RESIDENTIAL BUILDER

A PUBLICATION OF THE RESIDENTIAL CONSTRUCTION COUNCIL OF ONTARIO

RESCON®

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# THE COST OF A TARIFF WAR

PAGE 10

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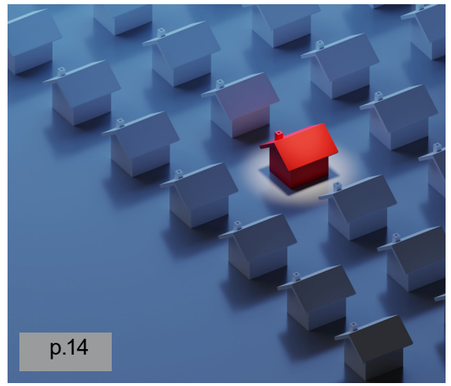
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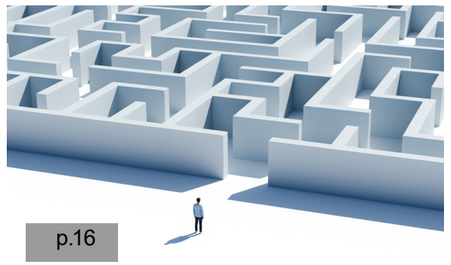
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# CONTENTS

NEWSLETTER










## Columns

5. FES is another self-inflicted housing wound.
6. Plenty of webinars on tap for RESCON members.
7. Milestone reached in building code review process.
8. Progress is being made but serious challenges remain.
9. We must decide what to do with the time given to us.

## News

4. Builder Briefs.
10. The cost of a tariff war.
12. RESCON report on tariff impact.
13. Media report.
14. Who is your advisor really working for?
16. Lost in the permit maze.
18. Is housing reform working?
20. Crisis can be fixed.
22. Cost of crisis runs deep.
24. Have we been measuring the wrong thing?
26. We need a better system.
28. System needs to be changed.
30. RCCAO report.

# Builder Briefs

## Team from RESCON participated in mission to Alberta

RESCON board and staff members recently visited Alberta as part of a mission to explore the successes and challenges associated with the residential construction sector in that province. They toured an ATCO Calgary facility as part of the mission.






## Meeting with MP




RESCON president Richard Lyall and VP, building standards and engineering Paul De Berardis met with Saskatoon West MP Brad Redekopp over his private member's bill, the Housing Cost Transparency Act (Bill C-287).

The legislation was introduced in the House of Commons on June 17.

The legislation would amend the National Research Council Act to mandate greater financial and governance transparency in the creation of national model building codes.

## CRA webinar held on rebate program




The Canada Revenue Agency hosted an online information webinar for builders and housing professionals Oct. 21 on the Ontario Enhanced New Housing Rebate.

The session covered:

- What new housing rebates are available.
- Who may qualify.
- What restrictions apply.
- What builders need to know.
- How to apply.
- How it works in practice.

Click here to see the slide deck from the session.





# FALL ECONOMIC STATEMENT IS ANOTHER SELF-INFLICTED HOUSING WOUND

*Richard Lyall*
*President*

***RESCON will continue to make the case for extending the enhanced HST rebate and push for reform of taxes and levies.***

Ontario's Fall Economic Statement (FES) had one job when it came to housing: keep buyers in the market while a fragile new-home sector tries to find its footing.

Instead, it confirmed that the enhanced HST rebate on new homes will end as scheduled on March 31, 2027. It also confirmed that the province is going ahead with eliminating the existing new housing rebate for purchases made after that date.

For most buyers who are not first-time purchasers, the result is a sharp drop; from full HST relief on homes up to $1 million to no provincial rebate at all.

That is a remarkable choice given where Ontario stands.

Sales taxes, development charges and other government levies on new homes here remain far higher than in virtually any other North American jurisdiction. British Columbia is the only real competitor. A buyer in the GTA pays a stack of taxes and fees that would be unthinkable in Calgary.

The enhanced rebate was one of the few measures that meaningfully narrowed that gap. Letting it lapse puts the full burden back on the purchaser just as the market needs every bit of support it can get.

The program was billed as a one-year window, but the procedural regulations, CRA guidance and forms needed to claim the rebate arrived months late. Builders and buyers lost a significant share of the program's life waiting for the rules.

High-rise projects need presales to secure financing and typically take years to move from launch to construction. They were never going to fit neatly inside a 12-month window in the first place. Ending the rebate in March means it was never given a fair chance.

Then there is the proposed increase in penalties for first-time buyers. The statement would raise the penalty for false or misleading statements on the land transfer tax refund for first-time homebuyers from $4,000 to $10,000. That refund has been in place for years. The statement lists the change as a technical integrity measure without pointing to any evidence that abuse has grown.

Nobody defends fraud, but the timing is telling. The province is getting tougher on first-time buyers while its own HST relief has been slow to reach them. Late regulations and forms held up those rebates for months. That is a separate problem, and one of the government's own making. Raising the stakes for buyers while that delivery failure goes unaddressed looks gratuitous.

The bigger issue is what the end of the enhanced rebate will do to supply. Our recent research indicates that discontinuing the rebate will almost certainly reduce new-home sales and, in turn, housing starts. Fewer presales means fewer projects reach financing and fewer homes get built. It also means less government revenue, not more. A home that is never sold generates no HST, no land transfer tax, no development charges and no construction employment. The expiry may be booked as a saving, but the lost activity is a real cost.

Of note, the province's FES recognizes the dire state of the residential housing market, as Land Transfer Tax revenue is expected to decline by $497 million to $3.28 billion for the 2026-27 fiscal year. This recognition clearly undermines any argument that the government can make to remove initiatives that are ostensibly supposed to support homebuyers.

The pattern is frustrating. Governments set ambitious housing targets, introduce a measure that works, deliver it late, and then withdraw it before it can do its job.

The FES is another self-inflicted housing wound.

RESCON will continue to make the case, with our industry and labour partners, for extending the enhanced rebate with eligibility timelines that reflect how high-rise housing is financed and built.

We will also keep pressing for durable reform of the taxes and levies that make Ontario one of the most expensive places on the continent to build a new home.

We remain ready to work with the province and the federal government to get this right. Ontario's buyers, and the homes we need, depend on it.

> **"Governments set ambitious housing targets, introduce a measure that works, deliver it late, and then withdraw it before it can do its job.**



# PLENTY OF WEBINARS ON TAP FOR RESCON MEMBERS

***Andrew Pariser***
***Vice President***

## *Whether through a webinar, a conference or a career fair, every opportunity to learn and connect can make a difference.*

RESCON, our members, and the residential sector have kept busy this fall and will continue to work on industry issues into year end.

In this month's column I want to highlight our fall webinar series as well as other important industry events that will impact the health and safety and labour supply efforts of our members.

### RESCON webinars

The RESCON fall webinar series (sponsored by Sherrard Kuzz) kicked off with our Women in Construction event on Oct. 29 and will continue with webinars on mental health, mobile and elevated work platforms and an update on legislative changes related to Bill 105.

### Women in construction

The 6th annual Women in Construction webinar focused on resiliency and featured keynote addresses from Deputy Premier and Health Minister Sylvia Jones, Associate Minister of Women's Social and Economic Opportunity Charmaine Williams, and Skilled Trades Ontario CEO Candice Williams.

In addition, there were panel presentations on the State of Women in Construction as well as resiliency. Two presentations by Multiplex and Spotlight Development rounded out the event.

The webinar recognized the contributions of women working in residential construction and highlighted ways to encourage greater participation in the skilled trades.

With the industry facing long term demographic pressures, attracting and retaining talent from all backgrounds is essential.

Click here for the full webinar.

