

# Can government really solve our housing ills?

by Mark Pavilons

Is it too much to ask for a government that means, and does well, on behalf of the people?

That's a question my son asked me the other day. Whatever happened to putting people first?

I mentioned that in the preamble to the U.S. constitution, the opening line is "We the People"?

In the beginning, the people not only mattered, they created change and they established the laws and rules of the land.

Our Canadian Charter notes we have the freedom of conscience and religion; freedom of thought, belief, opinion and expression, including freedom of the press and other media of communication; freedom of peaceful assembly; and freedom of association.

I should point out that many countries around the world do not provide such fundamental rights to their citizens.

Many promises were made during the recent elections in this province. What of the carbon tax? Why do gas prices keep fluctuating if some taxes were removed?

Everyone knows there's a housing "crisis" in this province, but we've let it go unchecked for too long and I'm not sure if there's any equitable solution.

Even at the local council table, our elected representatives struggle with the term "affordable housing." Just what does that mean? In York, affordable is north of \$700,000. How is that any way affordable? How are young people in our community, who work hard, perhaps earn a degree or diploma, supposed to afford the payments, even if they make a little over \$100k?

Data from 2023 noted given York residents' average household income of just over \$150,000, an affordable home would be a maximum of \$536,000. News just last week said to afford a home in Toronto, couples would have to earn \$206,000.

King Mayor Pellegrini made the point again at Council. He prefers the term "attainable," meaning that couples, with decent, stable jobs and a down payment may be able to "attain" housing. But again, at what "entry level" price?

Even with low interest rates and 30-year amortization, the costs of paying a mortgage and maintaining a home are high. Ever-rising utility costs, insurance, taxes and groceries, make the Canadian dream of owning a home a challenge.

My son also asked why the government can't step in and tell developers to build homes in the \$400,000 range. They offer incentives but they can't tell private enterprise what to do.

During and after the Second World War there was government subsidized housing on a large scale but all that changed when the country prospered again in the 1950s.

We are also not in isolation and the recent tariff war shows clearly how dependent we are on our trading partners.

We can't just legislate low prices across the board to help our citizens. Nice idea, though.

A draconian government could and would do just that.

I'm gonna take a brief look at the Cuban government to show some interesting extremes.

Cuba dissolved political parties in the 1960s and created one national Communist Party.

In 1992 modifications in the electoral law permitted direct elections of members of the National Assembly. About half of the elected members now also serve on municipal councils, while the remainder serve at large and are therefore not beholden to a designated constituency. There is no party slate and candidates need not belong to the official Cuban Communist Party. Delegates receive no compensation for their political service. There is considerable competition for elected office, despite the low opinion that many Cubans hold for delegates and government in general.

Wow, no pay for politicians??And they're still looked down upon?

The government closely oversees home ownership and real estate transactions. Few people can easily change their places of residence because the government's system of enforced home "exchanges," or trading, prevents housing sales. The Urban Reform Law of 1960 prohibited landlords from renting urban real estate, and families soon began buying homes by paying the current rental sum for between 5 and 20 years. Many families have acquired titles to houses and apartments in this way, and the rest pay a small percentage of their salary as rent to the state.

Now there's an interesting idea, my apologies to all realtors in our midst.

So here we have a Communist regime looking after its citizens' best interests. Sure, life is hard in Cuba and there are many shortages, but the Cuban people are resilient and innovative. Heck, they even keep 1957 Chevys running as taxis!

My point is one of priorities. Our society believes home ownership is the number one priority, regardless of the cost. We want to be better than the Joneses. We want more.

Therein lies the dilemma. "More" comes with a huge price tag - housing shortages, rising prices for consumer goods, massive bureaucratic salaries and more. Bottom line is we get mediocre returns on our taxes.

Today, municipalities are struggling to meet provincial mandates for, you get it, more. It's easy to tell everyone to build more, and go higher, but it doesn't solve the problem or come anywhere near affordable.

Just two generations ago (my parents, for example), you could buy a house for roughly \$30,000 and make payments spread out over 30 or more years. Even with relatively low salaries, families made it because taxes, groceries, gas and consumer goods were all affordable.

Now, a home, car, appliances and even A/C are only "attainable."

What's wrong with this picture?

I'm not suggesting we turn to the Commies for relief. Maybe we should bring back land grants, homestead rights and dower rights.

Where are we headed? Your guess is as good as mine.

Godspeed everyone!