



2024 FALL ECONOMIC STATEMENT

Summary of Housing-Related Measures

DECEMBER 2024



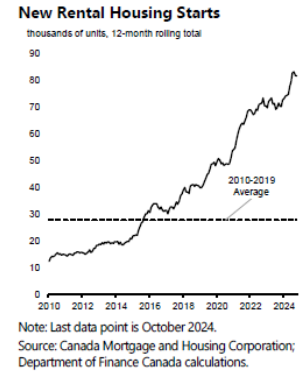
2024 FALL ECONOMIC STATEMENT SUMMARY

On December 16, 2024, the Government of Canada (the “Government”) released the *2024 Fall Economic Statement*. The budget for this year delivers the next phase of the government’s economic plan to help create good jobs, build more homes and make life more affordable. This bulletin from EllisDon Community Builders focuses on the key housing policies within the *2024 Fall Economic Statement*.

Background and Summary

The housing policies detailed in the economic statement prioritize accelerating housing construction, improving affordability, and promoting sustainable practices. Key initiatives include the \$6 billion Canada Housing Infrastructure Fund, a \$30 billion boost to the Apartment Construction Loan Program and the establishment of the \$15 billion Rapid Housing Stream.

Additional measures aim to support first-time buyers, facilitate secondary suite development and restrict large corporate investors from dominating the single-family home market. By integrating these efforts with moderated immigration levels and energy-efficient retrofitting programs, the government aims to address both immediate housing needs and long-term structural challenges.



Canada’s Housing Action Plan

The 2024 Fall Economic Statement by the Government outlines a plan to tackle the nation's housing crisis through a multifaceted strategy aimed at enhancing affordability, increasing supply and fostering sustainability. Central to this effort are significant investments in housing infrastructure, innovative construction methods and financial assistance for first-time buyers and renters.

Below highlights the two focus points for this bulletin:

- **Building 4 Million Homes, Faster** - The 2024 Budget and Canada’s Housing Plan introduced a comprehensive strategy to increase the housing supply and maintain affordability. This includes cutting municipal red tape, adopting faster and more innovative construction methods and expanding the skilled workforce required to build almost 4 million homes.
- **Lowering the Cost of Homeownership** - The federal government is reducing the cost of both buying and renting a home. Down payments and monthly mortgage payments are being lowered to assist more Canadians in purchasing their first home, while the supply of rental apartments is being increased to help reduce rent costs, making it easier to save for a down payment.

Summary of Key Initiatives

The 2024 Fall Economic Statement includes the following key initiatives focused on improving housing affordability and increasing supply:

Table 1 - 2024 Fall Economic Statement – Key initiatives Summary

| Initiative | Summary |
|----------------------------------|---|
| Accelerated Housing Construction | <ul style="list-style-type: none"> • Goal to build nearly 4 million homes using innovative practices, cutting municipal red tape and expanding the skilled workforce. • Unlocking underutilized federal lands to develop 250,000 homes. • Funding modular construction technologies and rental apartment projects. |

| Initiative | Summary |
|--|---|
| Affordability and Financial Assistance | <ul style="list-style-type: none"> • Implementation of a Tax-Free First Home Savings Account and reforms reducing the down payment and monthly mortgage payments. • Expansion of eligibility for 30-year mortgage amortizations for first-time buyers. • Secondary suite initiatives to enable homeowners to add affordable housing on their properties. |
| Addressing Rental Market Pressures | <ul style="list-style-type: none"> • Developing a Renters' Bill of Rights to counter excessive rent increases and improve transparency. • The Rapid Housing Stream supports affordable housing for vulnerable populations, such as transitional housing and shelters. |
| Reducing Investor Impact | <ul style="list-style-type: none"> • Consultations to restrict large corporate investors from purchasing single-family homes. |
| Integration with Immigration Policies | <ul style="list-style-type: none"> • Balancing housing supply with moderated immigration levels to ensure supply meets demand. • Aiming to reduce demographic demand for housing by 670,000 homes by 2027. |
| Sustainable Housing Development | <ul style="list-style-type: none"> • Encouraging energy-efficient housing retrofits through interest-free loans and targeted subsidies. • Investments in housing infrastructure to improve density and affordability. |

Summary of Funding Commitments

The 2024 Fall Economic Statement includes funding for housing, outlining a variety of initiatives aimed at improving housing affordability and increasing supply:

Table 2 - 2024 Fall Economic Statement – Summary of Funding Commitments

| Funding | Summary |
|--|--|
| Canada Housing Infrastructure Fund | <ul style="list-style-type: none"> • A total of \$6 billion is allocated, with \$5 billion for provincial and territorial initiatives and \$1 billion for municipal projects. |
| Apartment Construction Loan Program | <ul style="list-style-type: none"> • This program received a \$30 billion top-up since Fall 2023. An additional \$2 billion in low-cost financing is accelerated to support the construction of 4,000 homes. |
| Affordable Housing Fund | <ul style="list-style-type: none"> • A permanent Rapid Housing Stream created through a \$1 billion addition in Budget 2024, raising the total fund to \$15 billion. It focuses on deeply affordable housing, supportive housing, and shelters. |
| Secondary Suite Loan Program | <ul style="list-style-type: none"> • Starting in 2025, \$80,000 loans at low-interest rates will be available to homeowners for adding secondary suites, sourced from existing resources. |
| Canada Greener Homes Loan Program | <ul style="list-style-type: none"> • Allocates \$600 million for interest-free loans to support energy-efficient retrofits, assisting 15,000–24,000 homeowners. |
| Provincial and Territorial Allocations | <ul style="list-style-type: none"> • Over \$4.76 billion is directed for housing-enabling infrastructure from 2024–2036, broken down by region, such as \$1.55 billion for Ontario and \$590.7 million for British Columbia. |

Figure 1 Below provides a summary of the distribution of funds for housing programs and commitments as part of the Government's latest announcement.

Figure 1 - 2024 Fall Economic Statement - Distribution of Funds for Housing Programs and Commitments

| Reducing Everyday Costs | | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| millions of dollars | | | | | | | |
| | 2024- 2025 | 2025- 2026 | 2026- 2027 | 2027- 2028 | 2028- 2029 | 2029- 2030 | Total |
| 1.1. More Money in Your Pocket | 1,656 | 94 | 32 | 24 | 1 | 1 | 1,808 |
| A Tax Break for All Canadians* | 1,640 | 0 | 0 | 0 | 0 | 0 | 1,640 |
| A Tax Break for All Canadians - Administration Funding | 16 | 87 | 21 | 0 | 0 | 0 | 125 |
| Implementing Consumer-Driven Banking | 0 | 7 | 11 | 24 | 1 | 1 | 43 |
| 1.2. Building 4 Million Homes, Faster | 0 | 41 | -35 | -67 | -10 | 56 | -14 |
| Adding Secondary Suites to Single-Family Homes | 0 | 21 | 40 | 62 | 63 | 71 | 258 |
| <i>Less: Funds Previously Provisioned in the Fiscal Framework</i> | 0 | -35 | -102 | -177 | -95 | -21 | -431 |
| Accelerating Funding to Build Faster | 0 | 5 | 28 | 48 | 0 | 0 | 80 |
| <i>Year-Over-Year Reallocation of Funding</i> | 0 | 0 | 0 | 0 | 0 | -67 | -67 |
| The \$6 Billion Canada Housing Infrastructure Fund | 0 | 50 | 88 | 88 | 88 | 88 | 400 |
| <i>Less: Funds Sourced from Existing Departmental Resources</i> | 0 | -50 | -88 | -88 | -88 | -88 | -400 |
| More Financing for Affordable Housing | 0 | 25 | 25 | 0 | 0 | 0 | 50 |
| <i>Less: Funds Previously Provisioned in the Fiscal Framework</i> | 0 | -25 | -25 | 0 | 0 | 0 | -50 |
| Supporting Women and their Children Fleeing Violence | 0 | 50 | 0 | 0 | 0 | 0 | 50 |
| <i>Year-Over-Year Reallocation of Funding</i> | 0 | 0 | 0 | 0 | -50 | 0 | -50 |
| Supporting Non-Profit and Co-Op Housing Residents | 0 | 0 | 0 | 0 | 73 | 73 | 145 |
| 1.3. Lowering the Cost of Homeownership | 39 | 475 | 298 | 244 | 174 | 126 | 1,356 |
| Energy Retrofits with \$40,000 Interest-Free Loans | 39 | 113 | 8 | 7 | 5 | 3 | 174 |
| Balancing Immigration with the Supply of Homes** | 0 | 19 | -158 | -255 | -324 | -369 | -1,086 |
| <i>Forgone Revenues</i> | 0 | 343 | 448 | 492 | 492 | 492 | 2,268 |
| Additional Investments – Reducing Everyday Costs | 0 | 3 | 3 | 0 | 0 | 0 | 5 |
| Loaves and Fishes Community Food Bank Project | 0 | 3 | 3 | 0 | 0 | 0 | 5 |
| Funding proposed for PacifiCan to support Loaves and Fishes Community Food Bank's construction of a food distribution warehouse in Nanaimo, British Columbia. | | | | | | | |
| Chapter 1 - Net Fiscal Impact | 1,695 | 612 | 299 | 201 | 165 | 183 | 3,155 |

For more information, please contact Nick Gefucia, ngefucia@ellisdon.com, and we can discuss how EllisDon Community Builders can assist you with advancing your project.