### Mental health webinar

Another critical topic is mental health.

Construction work can be physically demanding, deadline-driven and stressful. Workers and employers alike face pressures that can affect well-being, relationships and job performance.

RESCON's 8th annual mental health webinar will be held on Nov. 24 and will continue to bring attention to an issue that deserves the same seriousness as physical safety. Promoting awareness, encouraging open conversations and helping people recognize when support may be needed are important steps toward healthier workplaces.

A strong safety culture must consider the whole worker, not just the physical risks encountered on a jobsite.

### Mobile and elevated work platforms

Physical safety also remains a priority, and falls from height remain a leading cause of injuries and death in construction.

Further, new Ministry of Labour, Immigration, Training and Skills Development requirements will come into effect Jan. 1, 2027.

We will have a webinar to inform RESCON members and the broader construction community on the new regulations, training requirements and best practices related to mobile elevating work platforms (MEWPs) and powered elevating work platforms (PEWPs).

These machines are widely used on jobsites, but their operation requires appropriate training, planning and awareness of potential hazards.

Educational sessions help reinforce safe work practices and give industry participants an opportunity to stay current on requirements and responsibilities.

### Level Up career fairs

Finally, the Level Up career fairs help introduce young people and job seekers to the possibilities available in the skilled trades.

Through hands-on demonstrations, conversations with industry representatives and exposure to different career paths, these events can help challenge outdated perceptions about construction and demonstrate the range of opportunities available.

RESCON encourages members and industry partners to take advantage of these opportunities, participate in upcoming sessions and share what they learn with colleagues.

Whether through a webinar, a conference or a career fair, every opportunity to learn and connect can make a difference.

Stay safe.





# IMPORTANT MILESTONE REACHED IN BUILDING CODE REVIEW PROCESS

***Paul De Berardis***
***VP, Building Standards & Engineering***

Ontario's comprehensive review of the Building Code reached an important milestone recently with release of the Building Code Advisory Body's interim report.

The Building Code Advisory Body, or BCAB, was established by the minister of municipal affairs and housing to undertake a comprehensive review of the building code and identify opportunities to reduce unnecessary regulatory burden, improve clarity and streamline requirements, while maintaining health, safety, accessibility and building-performance outcomes.

As one of five members appointed to the BCAB, I have had the opportunity over the past several months to hear from builders, designers, building officials and other stakeholders about how the code works in practice. One thing has become increasingly clear: reducing regulatory burden is about much more than simply making the building code shorter.

The greater opportunity is to make the entire building regulatory system clearer, more predictable and more consistent.

That theme is reflected throughout the interim report. Regulatory burden can arise from outdated or unclear technical requirements, but it can also result from inconsistent interpretations, varying permitting requirements across municipalities, and technical regulations that may not be proportionate to the complexity or risk of a building type.

For builders operating across multiple Ontario municipalities, these issues are very real. The same building code applies provincially, yet application requirements, interpretations and administrative processes can vary considerably between jurisdictions. Improving consistency could therefore have just as much impact on housing delivery as changing individual technical provisions.

The interim report identifies several preliminary recommendations that the BCAB believes are sufficiently developed to warrant consideration for earlier action.

On the technical side, these include potential changes affecting minimum room sizes, window requirements, ceiling heights, guard climbability, drain-water heat recovery and certain Part 8 sewage-system provisions.

But some of the potentially most significant recommendations address how the code is administered.

These include establishing regulated timelines for permit resubmissions, creating a province-wide mechanism for issuing written building code interpretations and allowing building permits to proceed where appropriate while outstanding site-plan matters are being finalized.

For the residential construction industry, these recommendations are significant because delays do not always result from the technical requirements themselves. Multiple submission cycles, uncertainty over interpretations and inconsistent administrative expectations can add time, cost and risk long before construction begins.

Greater predictability in the permitting process would allow builders, designers and municipalities to spend more time resolving substantive issues and less time navigating process.

At the same time, the interim report deliberately does not attempt to provide final answers to every issue raised during the consultation. Some of the most consequential questions facing Ontario's building regulatory system require considerably more analysis.

The next phase will examine opportunities to create more consistent permit application requirements, investigate ways to streamline the building permitting process and consider the future role of digital permitting. The BCAB will also continue examining how Ontario can better accommodate certified models, alternative solutions, innovative products, modular and factory-built construction and other modern construction methods.

Another important area is the missing middle housing typology. Recent planning reforms have expanded opportunities for residential intensification, but the code must work effectively alongside those policies. Technical code requirements need to provide practical pathways for delivering the additional housing Ontario is trying to encourage.

The release of the interim report should not be viewed as the end of the building code review. It is a progress report that establishes some early recommendations while identifying the more complex issues requiring additional work.

The BCAB will continue reviewing the numerous consultation submissions as it works towards developing its final report for the minister. BCAB will further evaluate where unnecessary complexity can be removed, greater provincial consistency can be achieved and requirements can be modernized without compromising the outcomes the building code exists to protect.

The interim report is an encouraging step in that direction.



# PROGRESS IS BEING MADE, BUT SERIOUS CHALLENGES REMAIN

*Grant Cameron*
*Senior Director of Public Affairs*

## *The housing crisis continues to demand bold action and long-term commitment from all levels of government.*

Ontario's housing challenges remained at the forefront of RESCON's advocacy efforts last month, with a steady stream of commentary focused on the reforms needed to increase housing supply, improve affordability and strengthen the construction workforce.

**Fixing the crisis**

The housing crisis continues to demand bold action and long-term commitment from all levels of government.

In a column in Daily Commercial News, RESCON outlined six key measures that would help get more homes built: streamline the development approvals process, reform development charges, improve apprenticeship completion rates, provide long-term certainty for housing programs, implement permanent and predictable policy reforms, and measure success by actual housing outcomes rather than announcements.

The question of whether governments are making meaningful progress was also explored during a CREB TV broadcast, where RESCON president Richard Lyall discussed whether current housing reforms are translating into shovels in the ground and more homes for Canadians.

**Training the trades**

Just as housing supply depends on sound public policy, it also relies on a skilled workforce.

In a column published in Storeys, RESCON argued that when housing demand rebounds and construction activity accelerates, Canada could once again face significant labour shortages unless the trades training system is strengthened.

In an article published in The Globe and Mail, Lyall noted that many young people receive limited exposure to the skilled trades during their school years and often encounter a confusing and difficult path into apprenticeship programs.

Those barriers contribute to the relatively high average age of new apprentices.

The industry's challenge is not attracting people into the trades but helping them finish.

In a column for Canadian Forest Industries, RESCON highlighted the growing gap between apprenticeship registrations and completions, arguing for a system that better supports apprentices through to certification.

**Housing summit follow-up**

The themes emerging from RESCON's Housing Summit in September continue to generate discussion.

In a column published in Canadian Contractor, Lyall acknowledged that governments have made meaningful progress on housing reform but cautioned that Canada remains a long way from resolving its affordability and supply challenges.

The broader impacts of the housing crisis were another major topic. In a column in the Toronto Sun, RESCON examined how the housing shortage is affecting the health, stability and overall well-being of Canadians. Similar themes were explored in a column published in RENX Homes, which highlighted research from the Canadian Centre for Economic Analysis showing a direct link between housing affordability and life satisfaction.

The same concerns were echoed in a column published on MSN.com, which noted that nearly one in three households in the GTA live in unaffordable housing, spending more than 30 per cent of their pre-tax income on shelter.

Another question examined at the summit was whether housing reforms are working.

In a column for Real Estate Magazine, RESCON summarized the views of summit participants, who generally agreed that recent measures are producing results but emphasized that significantly more work remains to be done.

