



FEDERAL HOUSING INITIATIVES SURVEY RESULTS

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SBOT
SURREY BOARD OF TRADE

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INTRODUCTION

WHO WE ARE

The Surrey Board of Trade supports, promotes, and advocates for commercial and industrial interests for Surrey businesses — the city’s economic drivers. With Surrey’s significance growing rapidly in the Lower Mainland of British Columbia and across Canada, so does the importance of the Surrey Board of Trade’s role in championing a strong, vibrant business community, and instigating change at the different levels of government.

The South Surrey & White Rock Chamber of Commerce and the Surrey Board of Trade are currently undergoing a merger to form the Surrey & White Rock Board of Trade. This merger represents a significant milestone in the business community, bringing together two like-minded organizations to better serve the needs and interests of businesses in Surrey and White Rock.

OUR MEMBERSHIP

Surrey Board of Trade is a powerful link between business, government, and community with a membership of 6,000 member contacts and 60,000 employees.

WHAT WE DO

Since 1918, the Surrey Board of Trade provides businesses and organizations with:

1. Economic opportunity
2. International trade
3. Government advocacy
4. Business connections

Members can further expand their client base with our numerous networking opportunities throughout the year. We provide multiple levels of opportunity for members to promote their brand through business-to-business engagement and thought leadership.

ADVOCACY

We are an independent voice of business that develops positions on relevant topics of concern to our members.

No individual can succeed alone, nor can any business thrive without colleagues and support. The Surrey Board of Trade is here to help. With our many connections to government representatives, we advocate on their behalf.

PURPOSE OF SURVEYS

The Surrey Board of Trade periodically implements surveys, either voluntary opt-in or scientifically rigorous, on a range of topics. Member participation is voluntary and anonymous; however, the data is an invaluable tool for advocacy and policy development.

We thank all those who gave a few minutes of their time to provide information and direction on Surrey Board of Trade surveys.

NEW FEDERAL HOUSING INITIATIVES

The Federal Government has recently introduced several measures aimed at lowering the cost of housing for Canadians, reflecting the urgent need to address affordability challenges across

the country. These actions include investments in affordable housing, policies to increase the housing supply, and proposed restrictions on speculative activities that may drive up home prices. While these initiatives represent a step in the right direction, their success depends on thoughtful implementation and alignment with the needs of local communities and industries.

The Surrey Board of Trade recognizes that housing affordability is a multifaceted issue requiring input from diverse stakeholders, including the business community, developers, and residents. To ensure that future housing policies are effective and equitable, we sought feedback from our membership on the challenges they face and the opportunities they see in addressing the housing crisis. Whether it's the impact of high housing costs on workforce recruitment and retention, barriers to development, or suggestions for innovative solutions, the insights from our members help shape the advocacy efforts we bring to government decision-makers.

This consultation process not only guides the Surrey Board of Trade's positions on housing policies but also provides a platform for businesses and community leaders to share their perspectives on how government actions can support economic growth while ensuring housing remains accessible for all. By working collaboratively, we aim to influence future decisions that balance affordability, supply, and economic sustainability in Surrey and beyond.

Housing affordability and availability have become critical issues across Canada, significantly impacting the well-being of individuals and the economic competitiveness of communities. In Surrey, one of the fastest-growing cities in the country, the housing crisis is especially pronounced, with rising costs making it increasingly difficult for businesses to attract and retain talent. Addressing this challenge requires a strategic approach that increases the housing supply, supports sustainable development, and ensures affordability without stifling the industries that play a vital role in building homes.

The Federal Government's consultation on confronting the financialization of housing presents an opportunity to create policies that address harmful speculative practices while fostering productive investments in new housing supply. While corporate investors have been cited as contributors to affordability challenges, it is essential to recognize that not all forms of investment are detrimental. Large investors often play a crucial role in financing new developments and adding much-needed rental and ownership housing to the market. Policies that indiscriminately restrict such activities could inadvertently slow construction and worsen housing shortages.

Instead, the Surrey Board of Trade advocates for solutions that empower builders, encourage collaboration between governments and developers, and leverage federal funding to enable affordable, high-quality housing projects. By focusing on unlocking funding, increasing housing density, and investing in essential infrastructure upgrades, the Federal Government can address housing affordability without deterring the productive contributions of the development and investment sectors. This approach ensures that housing remains accessible for Canadians while supporting long-term economic growth and community prosperity.

NEW FEDERAL HOUSING INITIATIVES RESULTS SUMMARY

Methodology

The Surrey Board of Trade sent out a survey to its members, focusing on the development community. The survey ran from November 22 to December 13, with a reminder email sent to the participants on December 13. There were 45 members that were invited to participate in the survey and 14 responded.

Effectiveness of limiting large corporations from purchasing single-family homes

Very effective	21.43%
Somewhat effective	28.57%
Neutral	14.29%
Somewhat ineffective	21.43%
Very ineffective	14.29%

The majority of respondents believed that a policy change limiting large corporations from purchasing single-family homes would be effective. The success of this policy would depend on what the Government of Canada would classify a large corporation. There are REITs, or real estate investment trusts, which are companies that own or finance income-producing real estate across a range of property sectors, that would fall under this category. They are viable companies that can effectively build large-scale housing projects and could enhance affordability by building more homes.

Removing GST on new student residences to encourage more construction

Strongly agree	28.57%
Agree	14.29%
Neutral	28.57%
Disagree	7.14%
Strongly disagree	21.43%

Respondents indicated that the removal of GST would be an effective policy change when it is removed from new student residences. However, it is notable that 23.07% of respondents do not believe that to be the case.

