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Canadian
Home Builders'
Association



Association canadienne
des constructeurs
d'habitations

News Release

Disciplined budget good news for home buyers, CHBA says

OTTAWA, June 6, 2011 -- The Canadian Home Builders' Association (CHBA) today complimented Finance Minister Jim Flaherty on a budget that will create the conditions needed to meet the economic and fiscal challenges facing the country. "Today's budget provides a responsible transition from stimulus spending towards creating the conditions that will renew private sector demand and job creation," said CHBA President Vince Laberge of Edmonton.

Mr. Laberge said "jobs are absolutely essential for durable economic growth and stable housing markets. Artificially low interest rates and short-term stimulus are no substitute for continued job growth in the private sector."

Mr. Laberge said "the CHBA is pleased to see the Harper government is moving to fulfill commitments made during the election and that the budget has a focus on responsible fiscal management and job creation."

Mr. Laberge applauded the government's decision to renew the ecoENERGY Retrofit-Homes Program. "We are extremely pleased that Mr. Flaherty has chosen to maintain momentum among homeowners for improving the energy performance of their homes," he said. "This is an important and practical initiative that can rejuvenate our existing housing stock, reduce energy bills and reduce greenhouse gas emissions."

The program is complemented by the government's on-going support for the R-2000 initiative, the EnerGuide Rating System and ENERGY STAR for New Homes, all of which contribute significantly to the overall environmental performance of Canadian homes.

Pointing out that the government can ill afford to ignore the underground cash economy, Mr. Laberge observed that "the ecoENERGY retrofit program has the added benefit of encouraging people to work with legitimate renovators. It will bolster the government's efforts to combat the underground cash economy in home renovation services."

“Illegal contracting creates problems for consumers, costs jobs and income, undermines our continuous efforts to build a professional industry and costs governments billions of dollars annually in lost revenue,” he said. “We look forward to working with the government even more aggressively on this front.”

Mr. Laberge welcomed the government’s commitment to municipal infrastructure investment. He said that support for basic infrastructure – roads, bridges, sewers and water facilities – shows federal leadership for a priority that involves all levels of government. “Governments must recognize that infrastructure can no longer be financed through the mortgages of new home buyers,” he said.

With respect to human resources development, Mr. Laberge welcomed the federal government’s action to extend the tuition tax credit for examination fees, introduce a hiring credit for small business and identify ways to assist immigrants to cover the cost of credential recognition. “These measures target a very important issue -- the shortage of skilled people in our industry.”

Going forward, the CHBA will be looking for opportunities to work with the government to ensure federal tax and regulatory policies support housing affordability and choice. This is particularly true with respect to the HST/GST as it applies to new homes and renovations. Work in this area will be critical to maintain the industry’s capacity to contribute strongly to the government’s economic growth and jobs agenda.

Mr. Laberge said increasing the GST new home buyer rebate thresholds – never adjusted since the tax was introduced in 1991 – and implementing a permanent 2.5 per cent home renovation tax rebate “are the single most important steps that the government could take to protect housing affordability and choice.”

The Canadian Home Builders’ Association (CHBA) is the national voice of the residential construction industry, representing more than 8,000 member firms across the country. Membership comprises new home builders, renovators, developers, trade contractors, building material manufacturers and suppliers, lenders and other professionals in the housing sector.

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