



Toronto Regional
Real Estate Board

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Addressing Outmigration Trends & Solutions

Overview

This report examines the trend of people leaving the Greater Toronto Area (GTA), focusing on the primary reasons behind this movement and its impact on the region. Excluding international migration into the region, between 2020-2024, the GTA is losing annually on average around 80,000 residents to other parts of the province and outside of Ontario.

FAST FACT

*Improved Freehold Sales within Toronto
(2018-2025)*



~65,700

Source: TRREB

Economic factors, such as high housing prices, unemployment, and inflation, play a significant role in encouraging residents to relocate elsewhere. The GTA's economic growth is slower than the national average, and the region faces higher unemployment rates compared to other parts of Canada. These challenges make it difficult for many residents to

afford homes or even rent, prompting them to seek opportunities in places like Alberta or smaller Ontario cities, where costs are lower and job prospects may be more favourable.

Housing affordability is a central issue. The average home price in the GTA is over \$1 million, nearly nine times the average household income, making homeownership unaffordable for many. High property taxes, expensive land transfer taxes, and significant development charges add to the financial burden on buyers and developers. These costs are much higher in the GTA than in cities like Calgary or Vancouver, making other regions more attractive for both families and businesses.

Infrastructure problems also drive people away. Traffic congestion in Toronto is among the worst in North America, with drivers losing about 118 hours each year to delays. Across the GTA, that is translating to approximately \$44.7 billion in annual combined economic and social costs. Public transit is often unreliable, with many routes experiencing frequent delays and long wait times. These issues contribute to long commutes, increased stress, and a lower quality of life for residents.

FAST FACT

Annual combined economic and social costs.

\$44.7 billion

Source: TRBOT report "Breaking Gridlock: Congestion Action Plan for Toronto"

The rise of remote and hybrid work has further accelerated outmigration. Many people,

especially young families and professionals, are now able to relocate to more affordable communities without having to give up their jobs. This shift has changed what buyers look for in a home, with increased demand for larger spaces and access to outdoor areas. According to a recent Ipsos poll commissioned by TRREB, a significant proportion of young Ontarians aged 18 to 34, sixty-six per cent are most likely to leave the GTA within the next five years, primarily due to concerns about housing affordability and the flexibility offered by remote work.

FAST FACT

Young Ontarians aged 18-34 are most likely to leave the GTA within the next five years, primarily due to concerns about housing affordability and the flexibility offered by remote work.



Source: Ipsos poll commissioned by TRREB

The consequences of this trend are significant. The GTA is losing working-age adults and young families, which can lead to talent shortages in key sectors and an aging population. At the same time, communities receiving these new residents must adapt to increased demand for housing and services, while Toronto's downtown core faces changes in the housing market and local economy.

Analyses and Recommendations

Economic Drivers of Outmigration

Economic factors play a crucial role in driving outmigration from the GTA, as Canada's financial hub faces challenges such as high housing costs, unemployment, and inflation.

Comparing GDP growth, unemployment rates, inflation rates, interest rates, wage growth, and consumer spending across the GTA and Canada helps illustrate disparities that may prompt residents to seek opportunities elsewhere. These compounding factors have led to decreased affordability, and Ontario residents are unable to afford rent or access home ownership.

GDP Growth

Canada

Canada's economy is experiencing a period of subdued growth as it adjusts to the effects of widespread U.S. tariffs and slower population expansion. According to the Bank of Canada's October 2025 Monetary Policy Report, real GDP contracted by 1.6% in the second quarter of 2025, primarily due to reduced exports and business investment amid heightened trade uncertainty. Growth is expected to remain weak through the second half of 2025, averaging around 0.75%, before gradually recovering in 2026 and 2027 as firms adapt to new trade realities.

The Central Bank projects annual GDP growth to average 1.4% over 2026 and 2027, representing a slower recovery than anticipated earlier in the year. The weaker outlook reflects both cyclical and structural headwinds: declining exports to the United States, lower business investment, and slower population growth are weighing on output.

FAST FACT

Baseline model estimates a modest 1 - 2 per cent differential price trend for larger lots post-reform.

