



Development Construction and Housing Innovations

Recommendation

Establish a **new Act for Development, Construction, and Housing Innovations**, to foster investment, preserve jobs, reduce red tape and delays, support small and mid-sized businesses, and ensure affordability throughout the Housing Continuum.

- **Establish a Public Agency** : Development and Construction Commission
- **Establish an Affordability Impact Assessment** as requirement for all new legislation, regulations, and policy considerations, and examine existing regulations for reconsideration.

Rationale

- Land development, commercial and residential construction is a leading industry, contributing \$18.6 billion in investment value to the economy, but do not have a formal channel for advising government.
- Oil & Gas, Auto, Forestry, Agriculture industries have formal public agencies and/or designated administrative organization to formally advise government.
- Government systems are fragmented, resulting in legislation and regulations that lack critical data, information and consultation - resulting in unintended consequences and increased cost to consumers/Albertans.
- Multi-year delays in approvals related to wetlands and transportation infrastructure are risking billions of dollars in private sector investment and thousands of jobs.
- The housing sector is less volatile than resources sector, providing 121,201 jobs and \$8.3 billion in wages (2017 average), and is largely small and mid-sized privately held businesses
- Legislation, regulations, levies and fees make up 25% of the cost of home – There are significant cost increases pending in new legislation and regulations
- Federal policies are impacting housing affordability and home ownership.

Budget Impacts

The immediate cost implications to government are negligible other than staff time to prepare legislative documents for a new Act, and convening of a leadership group to create a framework for development. Long term budget implications, will be determined by the type of council that is established (i.e. Crown Corporation, Delegated Administrative Organization, Advisory Agency), including considerations for involvement/contributions from industry.

Stakeholder Representation

BILD Alberta is working closely with Alberta Construction Association, Alberta Forest Products Association, Alberta Real Estate Association, Concrete Alberta and Alberta Road Builders and Heavy Construction Association, and Contractors Coalition of Alberta. Many other provincial associations have been engaged in consultation for the development of these recommendations, and will continue to be consulted and informed as this work continues.

Implementation

An Industry leadership advisory council will be convened immediately, including representation provincial and municipal governments, to advise development of the policy intent of a **new Act for Development, Construction, and Housing Innovations**, applicability within a host ministry, and framework for a formal Construction, Development and Housing advisory body.