co-housing is to create community. The individual units are owned as in a strata, but their square footage is generally below that of most condo buildings. The smaller personal space is compensated by more communal areas – generally a

large kitchen and shared dining space is available. The housing tends to have attractive shared patio and courtyard areas for socializing.

Most projects strive to have a mix of ages, so that an intergenerational community is created.

There is one such project now underway in Sidney. Ravens Crossing Cohousing is (as I understand it) about half full and is under construction. It is conveniently placed for shopping and schools, and is only a short walk to the beach.

I have another idea and wonder if readers of this newsletter think it is worth pursuing in Saanich-Gulf Islands. This new approach to co-housing would be similarly modeled to the structure of internet dating. Householder and renter “matchmaking” could create a lot of affordable housing in our existing housing stock, while also helping our societal goal to support “aging in place.”

The barriers to affordability start with the high land values in our area. Young families find it hard to find a home they can afford to buy - or even rent. On the other hand, we have many seniors living in houses with room for large families. Their grown children in Toronto may worry about mom falling, or how dad can manage the garden. But they are not about to move to live with their parents. So pressure builds to move aging parents to more residential care.

What if we had a service that screened applicants? “Senior couple seeks younger couple to share house, pay lower rent in exchange for chores and companionship?” “Young couple with two year old seeks house sharing with older senior single or couple. Willing to grow veggies, do chores and cook.”

This approach already exists in the form of HomeShare International, a non-profit organization dedicated to enabling two unrelated people to share a home and their lives for their mutual benefit. Supported by a homeshare programme coordinator, a householder with a spare room offers free or low-cost accommodation to another person in exchange for an agreed level of support. HomeShare currently operates in fourteen countries, including Canada. There are already five HomeShare pilot projects in Ontario.

I am interested in the idea of such a program here in British Columbia, coordinated with all levels of government, to best suit the needs of our local communities. One of the beauties of the concept is that homeowners would not have to subdivide their home and go through all the planning approvals and costs. And, of course, it would allow seniors to stay in their own homes with some additional income, along with the benefits of companionship and assistance with chores.

Please let me know your thoughts on such a program here in BC and if you think I should pursue this idea - see questionnaire on back page.



In May I was joined in Ottawa by a new caucus member, the new MP for Nanaimo—Ladysmith, Paul Manley.



The outgoing House of Commons pages from the 2018-19 program. This program provides students with direct experience of our parliamentary system.

By the numbers:

235,000 - the number of Canadians who have experienced homelessness in Canada¹

35,000 – the number of Canadians homeless on any given night²

7,655 – the number of people homeless on any given night in BC³

68% - the percentage of BC homeless who are male⁴

30% - the percentage of BC homeless who are female⁵

1525 – the number of people experiencing homelessness in Greater Victoria⁶

33% - the percentage of Victoria’s homeless who are Indigenous⁷

¹ 2016 stat, Canada Without Poverty

² 2016 stat, Canada Without Poverty

³ 2018 Reports on Homeless Counts in BC

⁴ 2018 Reports on Homeless Counts in BC

⁵ 2018 Reports on Homeless Counts in BC

⁶ Victoria’s Vital Signs, 2018, Victoria Foundation

⁷ Victoria’s Vital Signs, 2018, Victoria Foundation

NO
POSTAGE
REQUIRED

ELIZABETH MAY
MEMBER OF PARLIAMENT
518 CONFEDERATION BUILDING
HOUSE OF COMMONS
OTTAWA ON K1A 0A6

Housing issues

Not all housing issues are alike. The responses from government—at all levels—need to properly target the problem. The most wide-spread housing issue for Canadians is that owning your own home feels increasingly beyond reach.

That is an entirely different issue from homelessness. Through our Housing Roundtable process on the