



CFAA'S ISSUES FOR THE RENEWED LIBERAL GOVERNMENT

October 22, 2019

CFAA congratulates Justin Trudeau and the Liberal Party for their re-election as a strong minority government.

We look forward to working with the renewed Liberal government on issues which matter to Canada's residential landlords and renters. Renters are often affected by issues which affect landlords, since cost increases put upward pressure on rents, while cost savings tend to reduce rents. Renters also suffer when rental supply does not keep up with rental demand, as has occurred in many major and other centres across Canada.

CFAA will continue to work with the renewed government on the following planks in the Liberal party platform:

- The funding for new rental construction with a modest affordability component under the Rental Construction Financing Initiative (RCFI).
- The Canada Housing Benefit being created with the provinces.
- The use of the federal carbon tax and other funding to improve the energy efficiency and reduce greenhouse gas emissions from rental housing.
- The steps NRCan is taking to facilitate and encourage retrofits to reduce the carbon footprint of rental buildings.
- The comprehensive review of government spending and tax expenditures to ensure that wealthy Canadians do not benefit from unfair tax breaks.

CFAA will also want to address the renewed government about the following issues which may be advanced by the NDP:

- A proposed increase in the capital gains inclusion rate, which would have a devastating effect on rental housing supply.
- A proposed "super wealth tax".

CFAA will also want to address the renewed government about the following issues:

- Stimulating additional investment in purpose-built rental housing by
 - Removing the GST/HST from new rental construction.
 - Clarifying that retrofits to improve energy efficiency can be claimed as operating costs rather than being capitalized,
 - Increasing the capital cost allowance (CCA) rate for rental housing,
 - Allowing CCA deductions on rental housing against other income,
 - Allowing rental housing to qualify for small business tax treatment (or at least the normal corporate tax rate), and
 - Eliminating the GST/HST on rental housing operations.
- CMHC's new human rights approach to housing
- The new National Housing Council

There are many steps all three orders of government can take to encourage and stimulate new rental construction, which is badly needed in many major and other centres across Canada. We look forward to more action on that critical issue from the renewed Liberal government.

For more information, contact Jeremy Newman, Director of External Relations, at 613-235-0101 or by email to John Dickie, President, at jdickie@dickieandlyman.com.

The Canadian Federation of Apartment Associations represents the owners and managers of close to one million residential rental suites in Canada, through direct membership and 11 associations across Canada. CFAA is the sole national organization representing the interests of Canada's \$480 billion private rental housing industry, which houses more than eight million Canadians.