Allowing mortgage holders to switch lenders at renewal without the stress test

Yes, it will benefit a lot	50.00%
Yes, it will benefit somewhat	35.71%
Neutral	14.29%
No, it will not benefit much	0.00%
No, it will not benefit at all	0.00%

Respondents overwhelmingly believed that allowing mortgage holders to switch lenders at renewal without the stress test for uninsured mortgages would benefit Canadians in general. Not only would it benefit individuals, but businesses that have purchased a property for redevelopment would be able to benefit from this change.

Optimism for the Federal Government's plan to build 250,000 new homes on unused federal land

Very optimistic	21.43%
Somewhat optimistic	35.71%
Neutral	21.43%
Somewhat pessimistic	14.29%
Very pessimistic	7.14%

Respondents had mixed views about their optimism for the Federal Government's plan to build 250,000 new homes on unused federal land. While most were optimistic, the pessimists believed that 250,000 new homes would be unrealistic to build. Additionally, this would create competition within the construction sector where labour and material shortages are already prevalent.

Builders and developers would be competing with the Federal Government for labour and materials to make their projects viable. While the Federal Government likely would not have any holding costs (interest payments), builders and developers would, which would lead to an unfair development market.

Belief that new housing initiatives will significantly reduce the cost of housing

Yes, significantly	14.29%
Yes, somewhat	14.29%
Neutral	0.00%
No, not much	42.86%
No, not at all	28.57%

Respondents were not optimistic about the new initiatives lowering the price of housing.

Measures the Federal Government should consider to make housing more affordable

Increased funding for affordable housing construction	50.00%
Rent control or rent subsidies	14.29%
More financial support for first-time homebuyers	71.43%
Improved zoning and development regulations	85.71%
Measures to address homelessness	28.57%

The table above provides a summary of what the business community believes would truly bring down the cost of housing. Improved zoning and development regulations (92.31%), more financial support for first-time homebuyers (76.92%), and increased funding for affordable housing construction (53.85%) came at the top of the list.

Some other solutions included:

- Stop villainizing foreign investment, instead, incentivize it.
- Less red tape and faster city approvals (less than five years).
- Incentives for city staff for the number of units they approve.
- Construction is the easiest part of any project, we need faster approval times.
- Special low-rate long-term financing for rental buildings directly funded by the Bank of Canada.
- Less amenities.
- Factor in concerns from landlords, strata, and property managers into government decisions and ensure friendly policies are developed for this group.
- 30-year fixed mortgage at 0.75% and 50 year amortization of rental buildings
- Incentives for developers to build affordable housing units.
- Forgo DCC charges until the first sale transaction of the property or properties, which will not only make it easier to finance projects, it will further incentivize developers to keep properties as rental units instead of selling them.
- Allow offsite construction of homes (modular, pre-fab, etc.).
- Engage realtors and builders before finalizing policy.
- Create a clear definition of 'affordable housing' before solutions can be effectively discussed. Are we discussing affordable rent or affordable purchase? Is affordability achieved by lowering home values or limiting future equity growth?
- Municipal zoning restrictions and provincial red tape remain the largest barriers.

CONCLUSION

The Surrey Board of Trade (SBOT), representing over 3,000 businesses in one of Canada's fastest-growing cities, recognizes that housing affordability and availability are urgent issues affecting residents and businesses alike. However, in addressing these challenges, it is critical to avoid policies that unfairly demonize the development and investment industries. These sectors are essential to building the housing supply necessary to meet the needs of Canadians and support economic growth. The Federal Government must adopt solutions that prioritize increasing housing availability through strategic funding and partnerships rather than imposing restrictions that may deter development.

To address housing affordability, the Federal Government should focus on unlocking funding mechanisms that allow builders to construct homes at lower costs and higher volumes. Affordable and accessible financing for housing developers will encourage the construction of diverse housing types, from purpose-built rentals to ownership options for first-time buyers. Programs like the Rental Construction Financing Initiative should be expanded and enhanced to incentivize developers to build affordable and sustainable housing. Restricting building or development activity risks further limiting supply, exacerbating affordability issues, and delaying progress in addressing the housing crisis.

Municipalities play a key role in facilitating increased housing density, but they need federal funding to succeed. The Federal Government should continue to provide municipalities with direct financial support to streamline rezoning processes and expedite housing approvals. Increased density is critical in urban centers like Surrey, where population growth demands more efficient land use. Federal support for municipal initiatives, such as affordable housing projects and updated urban planning frameworks, will ensure that communities can meet growing housing demand while maintaining livability.

In addition to enabling higher density, the Federal Government must invest in infrastructure upgrades that support housing development. Essential infrastructure such as water, sewer systems, telecommunications, and roads must be modernized and expanded to accommodate new housing projects. These investments not only make new developments feasible but also ensure that communities can handle increased population levels without overburdening existing systems. A coordinated effort between all levels of government to invest in infrastructure will create an environment where housing development can thrive.

While it is important to address harmful practices that contribute to the financialization of housing, the government must distinguish between unproductive speculation and productive investments that increase housing supply. Large corporate investors often finance multi-unit developments, providing critical rental housing that addresses shortages. Restricting these investments may unintentionally hinder the pace of new construction. Instead, policies should focus on deterring speculative acquisitions of existing single-family homes by entities with significant portfolios while encouraging investment in new developments.

Transparency and accountability are also essential. Corporate investors should be required to report their housing investments in a standardized, publicly accessible registry. This would enable governments to monitor activity and ensure that investments align with housing affordability goals. Tax measures, such as higher capital gains taxes for short-term speculative transactions, could further deter harmful practices without disincentivizing productive contributions to the housing market.

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