**Tariff troubles**

Trade uncertainty also continued to loom over the residential construction sector. The ongoing tariff dispute between Canada and the United States remains a source of concern for builders and homebuyers alike.

In an article published by Plumbing & HVAC Magazine, RESCON discussed the findings of its report on the potential impact of tariffs on the cost of building new homes and the broader implications for housing affordability.

In a column in On-Site magazine, RESCON noted that escalating tariffs and counter-tariffs are taking a toll and driving up the cost of homeownership on both sides of the border.





# WE MUST DECIDE WHAT TO DO WITH THE TIME GIVEN TO US

*Michael Giles*
*VP, Government Relations*

## *We occupy a period in history where the strongest country in the world is led by the weakest of people.*

In the J.R. Tolkien book Lord of the Rings, there is a dramatic exchange between Frodo and wise old Gandalf.

"I wish it need not have happened in my time," Frodo says, to which Gandalf replies, "So do I, and so do all who live to see such times. But that is not for them to decide. All we have to decide is what to do with the time that is given to us."

There are many, particularly the young, who in our time echo these sentiments whether in direct terms as enunciated by Gandalf and Frodo or more incidentally in nature.

We occupy a period in history where the strongest country in the world is led by the weakest of people. They are devoid of any sense of understanding of history nor are they apparently seized with any commitment to ethics, compassion or empathy.

Across the world, lack of leadership or vision has led to broad wars, regional conflicts, crises of all kinds and general unrest that has transformed the world into a place of unparalleled uncertainty mired by economic challenges that seem to only grow by the day and social angst that expands across borders and generations.

While leadership is a major contributor, or lack of it, so also is the enduring fractures that emerged during the pandemic.

Many academics argue that the societal fractures always existed prior to the pandemic but that vast displacement and disorder that accompanied it have now endured and are entrenched as challenges that seem to mystify leaders across the spectrum.

We wrestle with myriad issues, including housing affordability and supply, cost of living pressures, fuel prices impacted by far-off wars, a trade war with our biggest trading partner, unstable leadership within the most powerful nation on earth, and the list goes on.

However, we would be wise to listen to what Gandalf remarked in the midst of clearly troubled times, "All we have to decide is what to do with the time that is given to us."

And not to sound too philosophical, but that is precisely the point we must focus upon.

We will not surely solve all the great problems facing us in the short term; some will need time, perhaps generations, to alleviate. But there are things we can do.

For good or bad, the leader to the south has given Canada a wake-up call and we have responded. We have a leader who is moving with haste in a way not seen since the Second World War.

Indeed, most leaders across the country are aligned with the need to act in ways we have not in almost 100 years.

Among the great challenges of our time is the issue of housing affordability and supply. Having been on a RESCON mission to Alberta this past month, it is clearer now than ever that there are many things we can do "with the time that is given to us."

In Ontario, we need a wartime effort to reduce the challenges to building new homes. We must permanently eliminate exorbitant taxes, fees and levies, confront and remove process issues that delay projects needlessly, simplify planning approvals, crush ridiculous bureaucracies that perform like Soviet-era monoliths, and just do what needs to be done to advance one of the two most important things people need to thrive (the other being food). We must make housing within reach to everyone by ending the housing affordability and supply crisis.

I started this column focusing on the vast issues of our time and they are hard to solve. Housing is a vast issue, but it is truly not hard to solve if the will, courage and tenacity to implement solutions is embraced. If we do, then truly we will have used well "the time that is given to us."

**"Across the world, lack of leadership or vision has led to broad wars, regional conflicts, crises of all kinds and general unrest that has transformed the world into a place of unparalleled uncertainty mired by economic challenges that seem to only grow by the day.**

# THE COST OF A TARIFF WAR



By Richard Lyall
for On-Site Magazine
Oct. 27, 2026

At a time when Canada and the U.S. are struggling to address severe housing affordability challenges, the tariff war is pushing construction costs in both countries in precisely the wrong direction.

While government leaders on both sides of the border have repeatedly pledged to increase housing supply, lower costs and make homeownership more attainable, escalating tariffs and counter-tariffs on both the residential and ICI construction industry are having the exact opposite effect.

The levies are driving up costs, disrupting integrated supply chains and adding new uncertainty to an industry already under significant strain.

For residential builders, the timing could hardly be worse. Developers are already grappling with persistent labour shortages, elevated interest rates, soaring land prices, development charges and regulatory hurdles. Added to that list is now a new and destabilizing force: tariffs on key construction materials and building components that are essential to housing projects.

The impact is not confined to the residential construction industry. The ICI sector is equally affected.

The latest round of measures illustrates the growing problem.

The U.S. has imposed a 50 per cent Section 338 tariff on billions of dollars worth of Canadian goods. Canada, in turn, has responded with dollar-for-dollar counter-tariffs on hundreds of U.S. products covering roughly $27.6 billion in imports.

Every tariff imposed somewhere in the supply chain eventually leads to higher prices.

That matters because the Canadian and American construction industries are deeply integrated. Canadian builders rely heavily on products sourced from the United States, including structural steel, appliances, HVAC systems, electrical components and elevators. American builders, meanwhile, depend heavily on Canadian lumber and engineered wood products.

Housing construction, for example, is not a self-contained national industry operating within political borders. It is built on a complex web of cross-border suppliers, manufacturers and distributors. When tariffs are imposed on one segment of that network, costs ripple through the entire system.

RESCON estimates that earlier tariff measures had already added between $15,000 and $25,000 to the cost of a new Ontario home. The Sept. 8 counter-tariffs are expected to add another $9,000 to $14,000 to a typical single-detached home and between $18,000 and $28,000 to a mid-rise residential unit as existing inventories are depleted and contracts are repriced.

Those are not insignificant numbers. They represent the equivalent of a down payment for many first-time buyers.

Builders cannot simply absorb the additional costs. Residential construction operates on increasingly thin margins. Developers facing higher financing costs, slower sales and increased carrying expenses do not have the flexibility to absorb tens of thousands of dollars in new costs per unit.

Instead, those costs will be passed directly to buyers and renters.

The list of affected materials is extensive. Tariffs now touch many of the fundamental products used in residential and ICI construction, including structural steel, rebar, steel plate, pipe, tube products, joist hangers, fasteners, nails, screws and bolts. Sheathing products, engineered wood panels, lumber, flooring materials and carpets are also affected.

In addition, tariffs apply to a broad range of manufactured building components such as HVAC systems, elevator equipment and electrical products, as well as appliances. These are not luxury finishes or optional upgrades. They are essential elements of modern housing projects.

For high-rise developments, the impact can be especially severe. Structural steel requirements are substantial, while complex mechanical and electrical systems, elevators and specialized equipment are often sourced through North American supply chains. Every tariff-induced hike compounds throughout the project budget.

The consequences of tariffs extend well beyond individual developments. The outcome is predictable. As costs rise, some projects may not be financially viable. Builders may reconsider future investments, lenders may become more wary and projects may not get built.

The broader economic implications are equally concerning. Tariffs create uncertainty that discourages investment and disrupts long-established commercial relationships. Businesses become more cautious, supply chains become less efficient and economic growth slows.

Every tariff carries consequences. In the end, tariffs do not build factories, hospitals, or new homes.

They simply make them more expensive.



# RESCON REPORT ON TARIFF IMPACT

*By Plumbing & HVAC Magazine*
*Oct. 1, 2026*

The ongoing tariff dispute between Canada and the United States continues to increase the cost of building new homes in both countries.

The Residential Construction Council of Ontario (RESCON) released a report showing that the counter-tariffs imposed on Sept. 8 add between $9,000 and $14,000 to the cost of a typical single-detached home in Ontario and between $18,000 and $28,000 to a mid-rise unit.