While household and government spending continue to provide some support to economic activity, Canada's potential output has been revised downward, as the reconfiguration of trade relationships and production patterns is expected to have lasting effects on productivity. Overall, the Bank of Canada forecasts a gradual return to modest growth, with inflation remaining close to its 2% target through the projection horizon.

GTA

According to the 2025 Ontario Economic Outlook and Fiscal Review, Ontario's economy remains resilient despite trade headwinds and tariff-related disruptions. Real GDP growth is projected to decelerate from 1.4% in 2024 to 0.8% in 2025 and 0.9% in 2026, broadly consistent with earlier budget forecasts. Growth is expected to strengthen in the outer years, reaching 1.8% in 2027 and 1.9% in 2028, as the province benefits from infrastructure investment, industrial diversification, and supply-chain realignment.

While near-term performance is constrained by weaker exports and housing activity, Ontario's long-term outlook is supported by strategic investments in advanced manufacturing, nuclear energy, critical minerals, and domestic supply-chain development. Under the Fall Economic Statement (FES) baseline projection, the Ministry of Finance notes that Ontario's economy continues to outperform expectations in several key sectors, with nominal GDP forecast to grow 3.2% in 2025 and 3.0% in 2026.

Impact on Outmigration

Ontario faces significant economic headwinds from newly imposed U.S. tariffs, as its economy remains highly reliant on manufacturing sectors, particularly steel, aluminum, and automotive production, that are directly exposed to trade disruptions. Slower GTA GDP growth compared to Canada may prompt residents to relocate to regions like Alberta, where the oil sector's recovery offers stronger economic opportunities, potentially affecting family budgets and business viability. Experts from RBC Economics Canadian GDP Update, March 2025, suggest tariff impacts could exacerbate regional disparities, encouraging relocation.

Unemployment Rate

Canada

As of October 2025, Canada's labour market showed modest signs of recovery following two consecutive months of job gains. National employment rose by 67,000 (+0.3%), bringing the unemployment rate down to 6.9%, from 7.1% in September

. The employment rate increased slightly to 60.8%, supported by private-sector hiring and a rebound in services-producing industries.

Employment growth was concentrated in wholesale and retail trade (+41,000; +1.4%), transportation and warehousing (+30,000; +2.8%), and information, culture, and recreation (+25,000; +3.0%), partially offset by a decline in construction (-15,000; -0.9%). Gains were strongest among core-aged men (25-54) and youth (15-24), whose employment rose 0.5% and 0.8%, respectively.

Average hourly wages grew 3.5% year-over-year, reaching \$37.06, while total actual hours worked edged down 0.2% due to temporary labour disruptions. Despite this recent improvement, unemployment remains elevated relative to pre-pandemic and early-2024 levels, reflecting the economy's adjustment to slower output growth, weaker business investment, and ongoing trade-related uncertainty. Long-term unemployment continues to account for over one-fifth of job seekers, underscoring the persistent structural challenges in reemployment.

Ontario

In Ontario, employment increased by 55,000 (+0.7%), marking the first monthly gain since June, 2025, with the unemployment rate declining to 7.6% (-0.3 percentage points). While this marks a welcome improvement, unemployment remains higher than the national average and significantly above the levels observed prior to the imposition of U.S. tariffs on steel, aluminum, and automotive goods. These trade headwinds have weighed heavily on manufacturing and goods-producing employment in Southern Ontario, contributing to ongoing labour market fragility despite recent momentum in service-sector hiring.

Toronto

In the Toronto CMA, employment rose modestly by about 18,500 jobs (approximately +0.5%) in the 12 months to September 2025, reaching a total employment level of around 3,715,900. The annual unemployment rate stood at approximately 9.4%, a decrease of 0.3 percentage points from the previous month, but representing a much higher level than both the provincial and national rates.

The average hourly wage reached \$41.40, marking a notable 9.3% increase year-over-year.

FAST FACT

Falsification tests are most informative when applied across pre-signal and post-signal periods.

