

OPINION

Blame geography, not foreigners, for high housing prices

Limited space: Even restrictions on real estate investment aren't going to change Vancouver's constraints

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The math can't lie. The city of Vancouver sits on 115 square kilometres of the most beautiful land in the country; that hasn't changed in more than a century and it's not going to anytime soon. Yet, in the decade between 2001 and 2011, Vancouver's population rose by 69,000 people, while the total number of homes rose by just 28,000. And within the current 265,000-household total, only 47,000 are single-family homes of the sort coveted in the #donthave1million campaign.

There can be no clearer explanation for why Vancouver house prices are the highest in the country: We have a rising number of people bartering for a declining resource. No amount of tax policy or draconian restriction on investment or speculation is going to turn that tide.

Compare Vancouver in the

national context, and you hit the same mathematical and physical limits. Unlike some sister cities (see fact box), Vancouver faces immediate constraints: the mountains and ocean on our doorstep. We're squeezing our population into much tighter space.

That's not to suggest that we should shirk our responsibility to address housing affordability in the city of Vancouver or in the whole Metro Vancouver region. Our communities will only remain livable if people can afford to live here. If someone can craft a tax policy that will improve affordability without undermining the investments of current residents, we should give it due consideration.

But we should do so with a clear eye on what is reasonable and possible in our city.

We're hearing heartfelt complaints from young people who fear they will never be able to afford a single-family home in Vancouver. Fair enough. But it would be oddly extravagant (as well as physically impossible) if every professional couple in their late 20s could move into



IAN SMITH/PNG

Compared with other major Canadian cities, Vancouver is densely populated.

Vancouver's population squeeze

	Population	Area in km ²	Density/km ²
Vancouver	640,000	115	5,200
Toronto	2.6 million	630	4,100
Calgary	1 million	825	1,300

a suburban-style home within a 10-minute drive of the downtown peninsula. A better question might be whether it is fair that 25 per cent of Vancouver's population occupies 65 per cent of the land, often resisting change to their single-family neighbourhoods that might accommodate new residents.

We're also hearing complaints that families can't find

accommodations that are large enough in Vancouver's townhouses and condominiums. It's like the good old days are lost forever.

But are they? In the 1970s, the average home was 1,050 square feet and the average family size was 3.5. Yet by 2006, the average home had ballooned to 1,950 square feet and the average family size had shrunk to 2.5. Our

circumstances have changed, but so have our expectations.

Within all of these restrictions and complications, the development industry is committed to being part of the solution. If we're going to do that in Metro Vancouver — and especially if we're going to do it without consuming invaluable farmland — we will need to make better use of the available land we have.

We will need to work with communities and political leaders who are prepared to make room for development at a density and scale that will accommodate our grown children and our still-welcome immigrants even while retaining our livable character. Sometimes, that will mean condo towers. More frequently it might mean duplexes, fourplexes and mid-rise buildings — including more that have family-friendly three-bedroom configurations.

This discussion is critical and urgent. But we should keep the problem in perspective. And we should realize that the best solutions are always the least complicated: more homes where they are wanted and needed — and not necessarily more regulations, restrictions and constraints on a market that is and will remain in a global squeeze.

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