



## OPINION

# Solving Canada's housing crisis starts with a reality check

Would-be first-time buyers are stuck between choosing 'too small' or 'too expensive.' A vibrant housing system needs to include options and opportunity across its entire continuum.

In every corner of the country, in every local housing market, you'll find a young Canadian with a good education and reliable career who's still unable to purchase their first home.

They want to. They know they'll need to make concessions to do it—whether financially, rethinking location, or tempering personal expectations. And they're willing to do that. Yet, the reality of homeownership is still unrealistic for them.

Realtors have a unique understanding of the aspirations of their clients. They know that in some places, these hopeful buyers can't find anything they



By addressing the missing middle, we can correct our current approach of building to satisfy a bottom line and instead build to address long-term needs, vibrancy, and choice, writes Janice Myers. *The Hill Times* photograph by Andrew Meade

can afford. In others, they can't find anything that fundamentally meets their needs. In many cases, it's a combination of both issues.

This isn't new. This is an ongoing byproduct of the housing supply crisis our country has been facing for years. And while the response to low housing supply has logically been "build more," reality is proving that building "units" isn't a lasting solution if the units being built aren't what people need.

Last year, the Canadian Real Estate Association (CREA) forecast 2025 would be a turning point for Canada's resale market, with more homebuyers poised to come off the sidelines after significant slowdowns in activity and some stabilization of interest rates. However, the economic uncertainty that resulted from United States tariff threats at the start of the year

ultimately resulted in another slower year.

That means those who have been waiting on the sidelines—some for years—are still there. And their desire to buy is still strong. In fact, according to research from Abacus Data, two-thirds of non-homeowners say they'd like to own someday. That jumps to 75 per cent for those aged 30-44, and 86 per cent of those aged 18-29—Canada's two largest population cohorts.

We're forecasting a pick-up in activity again for 2026, driven by pent-up demand from those sidelined buyers, particularly first-time buyers. If things do play out as anticipated and markets start seeing more activity, it will further exacerbate the impacts of the supply crisis because first-time buyers remove listings from the market without adding new supply.

How we address these ongoing challenges over the next few years is critical. Ultimately, we still need the urgency and momentum we're seeing across the country to build more (and faster); but, more importantly, we need to make immediate adjustments to what we're building.

Over the last 20 years, small apartments have replaced the detached home as the dominant unit type in new construction. Not only that, they're progressively getting smaller, making them a less viable long-term solution for many Canadians.

It's no wonder would-be first-time buyers are stuck between choosing "too small" or "too expensive." It's not a realistic choice. A vibrant housing system needs to include options and opportunity across its entire continuum.



Janice Myers is the CEO of the Canadian Real Estate Association. *Handout photograph*

The persistent focus on completions alone has masked an undersupply of affordable “missing middle” housing. That term was coined some 15 years ago, and yet, given how little it’s represented in today’s overall housing stock, it’s still missing. These are options like semis, townhomes, or larger apartments that typically take up smaller parcels of land, and are more affordable and accommodating for growing families.

These homes can help create supply while providing a foothold for Canadians looking to enter the market, grow into something different, as well

as for seniors who are looking to downsize.

And this can happen now. The federal government holds a suite of powerful tools—not just funding, but influence over policy, regulation, and intergovernmental collaboration—that can be strategically aligned to drive measurable housing outcomes. Build Canada Homes is also arguably the most ambitious housing program in the country’s history aimed at getting a lot more homes built a lot faster. Let’s embed measurable housing delivery expectations across all federal funding, policy, and regulatory levers.

By addressing the missing middle, we can correct our current approach of building to satisfy a bottom line and instead build to address long-term needs, vibrancy, and choice.

As Prime Minister Mark Carney said in his influential speech at the 2026 World Economic Forum, “nostalgia is not a strategy.” I feel the line is also transferable in this context because we know many lament the housing market of before. Of before the pandemic. Of before the financial crisis. Of before the Second World War.

We have an important opportunity to come together—leaders

across all levels of government, industry, real estate professionals, non-profits, and community housing providers—to take meaningful action and create lasting impact.

This isn’t about nostalgia or hindsight. It’s about confronting today’s realities, and acting now on an issue that affects Canadians at their most personal level.

*Janice Myers is the CEO of CREA, and a respected leader in Canadian real estate with more than two decades of experience advancing governance, program development, fundraising, and member engagement.*

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