Sectorally, the key drivers of job growth were the consumer-facing services sector, which added approximately 13,500 positions (+7%), and the transportation & warehousing sector, which increased by roughly 2,700 jobs. In contrast, employment in manufacturing declined by approximately 12,400 jobs (-3.5%), and business, building, and other support services lost around 8,100 jobs (6.2%). These shifts suggest that the labour market in Toronto is increasingly weighted toward service sectors, while industrial and support services segments continue to face structural headwinds.

Although wage growth and job additions are encouraging, the fact that the unemployment rate remains elevated (near 9.4%) signals that labour market lag persists in the region. Combined with the employment declines in manufacturing and support services, this suggests that the transformation of the Toronto economy is still underway, and that pockets of weakness remain even as specific sectors improve.

Impact on Outmigration

The sustained labour market weakness in Toronto, alongside rising living costs, is contributing to continued outmigration from the Greater Toronto Area (GTA). Elevated unemployment, particularly among younger and mid-career workers, has amplified the appeal of more affordable regions such as Southwestern Ontario, Atlantic Canada, and Alberta, where job creation in energy, logistics, and skilled trades has been comparatively stronger.

Wage gains have concentrated in high-skill service sectors (finance, technology, and healthcare), widening the income divide between professional and blue-collar workers. Those outside these high-growth sectors face stagnant real wages amid mounting costs for housing, transportation, and taxes. This imbalance is pushing working-class and early-career residents to relocate in search of lower costs and more stable employment opportunities.

Compounding this trend, the structural decline of manufacturing in the GTA, intensified by ongoing trade frictions and global supply-chain adjustments, has diminished employment security in traditional middle-income jobs. As a result, the region risks losing both its industrial workforce and younger families, undermining local economic diversity and talent retention.

Ultimately, Toronto's persistently high unemployment, combined with affordability pressures and limited middle-income job creation, continues to reinforce the migration pipeline out of the GTA toward regions offering lower costs and stronger job prospects.

Rising Crime in the GTA

Over the past several years, major police services across the Greater Toronto Area (GTA) have reported continued challenges linked to organized theft, violent crime, and community safety perceptions. Although enforcement initiatives and targeted task forces have begun to yield reductions in certain categories, public confidence in safety has not fully recovered, and crime remains a notable factor influencing quality of life and migration decisions.

Violent Crime

Toronto recorded 85 homicides in 2024, up from 73 in 2023, while total crimes against the person increased 8.2% year-over-year to 33,096 reported incidents. Peel Region reported a 70% homicide clearance rate and a 49% increase in illegal firearm seizures. In Durham Region, police noted ongoing concern over the proliferation of firearms, hate-motivated incidents, and human trafficking cases, emphasizing that mental-health-related police apprehensions rose nearly 15% from 2023 to 2024. York Regional Police similarly reported violent crime pressures but credited specialized enforcement for a decline in organized robberies and hate-crime occurrences.

Property Crime and Auto Theft

Property crime remains one of the fastest-growing concerns across the GTA. In Toronto, property-related offences increased to 122,315 in 2024, a rise of approximately 2% from 2023, primarily driven by auto thefts and break-and-enters. Peel Region's specialized "Project Odyssey" recovered 369 stolen vehicles valued at nearly \$33 million, part of a broader regional trend of organized theft for export. Durham Police reported a 14.5% decline in auto thefts in 2024 following the creation of a dedicated task force, though incidents remain well above pre-pandemic levels. York Region also reported thousands of vehicle thefts in 2024 despite stepped-up interdiction efforts.

Public and Community Safety

Transit-related offences, hate crimes, and street disorder remain elevated compared to historical norms. The Toronto Police recorded 443 hate-crime reports in 2024, a 19%

increase from the previous year. Both Peel and Durham highlighted persistent issues tied to homelessness, mental-health crises, and addiction-related incidents requiring police intervention. While municipal governments and police departments continue to invest in community outreach and rapid-response programs, enforcement resources remain strained by population growth and the complexity of social needs.

