



Ontario
Home Builders'
Association

***MEDIA* RELEASE**

Housing Affordability Threatened by Toronto Taxes

Second Quarter was sharpest quarterly deterioration in affordability since 1994 in Toronto

Toronto, September 13, 2007 – The City of Toronto has an ironic sense of timing with Mayor Miller’s proposal to reopen the debate on the controversial land transfer tax in an emergency council meeting next week. “The timing of Mayor Miller’s new taxes couldn’t be worse,” stated Ontario Home Builders’ Association President Brian Johnston, adding, “RBC released a report today that confirmed housing affordability experienced its sharpest quarterly decline since 1994 in Toronto.” The RBC Housing Affordability Report also noted that the combination of potentially higher city tax rates and a jump in property assessment levels through higher market values of homes could pose a more significant challenge to affordability conditions from 2009 onwards.

“Mayor Miller should be encouraging home ownership in Toronto as sound economic and environmental policy,” stated OHBA President Brian Johnston, adding, “we are fundamentally opposed to another land transfer tax in Toronto because this would be devastating to housing affordability and to one of the few industries currently thriving in the city. New taxes are not the answer.”

Home Builders have been strongly opposed to the duplication of the provincial land transfer tax in Toronto that will double the current provincial tax rate. Toronto City Council is scheduled to resume the debate on new taxes for home buyers on October 22nd. However, Mayor Miller is crusading for an emergency council meeting in the next week to re-open the debate on the Land Transfer Tax.

The Ontario Home Builders’ Association is the voice of the residential construction industry in Ontario representing 4,200 member companies organized into 30 local associations across the province. The industry contributes over \$33 billion dollars to Ontario’s economy, employing over 313,000 people across the province.

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