These are additional costs on top of the $15,000 to $25,000 that homes were already carrying from measures imposed in March 2025.

"This should not, in any way, be construed as a criticism of the Canadian government's decision to respond to the U.S. with counter-tariffs," said Richard Lyall, RESCON president. "Faced with substantial U.S. tariffs, Canada had little choice but to act, as no sovereign nation can simply stand aside while key industries are targeted with punitive trade measures."

Tariffs and counter-tariffs have driven up the cost of everything from structural steel and rebar to wiring and vinyl products, radiators and cabinet hardware, to carpets and heat pumps. The report adds that the tariffs will worsen the housing affordability crisis in both countries, disrupt supply chains and slow housing construction.

RESCON's report also featured comments from other associations on the effects these tariffs are having on residential construction:

First, the Canadian Home Builders' Association (CHBA) stated its number one recommendation to the federal government has been to avoid tariffs on construction materials; higher input prices delay housing starts, hurt supply and raise long-term prices.

The Canadian Construction Association (CCA) released its own bulletin flagging structural and derivative steel, aluminum, plywood, LVL, sawn wood, fasteners, HVAC, scaffolding, doors and windows, and lifting machinery as the segments hit hardest by the tariffs.

Lastly, the Ontario Home Builders' Association is aligned with CHBA's position and is coordinating with RESCON on Ontario-specific submissions to MMAH regarding development-charge offsets where builders can demonstrate audited tariff-driven cost increases per unit.

RESCON's full report can be found here.



# MEDIA REPORT

## PRINT & ONLINE

### Globe & Mail

Young people don't get much exposure to the trades in school and the pathways for people to begin an apprenticeship are often hard to navigate, which contributes to the higher average age of new apprentices, RESCON president Richard Lyall said in an article in The Globe & Mail.

### MSN

The real cost of Canada's housing crisis can now be measured in something far more important than dollars and cents: the health, stability and well-being of Canadians, Lyall writes in a column in MSN.com.

### Plumbing & HVAC

The ongoing tariff dispute between Canada and the United States continues to increase the cost of building new homes in both countries. Plumbing & HVAC Magazine ran an article on RESCON's recent report.

### Sudbury Star

RESCON commends Minister of Municipal Affairs and Housing Rob Flack as he continues to work to reduce municipal development charges and to make housing more affordable for Ontarians, Lyall said in an article in The Sudbury Star.

## PODCASTS & RADIO

### Jerry Agar Show




RESCON president Richard Lyall joined the Jerry Agar Show on Newstalk 1010 to discuss why so many trades apprentices struggle to complete their programs despite strong demand for skilled workers.

Click here to listen to the broadcast.

### CREB TV




Lyall recently discussed housing reforms that have been rolled out and whether they are actually delivering results with Vanessa Topple on CREB TV.

Click here to listen to the broadcast.



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# WHO IS YOUR REAL ESTATE ADVISOR REALLY WORKING FOR?

***For owners, investors and developers making significant capital decisions, this should be considered carefully.***



*By Arash Shahi*
*CEO of LandLogic*

Lately, I've been helping to build out services around real estate advisory, and one point has become very clear: Real estate owners and developers have no shortage of advice.

Ask a broker what to do with a property and the conversation may naturally turn toward a sale or acquisition. Ask a lender and financing becomes part of the solution. A planner may see additional density. A development manager may see a project. An architect may see what could be designed and built.

There is nothing wrong with any of those perspectives. These professionals bring essential expertise to real estate decisions. But there is an important question that is not asked often enough: Is the person you are paying for advice thinking about what is best for you, or what is best for them?

Many traditional real estate services are connected in some way to the outcome. The professional providing the advice may also participate in the transaction, financing, design, development or construction that follows. That means there is a commercial relationship between the recommendation and what happens next.

For owners, investors and developers making significant capital decisions, this should be considered carefully: Is the advice you receive influenced by the advisor's commercial interest? Are they presenting you the best options, or trying to capture future business?

## Advice should not depend on the outcome

This is where independent advice becomes important. Someone needs to be able to compare the alternatives without having a financial reason for one particular option to win. Good analysis should be provided independent of whether the advisor benefits from the outcome.

Perhaps redevelopment creates the greatest value. Perhaps the economics do not justify the risk. Perhaps repositioning the existing asset generates a better return. Perhaps the owner should refinance and wait. Or perhaps selling the property and deploying the capital somewhere else is the strongest decision.

The same issue exists at the portfolio level. A developer may have five sites but only enough capital and management capacity to move two forward. Every site may have development potential, but that does not mean every site deserves the next dollar of investment.

The value of independent advice is simple: the advisor should be compensated for helping you make the right decision, not for steering you toward a particular outcome.

If the recommendation is to sell, the advisor should not make more money because the property sells. If the recommendation is to refinance, their compensation should not depend on the size of the financing. And if the best decision is to hold the property, delay a project or walk away from an opportunity entirely, the advisor should be just as comfortable recommending that.

This allows a different kind of conversation. Instead of starting with, "How do we make this project happen?" you may start with, "Should this project happen at all?"

## So, what should you look for in an advisor?

Real estate decisions are too complex to be viewed through one lens. Independence is essential, but it is only one part of what makes good advice. A strong advisor today should bring three things to the table:

**Independence:** As discussed, their advice should not be tied to a transaction, financing arrangement, construction contract or development mandate. They need the freedom to recommend the path that creates the strongest outcome for the client, including doing nothing.

**Multidisciplinary thinking:** Good advice requires more than one professional perspective.

Planning, finance, development, construction, operations and market conditions all affect the same asset in different ways.

An advisor needs to connect those perspectives and understand the tradeoffs between them rather than approaching the property through a single discipline.

**Better intelligence:** The advisor should also be working with more than conventional real estate research. Sales comparables and market reports tell you what has happened around a property. They do not necessarily tell you what the property itself is capable of.

Today, parcel-level data and advanced analytical tools can reveal development potential, land-use permissions, physical and regulatory constraints, surrounding activity and changes that may affect future value. The goal is not simply more data. It is a deeper understanding of the land behind the asset.

This combination is what I find most interesting about building the real estate advisory service at Node Ventures: bringing independent advice, multidisciplinary expertise and deeper property intelligence into the same decision-making process.

Ultimately, good real estate advisory should do more than tell you how to execute a decision. It should give you the independence, perspective and intelligence to make sure you are pursuing the right decision in the first place.

# LOST IN THE PERMIT MAZE

## WHY AI BELONGS AT THE FRONT DOOR OF DEVELOPMENT

*By Saman Davari*
*Executive director of PermitFOX*

Ask three people at a dinner party which permit is needed to add a garden suite, and four answers will come back. One will come from a cousin who “did a basement once.” Another will be confidently wrong. Nobody will mention the Committee of Adjustment until six months have passed.

Even seasoned development professionals, with decades of experience between them, sometimes need a second read to confirm which rule applies to which lot. If the experts hesitate, consider the retired couple who just learned a fourplex is now legally permitted on their property and has no idea what that sentence actually commits them to.

That is the quiet gap in Ontario’s housing story. Costs, interest rates and targets dominate the conversation, and rightly so. Far less attention is paid to the confusion at the very beginning, when a property owner or small “citizen developer” decides whether to try at all.

The numbers are sobering. According to the 2026 Ontario Budget, the province recorded just 65,400 traditional housing starts in 2025, down from 74,600 in 2024, while the annual goal climbs to 175,000 homes from 2026 onward.

In fairness, permits are not the only villain. Toronto and other Ontario municipalities are issuing more building permits than builders are acting on, which points to cost as a major bottleneck. But cost and confusion are close relatives. Every month spent guessing is a month of carrying costs, and approval delays across the GTA have been estimated at $2,672 to $5,576 per month, depending on the municipality.

