

Pillar #3: Encourage More Rental Housing

According to the Canadian Rental Housing Index, 29% of British Columbians are renters. While governments encourage more people to become homebuyers, rental housing is clearly a key component of the housing spectrum. Greater supply is needed to address demand.



Over the past year, the BC government has made several investments in rental housing, including its September 2017 commitment of \$208 million over four years to create more than 1,700 new units. However, by working with the federal government, more can be done to make market rentals affordable and accessible.

Several existing policies are obstacles to greater rental supply. For example, current federal income tax policies act as a significant deterrent to many investors selling their income properties, meaning less housing is available for rentals. Encouraging investment in property also triggers renovations, retrofits and redevelopment, which benefits the economy.

REALTORS® do much more than help buyers and sellers. Through the BC Real Estate Association, REALTORS® advocate for policies that help people secure good housing, build better communities and thrive in a strong economy. We recommend several measures to ensure sufficient rental housing is available to British Columbians.



Recommendations for the BC government:

- Work with the federal government to:
 - o Create more housing stock by allowing sellers of investment real estate to defer the recapture of previously-claimed depreciation (Capital Cost Allowance) on investment property when the proceeds are reinvested in another investment property.
 - o Amend the *Income Tax Act* to enable a deferral of both the capital gains tax and the capital cost allowance recovery for all real property investments when an investment property is sold and the proceeds are invested in another real property within a specified time period.
- Ensure collaboration among all levels of government and the private and non-profit sectors to increase the supply of rental housing.