Homeless Encampments

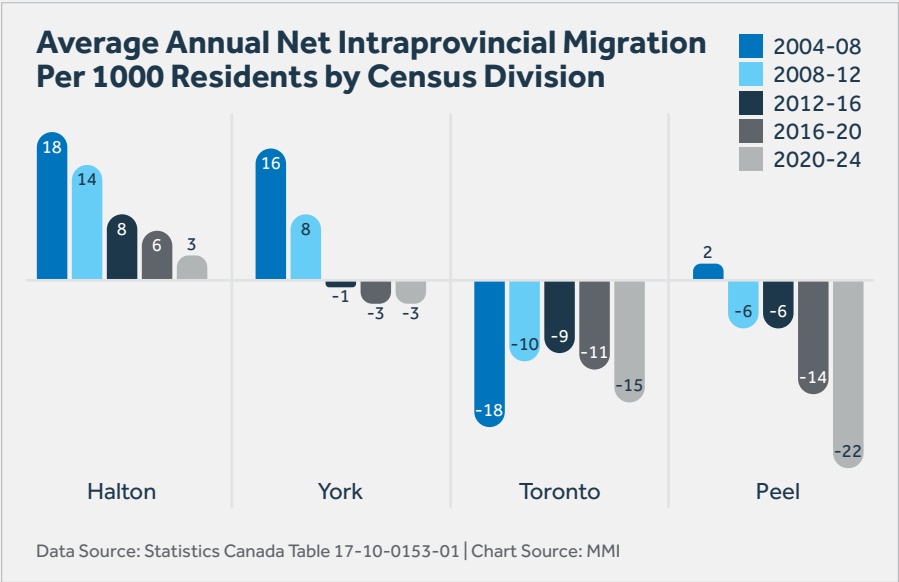
Encampments have become increasingly common across the Greater Toronto Area, reflecting the widening gap between housing costs and the availability of shelter. In Toronto, the 2024 Street Needs Assessment found that 1,615 people were living outdoors, including 646 individuals in encampments, a sharp increase from 2021 levels. These sites now represent about 10% of the city’s homeless population, concentrated primarily in the downtown core and along major transit corridors.

As of September 2024, 35 active encampment sites were recorded in Durham Region, with concentrations in Oshawa, Ajax, and Bowmanville, typically housing two to five people per site. The region also reported a 64% increase in chronic homelessness since the start of the year.

While encampments account for a small share of the overall population, their growing visibility in parks, ravines, and public spaces has heightened residents’ sense of disorder and insecurity. The proliferation of tent sites, particularly in high-traffic areas, may be reinforcing perceptions of urban decline and contributing to the desire among some households to relocate outside the GTA.

Implications for Outmigration

The sustained visibility of property crime, public-safety concerns, and growing homeless encampments may be contributing to the perception that urban living in the GTA has become



increasingly precarious. Even as year-to-date data show modest improvements in certain crime categories, persistent auto theft, transit violence, and the spread of encampments across public spaces have eroded residents' sense of order and livability.

For many households, these safety and quality-of-life concerns compound existing pressures from high housing costs, congestion, and limited space. The sight of tents in parks and near major transit corridors, alongside headlines about vehicle theft, home break-ins and random violence, reinforces a narrative of urban decline. As a result, more residents appear to be pursuing relocation to smaller Ontario municipalities or other provinces where affordability, perceived safety, and community cohesion remain stronger.

Inflation Rate

Canada

As of September 2025, Canada's headline Consumer Price Index (CPI) inflation stood at 2.4%, while core inflation (CPI-trim and CPI-median) hovered around 3%. Underlying inflation pressures have remained persistent due to tariff-driven increases in the cost of goods such as vehicles, appliances, and building materials. The Bank of Canada projects inflation to stay close to its 2% target through 2026, as weaker domestic demand offsets tariff-related cost pressures.

GTA and Ontario

Ontario's CPI inflation has broadly eased in recent months, falling below the 2% target. The Ontario Ministry of Finance projects inflation to average 1.9% in 2025, down from 2.4% in 2024, before stabilizing near 2% over the medium term. However, in the GTA, shelter and rent costs continue to rise faster than the overall CPI, keeping cost-of-living pressures high relative to wage growth.