The grey areas are real. Builders face dozens of different requirements within Toronto alone, and that is before a single municipal boundary is crossed. Zoning bylaws, the Building Code, heritage overlays, tree protection, servicing capacity, minor variances: each is reasonable on its own. Together, they form a maze that rewards those who already know the way.



> **“The grey areas are real. Builders face dozens of different requirements within Toronto alone, and that is before a single municipal boundary is crossed.**

So people hesitate. Consultants get hired too late, too early, or not at all. Incomplete applications are submitted, comments come back, files are resubmitted, and the waiting resumes. Some owners simply give up, and the gentle density Ontario worked so hard to legalize never gets built.

This is where AI can help. Not by replacing planners, examiners or architects, but by doing what a good advisor does on day one. A specific property can be read against the rules that actually apply to it. What is likely allowed, what needs a variance, which studies may be required and roughly how long each step takes can all be explained in plain language. “Unknown unknowns” become a checklist. The city will not move faster on its own as a result, but the files reaching the counter will be cleaner, and the people behind them will make better decisions sooner.

That is the thinking behind PermitFOX.ai, an AI-enabled permitting and zoning intelligence built for Ontario. A question like, “Can a garden suite be built here?” or “What does a fourplex on this lot require?” delivers clear, property-specific answers that support solid due diligence, without spending a weekend buried in PDFs. Its freemium model makes that intelligence more accessible, helping users understand what is possible, identify requirements and move forward with greater confidence.

Ontario does not need every homeowner to become a planning expert. It needs fewer people giving up before they begin. Anyone who has ever stared at a zoning map wondering what it was trying to say is invited to try PermitFOX, and to point out where it falls short. That is how it gets better.

For more information, email saman@permitfox.ai.

*HOUSING*

# IS HOUSING REFORM WORKING?

## EXPERTS SAY YES AND NO

*By Richard Lyall*
*for Real Estate Magazine*
*Oct. 20, 2026*

At long last, Canada has begun to take housing reform seriously. Governments have introduced tax rebates and programs designed to lower development charges (DCs) and stimulate construction.

The debate now circles around whether the reforms are working.

The answer, according to experts who weighed in on the matter at a recent housing summit hosted by RESCON, is both yes - and no.

"Good stuff has happened," Ian Lee, associate professor at Carleton University's Sprott School of Business, told the summit. "We're going in the right direction, but we've got to do more."

On the positive side, governments have moved farther on housing reform than they had for decades.

Federal and provincial leaders have acknowledged that excessive taxes, fees and regulatory delays have contributed to rising housing costs. Programs such as GST and HST rebates for new homes, for example, are improving affordability and helping stimulate activity in the new-home market.

Development charge relief initiatives, meanwhile, are encouraging municipalities to rethink how growth-related infrastructure is funded.

These are meaningful changes.

But as Lee and a number of other speakers at the summit emphasized, they are not sufficient.

The fact of the matter is that Canada continues to build far fewer homes than it needs. The country is producing roughly 250,000 housing starts annually while estimates suggest between 400,000 and 470,000 new homes are required each year to restore affordability and close the deficit.

Even after the federal government reduced immigration targets and slowed population growth, housing construction still trails demand.

The result is a massive supply gap that was years in the making and will take years to correct.

As of August this year, total year-to-date Canadian housing starts were 149,542 units, down four per cent compared to the same period in 2025, according to the CMHC.

There is a fascinating paradox.

Jason Mercer, chief market analyst at the Toronto Regional Real Estate Board, noted that the GTA resale market now displays many of the conditions normally associated with a recovery. Affordability has improved significantly. Mortgage rates have moderated from their peaks. Home prices have softened and inventory levels are beginning to tighten.

Under normal circumstances, these developments would trigger a strong rebound in sales. However, many buyers remain on the sidelines.




**"The fact of the matter is that Canada continues to build far fewer homes than it needs. The country is producing roughly 250,000 housing starts annually while estimates suggested between 400,000 and 470,000 new homes are required each year to restore affordability and close the deficit.**

The big issue, it seems, is also no longer affordability. Concerns about trade disputes, inflation, global instability and the direction of interest rates are weighing on prospective buyers.

Even though the income required to buy a typical GTA home has fallen substantially over the past two years, consumers remain cautious.

The result is a growing pool of pent-up demand waiting for greater certainty.

Mercer offered a measure of optimism. With the ingredients for a recovery largely in place, he said housing activity could rebound relatively quick if economic conditions stabilize and confidence returns.

Daniel Foch of Valery Real Estate brought another perspective to the table, suggesting that Canada's housing market is increasingly becoming a tale of two realities.

In Ontario and British Columbia, for example, home prices relative to household incomes continue to rank among the highest in the country, placing ownership beyond the reach of many younger households.

Meanwhile, in Alberta and Atlantic Canada, many communities remain comparatively affordable and continue attracting residents seeking opportunities unavailable in Toronto or Vancouver.

Encouragingly, Foch told the summit that the pre-construction market is beginning to show signs of renewed life, particularly after the introduction of federal GST and HST relief measures. New-home sales have improved from the depressed levels seen in 2024, and evidence suggests tax reductions are helping stimulate demand rather than simply boosting builder profits.

While affordability has improved in some segments, though, Foch warned that future housing supply is weakening, construction activity is slowing, and project launches are declining.

Taken together, the summit presentations point to a clear conclusion.

Housing reform is working because governments have finally begun addressing long-standing structural problems. Tax relief, DC reductions and efforts to accelerate approvals are moving policy in the right direction. But it's also not working because the pace of change remains too slow relative to the scale of the crisis.

Canada has not yet bridged the gap between announcements and outcomes. Making an announcement is easy. Putting it into practice is difficult.

Governments must turn partial reforms into complete ones, make temporary measures permanent, and ensure the programs already in place deliver as promised.

The country knows what needs to be done. We have already made progress. We are headed in the right direction. We must now finish the job.

*HOUSING*

# CRISIS CAN BE FIXED

## WE JUST NEED THE WILL

*By Richard Lyall*
*for Daily Commercial News*
*Oct. 16, 2026*

For years, politicians have described Ontario's housing challenges as a market problem, an affordability issue, or simply the result of rapid population growth. But the reality is the housing crunch is largely a policy-made crisis, which means it can also be fixed with proper planning

The province is now facing more than just high housing prices. We are confronting a crisis of confidence. Many aspiring homeowners no longer believe ownership is realistically within reach, while renters face growing insecurity and municipalities struggle with rising homelessness. What was once seen as a temporary downturn has evolved into a structural failure of the housing system.

The causes are well understood.

For decades, Ontario failed to build enough housing to keep pace with population growth. At the same time, immigration-driven demand increased, construction costs rose, interest rates climbed, and government-imposed charges continued to accumulate. The result is a widening gap between supply and demand that has pushed affordability beyond the reach of many middle-class families.

Perhaps the most troubling aspect of the crisis is that government policies now contribute significantly to the cost of housing itself. Government-imposed taxes, fees, levies and development charges account for more than one-third of the price of a new home. Development charges alone can exceed $100,000 per unit in some jurisdictions, costs that are ultimately passed on to buyers.

At the same time, Ontario has set an ambitious target of building 1.5 million homes by 2031. Yet even after several years of legislative reforms, approximately 1.24 million homes are still needed to reach that goal. Housing starts are moving in the wrong direction, and current construction levels are falling well short of what is required.

The good news is that the solutions are neither mysterious nor unattainable.

The first priority should be reforming the development approval process. Lengthy municipal approval timelines act as a hidden tax on housing. Every month a project sits waiting for permits adds financing costs, increases uncertainty and discourages investment. A mandatory province-wide permit "shot clock" that requires municipalities to process applications within defined timelines would eliminate unnecessary delays and help restore certainty to the market.

