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**SUMMARY OF HOUSING RELATED MEASURES CONTAINED IN BUDGET 2019**

**MARCH 2019**

Federal Finance Minister Bill Morneau unveiled the 2019 federal Budget on March 19, 2019. Among the housing related measures contained in the Budget include the following:

* **Introduction of a new “First Time Home Buyer Incentive”:** To assist first time home buyers with the cost of a mortgage, Budget 2019 is introducing a new $1.25 billion “First Time Home Buyer Incentive”. Through this program, CMHC would offer a qualified first time home buyer a 10% shared equity mortgage for a newly constructed home, or 5% shared equity for an existing home. No ongoing monthly payments would be required, and the buyer would repay the Incentive at the time of the resale of the home. The program would include eligibility criteria, including making the program available to home buyers with household income of under $120,000. More details about this program will be made available this year, with the intent that the program would be operational by September 2019.
* **Increasing the maximum withdrawal under the Home Buyers Plan**: The current maximum withdrawal under the Home Buyers’ Plan, which helps first time home buyers with costs associated with the purchase of a first home, is $25,000. Budget 2019 increases the limit to $35,000, effective for withdrawals made after March 19, 2019.
* **Expanding the Rental Construction Financing Initiative:** The existing Rental Construction Financing Initiative will be expanded to provide an additional $10 billion over 9 years to finance the construction of new rental housing for modest and middle income Canadians.
* **Sustainable Affordable Housing Innovation**: Under the Green Municipal Fund administered by the Federation of Canadian Municipalities, $300 million will be provided to finance and support affordable housing developments to improve energy efficiency in new and existing housing and support onsite energy generation.
* **A new “Housing Supply Challenge”:** The Budget is providing $300 million to launch a new Housing Supply Challenge. This Challenge will invite municipalities and other stakeholders to propose new ways to break down barriers that limit the creation of new housing. This will be a merit-based competition, with more information to be made available in summer 2019.
* **Enhancing Tax Compliance in Real Estate Transactions**: The Canada Revenue Agency (CRA) will be provided with $50 million over 5 years to create new real estate audit teams to ensure that tax provisions regarding real estate are being followed. These new teams will operate in high-risk regions, notably in BC.
* **Funding for “safe and accessible spaces for urban Indigenous Peoples”:** The Budget will provide $60 million over 5 years to support capital infrastructure investments in Friendship Centres and other urban Indigenous service provider facilities.
* **Commitment to housing legislation**: The Budget states “the Government also proposes to introduce new legislation which will require the federal government to maintain a National Housing Strategy that prioritizes the housing needs of the most vulnerable, and will require regular reporting to Parliament on progress toward the Strategy’s goals and outcomes.” The term “right to housing” was not explicitly included in the Budget.
* **Public Safety Housing Project in Prince Edward Island:** The Budget proposes $50.8 million over 5 years for the PEI Public Safety Housing Project, which will support structured social housing, life skills training, and enhanced access to integrated and assisted technologies.
* **Launch of the Expert Panel on the Future of Housing Supply and Affordability**: The Governments of Canada and British Columbia will launch a new Expert Panel that will consult with stakeholders to identify and evaluate measures to increase the supply of housing in BC to meet demand. CMHC will be provided $4 million to support this panel. CMHC will also be provided $5 million over 2 years for better state of the art housing supply modelling and related data collection.