Long-Term Inflation Trends

Since the 2020 pandemic, Canada has undergone one of the most pronounced inflationary cycles in decades. Consumer prices surged between 2021 and 2023, peaking above 8% in

mid-2022, the highest level since the early 1980s, driven by supply chain disruptions, energy price spikes, and surging demand following pandemic-era stimulus. Although inflation has since moderated to near the Bank of Canada's 2% target, the cumulative effect of these years has left household costs permanently elevated.

Prices for food, shelter, and rent remain significantly higher than pre-pandemic levels. Grocery bills are approximately 25-30% higher than in 2019, and average rents in the GTA have increased by more than 40% over the same period. These structural cost increases have eroded real purchasing power, particularly for younger and middle-income households. Even with headline inflation now stable, persistently high living costs in essential categories, combined with significant labour market challenges, continue to shape perceptions of affordability and may encourage more residents to seek relief outside the GTA.

Impact on Outmigration

Although inflation has moderated in recent years, the price of housing, energy, and essential goods in the GTA remains elevated. Combined with wage stagnation and tariff-linked price shocks, this has sustained a perception of declining affordability. The lingering effects of the 2022-2023 inflation surge, when costs accelerated sharply, continue to influence migration decisions. Many households, particularly young families and middle-income earners, remain inclined to relocate to smaller Ontario centres or other provinces where housing and daily

Traffic Congestion

Traffic congestion has emerged as one of the most influential quality-of-life concerns in the GTA and a growing factor driving relocation decisions. According to a June 2024 Ipsos poll for the Toronto Region Board of Trade, 86% of residents agree that the region faces a congestion crisis, and 85% believe it has negative impacts on the economy. 42% of commuters report that their travel times have increased over the past year, with many citing construction and unpredictable journey times as the main causes of frustration.

The daily burden of congestion extends beyond inconvenience. 62% of respondents reported being reluctant to travel to work due to traffic, and 53% have considered relocating outside

the GTA altogether because of persistent gridlock.

Younger residents and families were especially affected, reporting higher stress and longer commute times compared to older cohorts. These conditions have begun to reshape commuting behaviour and urban engagement, as nearly half of residents now avoid shopping in person, attending events, or dining out because of congestion.

The cumulative impact of lost time, productivity declines (\$44.7 billion annually in GTA), and reduced mobility contributes to a growing perception that the GTA's infrastructure is no longer keeping pace with its population. For many residents, the constant delays and unpredictability of travel represent not only a logistical challenge but also a decline in the standard of urban livability. As congestion worsens and commute times lengthen, many households appear increasingly motivated to relocate to smaller or mid-sized communities where transportation networks are more reliable and daily life is less burdened by gridlock.

Property Tax Comparison Across Major Canadian Cities

The cost of homeownership varies significantly across Canadian cities, taking into account both property values and municipal tax rates. Applying 2025 residential property tax rates to current average home prices shows that homeowners in the Greater Toronto Area (GTA) face among the highest ongoing ownership costs in the country.

In **Toronto**, the combined 2025 residential property tax rate is approximately **0.7541%** ([wise.com](https://www.wise.com)), which includes the base levy and the City Building Fund. Based on an average home price of **\$1,089,918** in September 2025 ([trreb.ca](https://www.trreb.ca)), the estimated annual property tax is roughly **\$8,219**.

In **Mississauga**, the total 2025 residential property tax rate (city, region, and education) is **1.033864%** ([wowa.ca](https://www.wowa.ca)). With an average home price of **\$969,501** as of September 2025 ([trreb.ca](https://www.trreb.ca)), the estimated annual property tax burden is approximately **\$9,950**, the highest among the cities compared.

By contrast, **Calgary** maintains a significantly lower residential property tax rate of **0.6180%** ([calgaryhomes.ca](https://www.calgaryhomes.ca)). For an average home valued at **\$615,005** in September 2025 ([wowa.ca](https://www.wowa.ca)),

the annual property tax totals about **\$3,990**.