Second, Ontario must tackle development charges. Reductions announced recently are only temporary.

While municipalities need infrastructure funding, placing the entire burden on new homebuyers is both inequitable and counterproductive. Roads, water systems and community amenities benefit entire communities over decades. Funding those assets through long-term infrastructure bonds or broader tax-supported mechanisms would distribute costs more fairly and reduce the upfront burden imposed on housing construction.

Third, governments must focus on support for skilled-trades recruitment and apprenticeship completion.

Nationwide, apprenticeship enrolments hit a record high of more than 101,500 in 2024, but completions of these programs have remained below pre-pandemic levels. Almost 47,000 apprentices received certification in 2024, or a rate of 19.9 per cent. In comparison, a decade earlier, 93,500 Canadians enrolled in a skilled trade and 59,400 received their certifications.

A report done for RESCON earlier this year indicated that the apprenticeship system needs to be overhauled to incorporate principles of behavioural science - an understanding of why people behave as they do - to boost completion numbers.

To its credit, the federal government is trying to close the gap by bringing back a $5,000 apprenticeship completion bonus for Red Seal trades that was scrapped at the beginning of 2025. Small and medium employers will also receive up to $10,000 for every first-year apprentice in a Red Seal trade they hire. Meanwhile, starting next spring, apprentices will receive a top-up of $400 a week for in-class learning.

Fourth, federal and provincial governments must provide long-term certainty for housing programs. Housing development decisions are measured in years, not months. The National Housing Strategy and related funding streams need to be renewed and strengthened beyond their current timelines to provide municipalities, non-profit housing providers and private-sector builders with the confidence to plan and invest.

Fifth, all levels of government must implement permanent, predictable and functional long-term reforms. Chief among them is making the one-year HST enhanced rebate relief on new housing permanent, as it is creating market uncertainty. Temporary measures have a short-term kick, but what happens next and when?



Ideally, the tax should be withdrawn entirely from new home purchases. At a minimum, governments should fully restore and index the original GST rebate mechanism so that tax relief keeps pace with inflation and rising housing costs.

No other jurisdiction other than the GTA and Vancouver have taxed the pants off housing. The measures are not income tested and have hammered new home buyers and renters. Hence young families and entrepreneurs are leaving.

The Double Land Transfer Tax for those buying a home in the City of Toronto is also a killer and preventing empty-nesters from downsizing. The tax means buyers pay the provincial Ontario Land Transfer Tax and the municipal Toronto Municipal Land Transfer Tax.

Finally, governments must stop measuring success by announcements and start measuring it by outcomes.

Since 2019, Ontario has introduced a series of housing-related reforms aimed at reducing red tape and increasing supply. While many of those initiatives moved policy in the right direction, the cumulative impact has not yet matched the scale of the challenge.

The consequences of failure are impossible to ignore. A province where workers cannot afford to live near jobs and young families cannot envision homeownership is a province that risks losing both talent and opportunity.

The path forward is clear. Reduce unnecessary government costs, impose firm approval timelines, and hold all levels of government accountable for measurable outcomes.

Ontario's housing crisis was decades in the making. It will not be solved overnight. But the solutions are already on the table.

What remains uncertain is not what to do, but whether governments have the resolve to act with the speed and scale the crisis demands.

# COST OF CRISIS RUNS DEEP




**“ Many households are spending more than half their income simply to keep a roof over their heads. When so much income is devoted to housing, families inevitably sacrifice elsewhere. Food, transportation, education, recreation and even health-related expenses are squeezed.**

*By Richard Lyall*
*for The Toronto Sun*
*Oct. 9, 2026*

The real cost of Canada’s housing crisis can now be measured in something far more important than dollars and cents: the health, stability and well-being of Canadians.

Often, the magnitude of the problem is gauged by the price of a home, the cost of renting or number of residential starts. But while these metrics matter, they don’t fully capture what is at stake.

At a recent housing summit hosted by RESCON, Paul Smetanin, president and CEO of the Canadian Centre for Economic Analysis (CANCEA), delivered a powerful message. His research suggests that housing affordability has evolved from an economic challenge into a public health issue, one with consequences that reach into nearly every aspect of Canadian life.

The findings are difficult to ignore. Nearly one in three households in the Greater Toronto Area lives in unaffordable housing, spending more than 30 per cent of before-tax income on shelter.

Many households are spending more than half their income simply to keep a roof over their heads. When so much income is devoted to housing, families inevitably sacrifice elsewhere. Food, transportation, education, recreation and even health-related expenses are squeezed. Unexpected costs such as a medical bill or a car repair can quickly become an emergency.

The result is not merely economic hardship. It is persistent stress, insecurity and a diminished quality of life.

Using more than a decade of survey data and well-being research, CANCEA found a direct relationship between housing affordability and life satisfaction.

People living in affordable housing reported significantly higher levels of well-being than those facing housing stress. Households spending between 30 and 50 per cent of income on housing experienced meaningful declines in life satisfaction, while those spending more than half their income on shelter fared even worse.

To put those findings into perspective, CANCEA estimated the social value cost of housing unaffordability in Ontario at $26.2 billion annually. That represents lost well-being, lost opportunities and the accumulated effects of chronic financial strain across society.

Perhaps most startling was the comparison to major illnesses.

Using methods commonly employed in health research, CANCEA found that the societal burden associated with housing unaffordability is approximately one-and-a-half times greater than the burden of cancer and approaches the burden associated with heart disease and diabetes.

Think about that for a moment.

We would never accept a disease that diminished quality of life on such a scale without mobilizing public resources and policy responses. Yet housing unaffordability continues to affect millions of Canadians every day.

Housing has therefore become one of the defining issues of our time.

Unaffordable housing affects our workforce mobility, productivity, family formation, mental health, community cohesion and confidence in the future.

When people can’t secure stable housing, they delay major life decisions such as starting families or changing careers.

This is not to say that Canada hasn’t made meaningful progress on housing reform. Governments have finally recognized the severity of the challenge and introduced measures aimed at increasing supply and improving affordability.

However, while we are heading in the right direction, we have much more to do.

Canada is not building enough homes.

While annual housing starts are around a quarter-million units, estimates suggest the country requires roughly 400,000 to 470,000 new homes each year to address affordability pressures and close the accumulated supply gap.

To encourage investment in new housing supply, barriers must be reduced, approvals must be accelerated, and development charges and taxes on new housing must be permanently reduced.

Jason Mercer of the Toronto Regional Real Estate Board noted that affordability has improved substantially over the past two years. Mortgage costs have eased, home prices have softened and the income required to purchase a typical GTA home has fallen considerably. Yet many buyers remain hesitant. Confidence, not affordability alone, is now the primary obstacle. Economic uncertainty, trade concerns and interest-rate expectations continue to keep households on the sidelines.

At the summit, David Coletto of Abacus Data reminded attendees that housing is fundamentally about security and opportunity. His research shows that many Canadians, particularly younger generations, no longer believe the traditional path from education to employment to homeownership is guaranteed.

That growing sense of precarity is reshaping attitudes toward the future and eroding confidence in the social contract that many Canadians once took for granted.

If we truly want healthier families, stronger communities and greater economic opportunity, we must treat housing affordability with the urgency it deserves.

When one-third of households are struggling to afford a place to live, the problem is no longer confined to the housing market. It belongs to all of us.

# HAVE WE BEEN MEASURING THE WRONG THING?



*By Richard Lyall*
*for RENX Homes*
*Oct. 20, 2026*

For years, Canada's housing crisis has been measured in the language of economics. We track home prices, rents, mortgage rates, housing starts and building permits. Governments announce affordability strategies, industry groups call for more supply, and economists debate interest rates.

