Ontario

NEWS

Ministry of Finance

Ontario's Fair Housing Plan Promoting Stable Growth in Provincial Market

New Data Shows Steady Decline in Non-Resident Home Purchases

NEWS December 20, 2017

Ontario's housing market continues to show stable growth, with new data released today showing a decrease in transactions by buyers who are not citizens or permanent residents of Canada in the Greater Golden Horseshoe Region (GGH).

Provincial data shows that individuals who are not citizens or permanent residents of Canada, as well as foreign corporations, accounted for 1.9 per cent of home purchases across the GGH from August 19 to November 17, 2017. This is down from 3.2 per cent from the previous collection period*. In Toronto, 3.8 per cent of transactions were made by foreign buyers, down from 5.6 per cent in the previous period*.

Commented [SY1]: Do we need this?

Commented [BB(2R2]: Yes seems odd to have the asterisk. Please remove.

Ontario's Fair Housing Plan, announced in April 2017, included 16 comprehensive measures to make housing more affordable for homebuyers and renters, while bringing stability to the real estate market and protecting the investment of homeowners. This included the Non-Resident Speculation Tax (NRST) to help address unsustainable housing demand in the GGH, while ensuring Ontario continues to be a place that welcomes all new residents. Individuals who are not citizens or permanent residents of Canada, as well as foreign corporations, that purchase or acquire homes in the GGH may be subject to the NRST.

The Fair Housing Plan also expanded rent control to all private rental units, including those built after 1991, strengthening protections for tenants against sudden, dramatic rent increases.

Making housing more affordable is part of Ontario's plan to create fairness and opportunity during this period of rapid economic change. The plan includes a higher minimum wage and better working conditions, free tuition for hundreds of thousands of students, easier access to affordable child care, and free prescription drugs for everyone under 25 through the biggest expansion of medicare in a generation.

QUOTES

"The data illustrates that our balanced measures, introduced as part of Ontario's Fair Housing Plan, are having the desired effect on the housing market. Property values are growing at a more moderate rate, unlike aggressive price increases last year. People now have more affordable alternatives as the housing supply has increased steadily."
— Charles Sousa, Minister of Finance

QUICK FACTS

- According to the Canadian Real Estate Association, Ontario home resales increased 2.5 per cent in October 2017 from the previous month while average prices rose 1.1 per cent. The Multiple Listing Service Housing Price Index for the Greater Toronto Area (GTA) was 9.7 per cent higher in October compared to a year earlier.

* May 27 to August 18, 2017

…/2

- The Toronto Real Estate Board reported GTA home resales in November 2017 declined 13.3 per cent while the average selling price decreased by 2 per cent, both from a year earlier.
- For the period of April 21 to November 17, 2017, Ontario collected approximately $133 million in NRST. The NRST collected may be subject to rebates and refunds that could significantly reduce its net total. <<hyperlinked to the NRST revenue bulletin>>
- As of April 24, 2017, the province began collecting enhanced information to better understand trends in Ontario's local housing markets. This additional requirement applies to anyone who purchases or acquires land containing up to six single family residences or agricultural land.

LEARN MORE

Non-Resident Speculation Tax Update released on December 20, 2017 <<hyperlink>>

Land Transfer Tax: Additional Information Update released on December 20, 2017 <<hyperlink>>

New Data Shows Decrease in Non-Resident Home Purchases

Ontario Implementing Plan to Create Fairness and Opportunity

Ontario's Fair Housing Plan

For media inquiries only:

Jessica Martin, Minister's Office
Jessica.Martin@ontario.ca
416-212-5181

Scott Blodgett, Ministry of Finance
Scott.Blodgett@ontario.ca
416-325-0324

For public inquiries:

1-866-668-8297
TTY: 1-800-263-7776

ontario.ca/finance
Disponible en français