



Infrastructure Policy Briefing

Housing-enabling infrastructure: a key piece to solving the housing crisis puzzle

Housing, Infrastructure, and Communities Minister Sean Fraser. Every new housing development, whether urban or suburban, places demands on infrastructure, writes Janice Myers. *The Hill Times* photograph by Andrew Meade



Resolving the housing-supply crisis needs a complementary abundance of new civic infrastructure.

BY JANICE MYERS

What does addressing Canada's housing crisis look like? We know there isn't a "one-size-fits-all" solution.

While closing the 3.5-million-home supply gap must

remain a priority, it's far more complex than simply increasing housing starts. The creation of



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new housing is intertwined with other key factors such as accessing skilled labour, modernizing building codes, expediting permits, and securing adequate capital.

If housing supply is going to rapidly increase in the near term then housing-enabling infrastructure—meaning things like water, wastewater, roads, transit, and power distribution—will need to accelerate in tandem and, crucially, above and beyond what municipalities have been anticipating in their capital and operational plans. However, it's

often overlooked despite its crucial nature and large price tag.

Every new housing development, whether urban or suburban, places demands on infrastructure. While urban densification projects like a new condo tower or a fourplex can tap into existing infrastructure, it can't service an unlimited number of people. Eventually, watermains and roads will need to be expanded or replaced, perhaps sooner than expected.

When it comes to new builds, current estimates for the per-house cost of housing-enabling infrastructure range between \$100,000 and \$130,000, highlighting that we face not just a housing supply deficit, but also an equally costly infrastructure deficit.

Even if municipalities approve building permits faster, houses simply can't be built without the enabling infrastructure.

The federal government recognized the critical need for housing-enabling infrastructure in its housing plan by announcing the Canada Housing Infrastructure Fund, which will provide \$1-billion directly to municipalities to support urgent infrastructure needs, and \$5-billion for agreements with provinces and territories for longer-term priorities. Some provinces have also announced similar and complementary provincial programs.

Now, the challenge lies in implementation, which will require unprecedented co-ordination across all levels of government. Canada has a strong history of intergovernmental collaboration on major infrastructure projects like highways, wastewater facilities, tunnels, and power networks. But the magnitude of the housing crisis demands even more robust efforts.

There's a recent model for this type of collaboration. When the federal government ambitiously set out to build a new Canada-wide childcare program, it launched the

Federal Secretariat on Early Learning and Child Care, which brought together governments, experts, and stakeholders to collaborate on designing and implementing a new national program. The secretariat helped to efficiently launch what is now a national social program worth more than \$9-billion annually. A

similar approach could be key to tackling the housing crisis.

Our national housing crisis is ultimately a housing-supply crisis, yet its resolution requires more than just increasing housing supply. It needs a complementary abundance of new civic infrastructure. Addressing both is a monumental task that will require intense

co-operation and co-ordination between all levels of governments.

Janice Myers is the CEO of the Canadian Real Estate Association (CREA), with more than two decades of experience in the Canadian real estate sector. She brings deep expertise and a successful track record from executive leadership roles

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