But what if we've been measuring the wrong thing?

What if the true cost of Canada's housing crisis is not found in real estate listings or construction statistics, but in the daily lives of millions of Canadians struggling to keep a roof over their heads?

That was the compelling message delivered by Paul Smetanin, president and CEO of the Canadian Centre for Economic Analysis (CANCEA), at a recent housing summit hosted by RESCON.

While conventional measures remain important indicators, they tell only part of the story. Smetanin's research challenges Canadians to view housing through an entirely different lens, not simply as an economic asset, but as a determinant of health, stability and well-being.

The evidence suggests the consequences are profound.

As Smetanin explains, conventional measures indicates what the housing system produces but fails to capture what housing conditions are doing to people.

That shift in perspective is significant. Rather than focusing solely on financial outcomes, CANCEA's research examined well-being itself. Using an extensive agent-based socio-economic model representing more than seven million residents in the Greater Toronto Area, researchers measured the impact of housing costs on individuals and households.

The findings are sobering.

Nearly one in three GTA households now lives in unaffordable housing, defined as spending more than 30 per cent of before-tax household income on housing costs. Even more concerning, many households experience severe unaffordability, devoting at least half of their income to shelter.

When housing consumes a large share of someone's income, basic necessities become harder to afford. Families struggle to pay for groceries, transportation, education and recreational activities. Housing options narrow, forcing people into longer commutes, overcrowded living conditions or neighbourhoods that do not meet their needs.

Unexpected expenses become financial emergencies. A car repair, dental bill or appliance breakdown can push households already stretched to their limits into crisis. Stress levels rise. Community participation declines. Feelings of security and stability erode.

Chronic financial stress has long been linked to poorer physical and mental health outcomes. When people constantly worry about making rent, keeping up with mortgage payments or finding a place they can afford, the effects are not merely financial. They are emotional, psychological and social. Relationships suffer. Opportunities diminish. Anxiety grows.

CANCEA's research found a direct relationship between housing affordability and overall life satisfaction. Households spending less than 30 per cent of their income on housing reported an average well-being score of 7.48 out of 10. That score fell to 6.97 among households spending between 30 and 50 per cent of their income on shelter and declined further to 6.79 among households facing severe affordability pressures. In other words, well-being drops as housing burden rises.

While those differences may appear modest at first glance, their significance becomes clearer when viewed across an entire population. Small declines in individual well-being, multiplied across millions of people, create a massive social burden.

To measure that burden, researchers calculated what they call the "social value cost" of housing unaffordability. This approach estimates the value of well-being lost because of housing stress and determines what it would take to restore affected households to similar levels of life satisfaction.

The result is staggering. Housing unaffordability imposes an estimated annual social value cost of $26.2 billion in Ontario. That figure is equivalent to roughly 15 per cent of Ontario government revenues, 5.5 per cent of annual economic output in the GTA and 3.2 per cent of Ontario's total economic output.

> **"According to CANCEA, housing unaffordability imposes an estimated annual social value cost of $26.2 billion in Ontario. That figure is equivalent to roughly 15 per cent of Ontario government revenues, 5.5 per cent of annual economic output of the GTA and 3.2 per cent of Ontario's total economic output.**

Perhaps the most striking finding in Smetanin's research was how that burden compares to major diseases. Using methodologies common in public health and epidemiology, researchers concluded that the social value burden associated with housing unaffordability is approximately 1.5 times greater than the burden associated with cancer.

It is also equivalent to roughly 70 per cent of the burden associated with heart disease and 75 per cent of that associated with diabetes.

The burden is not distributed equally.

Lower-income households, younger adults, recent immigrants, lone parents and people living alone experience the greatest impacts of housing unaffordability.

The evidence from this research shows that unaffordable housing is eroding quality of life on a scale that can now be measured. Housing must no longer be viewed solely as an economic issue or a matter of supply and demand. It should be recognized as essential social infrastructure.

The real cost of the housing crisis is not simply what Canadians pay for their homes. It is what they lose when housing becomes unattainable.

*APPRENTICESHIP*

# WE NEED A BETTER SYSTEM



*By Richard Lyall*
*for Storeys*
*Oct. 7, 2026*

Canada has finally begun to confront its housing crisis with the urgency that it so rightly deserves.

In Ontario, policy initiatives have signalled a renewed commitment to getting more homes built. Federally, there is growing recognition that increasing supply is essential to restoring affordability.

These efforts deserve praise. Policymakers have acknowledged the scale of the challenge and taken meaningful steps to address it. But there's another reality we can't ignore. None of these housing ambitions will be achieved unless we have the skilled workforce needed to build them.

Every housing target ultimately depends on the availability of carpenters, electricians, plumbers, bricklayers, heavy equipment operators and dozens of other skilled tradespeople.

Without them, housing policies become little more than plans on paper.

That is why the findings of the recent report Are We Ready to Build Canada? A Behavioural Analysis of Canada's Construction Talent Pipeline and Skills Training Policy should serve as a wake-up call.

The report was prepared for RESCON by Nathaniel Barr, professor of creativity and senior advisor, innovation at Sheridan College; Michael McNamara, professor of creativity and director of the Community Ideas Factory at Sheridan; and James K. Stewart, economist and a senior fellow at the C.D. Howe Institute.

The report argues that Canada's apprenticeship challenge is not primarily an economic problem. It is a design problem.

That conclusion may seem surprising at first. For years, governments have responded to labour shortages by increasing funding, promoting careers in the skilled trades and creating programs designed to attract more apprentices. Those efforts have succeeded in one important respect: registrations have increased.

The problem is that completions have not.

The report highlights a startling statistic. Apprenticeship completion rates in Canada have remained stuck at roughly 20 per cent of registrations since 2013. In other words, four out of five people who begin the apprenticeship journey are not completing it within the current system.

Imagine a university where only one in five students graduated. Policymakers would rightly view that as a crisis requiring immediate attention. Yet in the skilled trades, this troubling reality has persisted for more than a decade.

The implications extend far beyond the apprenticeship system itself. Every apprentice who fails to complete training represents a lost opportunity to strengthen Canada's workforce. Fewer certified tradespeople mean fewer homes built, longer infrastructure timelines and reduced economic productivity.

The urgency is magnified by demographics. More than 700,000 skilled trades workers are expected to retire by 2028. In construction alone, approximately 15 per cent of the workforce is projected to retire by 2034.

While the labour market has temporarily eased workforce pressures, policymakers should not be lulled into complacency. Many workers have already left the residential construction industry because of current market conditions.

When housing demand rebounds and construction activity accelerates, the industry could find itself confronting severe labour shortages.

The traditional approach has focused heavily on recruitment. The assumption has been that if enough people enter apprenticeship programs, completion rates will take care of themselves.

But the report challenges that thinking.

Drawing on behavioural science, the authors maintain that apprenticeship systems have been designed around unrealistic assumptions about how people make decisions and navigate challenges.

Policymakers have often assumed that individuals will act rationally, remain motivated, overcome obstacles independently and persist until completion.

Human behaviour rarely works that way.

People face competing demands from work and family. They become overwhelmed by complexity. They struggle with uncertainty and self-doubt. They procrastinate. They abandon plans when obstacles appear insurmountable.

These are not character flaws. They are normal aspects of human behaviour.

Behavioural science examines those realities and seeks to design systems that account for them.

That insight has profound implications for apprenticeship policy.

If apprentices are struggling because application processes are unnecessarily complicated, simplify them.

If critical stages of training create bottlenecks, provide targeted supports.

If participants lose momentum during long training periods, develop interventions that maintain engagement.

If social isolation contributes to attrition, create mentoring programs that strengthen connections and accountability.

