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# HOUSING SUPPLY MUST BE ENCOURAGED

The Times Colonist reports construction is the second largest employer on Vancouver Island.

This is due to ongoing population growth expected to surpass 500,000 in the central island alone in the next 10 years.

Victoria's office vacancy rate is declining and vacant industrial space is at a 10 year low.

Our economy is based on an influx of people from across Canada.

Housing supply is not keeping pace with this influx.

A new study described how those on lower incomes are unable to afford rental accommodation.

It is well-documented changes to federal tax laws in the 1970's created a disincentive to build apartment buildings.

Add challenges such as no enforceable regional planning in the CRD, taxes like GST and Property Transfer Tax, rising municipal fees and amenities, more building code regulations, lack of available land, as well as uncertain and slow permit approvals; it's easy to understand why we have housing shortages and high prices.

Other govt policies such as rent controls

intended to improve affordability for renters, without similar limits on property tax increases, have had the unintended consequence of new projects being shelved.

Last year a rental project in Victoria was not approved because it lacked council's criteria for affordability.

However studies show that for every 100 new market-rate units built, 65 units become available in existing buildings, providing housing for 48 moderate and low income families.

This is the critical supply side that is often ignored.

Vancouver Island's population growth will continue, fed by retiring baby boomers and millennials starting families.

Elected officials must promote supply through more rezoning, project certainty, affordable fees, and other policies encouraging more housing supply, not less.

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