

# LET THE MARKET WORK AND SAVE BC TAXPAYERS BILLIONS



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The BC government introduced their budget filled with spending to build housing for the middle class and more promises to make municipal development approval processes more efficient.

So far, promises of more efficiency have not resulted in any action. In fact, Saanich council recently referred a multi-family project to a public hearing against the recommendation of their own staff. The project already conforms to their Official Community Plan.

The BC government's budget documents again claim, "In 2018, housing prices were being driven up by rampant speculation and years of under investment in creating new homes. Homes for B.C.: A 30-point Plan for Housing Affordability in British Columbia set out the first phase of the Province's actions to address housing affordability."

Except Vaughn Palmer in the Vancouver Sun writes, The BC government is "inclined to blame the pandemic, inflation, worker shortages, neglect by the B.C. Liberals, predatory investors — indeed, pretty much everything and everyone but themselves — to explain why the 30-point plan failed to deliver the promised results. But the problem starts with the plan itself. It was heavily weighted toward measures to discourage demand, light on encouraging supply, particularly of market housing."

Taxpayers could save billions of dollars, if the provincial government would accept

the reality that low supply and high housing prices are mostly created by municipal obstruction and high fees. Ontario and Nova Scotia have already moved to increase density and efficiency in their municipalities.

A study by economist Evan Mast reveals more government housing will not solve the widespread affordability problem. The resources available are nowhere near the scope of the challenge.

Premier Eby recently admitted, "We have a \$7 billion affordable housing initiative at the provincial level. We have about five-to-six thousand units under development in construction right now across the province, and it's not enough."

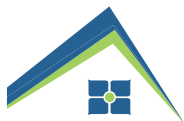
So why is he promising to build housing for the middle class, while municipalities choke new market supply?

As I said in my previous column, government regulation controls the market.

Governments tell builders where and what to build (zoning); when to build (permit approvals); how to build (building code); and how much revenue they require from the project (GST, PTT, DCC's, permit fees, amenity contributions).

If the market is allowed to work as it should, there will be significantly more supply and affordability.

Billions of taxpayers' dollars could be saved or allocated to services like health care.



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