In short, we need apprenticeship systems designed around how people actually behave, not how policymakers wish they behaved.

This does not mean funding is unimportant. Continued investments in apprenticeship programs, labour market information forecasting and skills training remain essential. And governments should continue supporting efforts to attract young Canadians into the skilled trades.

But funding alone will not solve a problem rooted in system design.

Governments need to make apprenticeship completion rates a central performance measure. Success should not be defined by how many people enter the system. It should be defined by how many emerge as certified tradespeople.

The country is about to embark on one of the most ambitious building agendas in generations. Our ability to build more homes depends on our ability to train, support and retain more skilled tradespeople.

If we want to build more homes, we must first build a better system for the people who build them.



*APPRENTICESHIP*

# SYSTEM NEEDS TO BE CHANGED

*By Richard Lyall*
*for Canadian Forest Industries*
*Oct. 17, 2026*

Governments have announced initiatives to speed up approvals, cut red tape and encourage new home construction. Yet amid the discussion, one critical question has been overlooked: Who is going to build it?

Canada faces a looming skilled labour shortage just as the country is embarking on one of the most ambitious homebuilding agendas in generations. Meantime, figures show us that not enough young people are embarking on - much less completing - apprenticeship training programs.

According to federal projections, the nation will need more than 1.4 million new trades workers by 2033 to meet future demand, with roughly 700,000 trades expected to retire by the end of this decade. In construction alone, 15 per cent of the workforce is projected to retire by 2034.

Those numbers should concern anyone worried about housing affordability as every new home, and the infrastructure to support it, depends on skilled trades. The men and women who build homes - the carpenters, electricians, plumbers, bricklayers, ironworkers and heavy equipment operators - are not optional components of the housing equation. They are the housing equation.

Fortunately, there are encouraging signs that young Canadians and their families are increasingly recognizing the value of the skilled trades. A recent Business Development Bank of Canada study found that half of Canadians now believe trade school is the best way to prepare a child for a future career, compared with only 37 per cent who said the same about a university degree.

For years, conventional wisdom suggested that parents were steering their children away from the trades. However, attitudes are changing and that argument is becoming harder to make.

The problem today is not a lack of interest. It is a lack of successful outcomes.

A growing number of Canadians are entering apprenticeship programs, yet far too few are completing them.

Statistics Canada reported a record 101,500 apprenticeship registrations in 2024. However, only 47,000 apprentices received certification, representing a completion rate of just 19.9 per cent.

Even more troubling, apprenticeship completion rates have remained stuck at roughly 20 per cent of registrations since 2013.

Think about that for a moment.

If a university graduated only one out of every five students who enrolled, there would be public outrage. Governments would launch inquiries. Experts would demand reforms. Yet that's not the case.



> **"For too long, apprenticeship systems have been designed around unrealistic assumptions.**

The situation should be viewed as a national economic problem. Every apprentice who drops out represents more than an individual setback. It means one less certified tradesperson available to help build homes, schools, hospitals and infrastructure. It means lost productivity, reduced economic growth and fewer opportunities to address the housing shortage.

Why are so many apprentices falling through the cracks?

The traditional response has focused primarily on recruitment and funding. Governments have introduced incentive programs, grants and awareness campaigns designed to attract more people into the trades. Those efforts should continue but they have not solved the completion problem.

A recent report prepared for RESCON argues that Canada's apprenticeship challenge is not primarily a recruitment issue or even an economic issue. It is a design issue.

The report's authors examined apprenticeship training through the lens of behavioural science, which looks at how people actually make decisions and navigate challenges in the real world.

For too long, apprenticeship systems have been designed around unrealistic assumptions. Policymakers often assume that individuals will remain highly motivated, successfully overcome obstacles on their own and persist through lengthy training processes without significant support.

But human beings rarely work that way. People face competing pressures from work, family and finances. They struggle with uncertainty, procrastination, self-doubt and administrative complexity. They lose momentum when systems become confusing or when progress feels too slow.

These are predictable human behaviours.

Behavioural science starts with a different premise. Rather than expecting people to adapt to a system, we should design a system that accounts for how people actually behave.

That approach could transform apprenticeship training.

If application pathways are difficult to understand, simplify them. If apprentices lose momentum during long periods between training milestones, create interventions that keep them engaged. If navigating certification requirements becomes overwhelming, provide coaching and guidance at critical stages. If isolation contributes to attrition, create mentorship programs that connect apprentices with experienced tradespeople.

The key is to identify where people are getting stuck and redesign the system to help them succeed.

Governments should continue investing in apprenticeship programs and financial supports, but they also need to measure success differently. Apprentice registrations are important, but completions are what matter.

Our housing ambitions will ultimately rise or fall on whether enough skilled workers are available to turn plans into reality. We need a system that helps apprentices cross the finish line, not just encourage them to sign up at the starting gate.

# RCCAO REPORT

- RCCAO partnered with the Vaughan Chamber of Commerce (VCC) for the 2026 Infrastructure Summit, bringing government and industry leaders together to discuss Ontario's infrastructure priorities.
    - RCCAO executive director Nadia Todorova moderated a discussion with Minister Andrea Khanjin on reducing barriers to infrastructure development.
    - Watch more takeaways from the 2026 Infrastructure Summit here.

- RCCAO representatives were at Queen's Park for the tabling of Ontario's 2026 Fall Economic Statement. RCCAO welcomed continued momentum on key infrastructure projects, including Highway 413, the Bradford Bypass and regional subway expansion, alongside the government's focus on reducing red tape and project delays.
    - "Reducing red tape means more shovels in the ground, good-paying jobs and prosperity for all Ontarians," said Minister Peter Bethlenfalvy.

- RCCAO released its Fall 2026 Provincial Legislative Priorities to guide its engagement with the province during the fall session.

- RCCAO shared a statement on Ontario's municipal elections, highlighting infrastructure priorities for growing communities.

- RCCAO shared updates on several provincial infrastructure initiatives:
    - RCCAO highlighted the province's plans to widen Highway 400 to support the Bradford Bypass, improving transportation capacity and connectivity in the growing region.
    - RCCAO welcomed the introduction of the Building Ontario Faster Act, 2026, which proposes to reduce permitting delays and accelerate the delivery of critical infrastructure projects across Ontario.
    - RCCAO highlighted the province's investment in expanding Highway 69, with an additional 69 kilometres of twinning to improve road safety, connectivity and support economic growth in Northern Ontario,

- RCCAO was pleased to join the Heavy Construction Association of Toronto (HCAT) in celebrating its $1-million donation to SickKids Foundation in support of the HCAT Outdoor Patio, which will offer children and families a welcoming outdoor space during hospital stays.

- RCCAO provided further updates on new locate requirements for deep excavation projects.

- RCCAO executive director Nadia Todorova joined RESCON's Women in Construction webinar to discuss attracting, retaining and advancing women in the skilled trades and expanding opportunities for women in industry leadership.

- RCCAO attended Premier Ford's Empire Club luncheon, joining government and industry leaders for discussions on Ontario's economic priorities, infrastructure investment and the province's continued growth.

- RCCAO executive director Nadia Todorova joined industry colleagues in Alberta as part of a residential sector delegation to explore approaches to housing, construction and community development.

- RCCAO's newsletter is published monthly. Read the October newsletter and follow RCCAO on LinkedIn and X.


# MEWP & PEWP Webinar

RESCON is hosting a Mobile Elevated Work Platform (MEWP) and Power Elevated Work Platform (PEWP) webinar on Tuesday, Dec. 1, from 1 - 2:30 p.m. The webinar will highlight key safety requirements, operator training, hazard identification and best practices.

Sherrard Kuzz is sponsoring the event.

Click here to register.