Similarly, **Vancouver** homeowners benefit from the lowest relative tax burden among Canada's largest cities. The 2025 residential property tax rate is approximately **0.3118%** ([zolo.ca](#)). With an average home price of **\$1,253,274** ([wowa.ca](#)), the resulting annual tax is roughly **\$3,860**.

Across these comparisons, the Greater Toronto Area stands out for combining **both higher home prices and higher tax rates**, compounding affordability pressures. A Toronto homeowner pays roughly **double** the annual property tax of a comparable Calgary homeowner, while a Mississauga homeowner pays nearly **three times more**. When layered onto already elevated mortgage and utility costs, this recurring financial burden may be a growing contributor to **outmigration from the GTA**, as households seek jurisdictions with lower carrying costs and stronger overall value for homeownership.

Land Transfer Taxes and Development Charges

Land Transfer Tax Comparison

In Toronto, homebuyers are subject to both the Ontario Land Transfer Tax (PLTT) and the Municipal Land Transfer Tax (MLTT), effectively doubling the tax burden compared to other Ontario municipalities.

Ontario Land Transfer Tax (PLTT):

- 0.5% on the first \$55,000
- 1.0% on the portion from \$55,000 to \$250,000
- 1.5% on the portion from \$250,000 to \$400,000
- 2.0% on the portion from \$400,000 to \$2,000,000
- 2.5% on the portion over \$2,000,000

Municipal Land Transfer Tax (MLTT):

Toronto's MLTT mirrors the PLTT rates for properties up to \$2,000,000.

For properties over \$2,000,000, additional higher marginal rates apply, with the city approving hiking rates for \$3 million+ properties starting in 2026:

- 2.5% on the portion from \$2,000,000 to \$3,000,000
- 3.5% on the portion from \$3,000,000 to \$4,000,000
- 4.5% on the portion from \$4,000,000 to \$5,000,000
- 5.5% on the portion from \$5,000,000 to \$10,000,000
- 6.5% on the portion from \$10,000,000 to \$20,000,000
- 7.5% on the portion over \$20,000,000

Vancouver

In British Columbia, the Property Transfer Tax (PTT) applies as follows:

- 1% on the first \$200,000
- 2% on the portion from \$200,000 to \$2,000,000
- 3% on the portion over \$2,000,000

An additional 2% on the portion over \$3,000,000 for residential properties

Calgary

Alberta does not impose a land transfer tax. Instead, buyers pay modest Land Title Registration Fees, which are significantly lower than LTTs in other provinces:

- \$50 base fee plus \$2 for every \$5,000 of the property's value
- \$50 base fee plus \$1.50 for every \$5,000 of the mortgage amount

Example: For a \$500,000 home with a \$400,000 mortgage, the total registration fees would be approximately \$290.

Montreal

In Quebec, the Welcome Tax (Transfer Duties) is applied, with Montreal imposing higher rates on more expensive properties:

- 0.5% on the first \$61,500
- 1.0% on the portion from \$61,500 to \$307,800
- 1.5% on the portion from \$307,800 to \$552,300
- 2.0% on the portion from \$552,300 to \$1,104,700
- 2.5% on the portion from \$1,104,700 to \$2,136,500
- 3.5% on the portion from \$2,136,500 to \$3,113,000
- 4.0% on the portion over \$3,113,000

Development Charges

Greater Toronto Area (GTA)

Development charges are fees collected from developers at the time a building permit is issued to help pay for the cost of infrastructure required to provide municipal services to new development, such as roads, transit, water and sewer infrastructure, community centres, and fire and police facilities.

Development charges in the GTA have seen significant increases in recent years:

- Low-Rise Homes: The average development charge per unit is approximately \$123,649, reflecting an increase of \$42,000 since 2022.
- High-Rise Homes: The average development charge per unit is approximately \$68,608, up by \$32,000 since 2022.

Calgary

Calgary employs a different approach through off-site levies, which are fees collected to fund infrastructure required for new developments:

- Off-Site Levies: As of March 1, 2024, the average off-site levy cost per housing unit is approximately \$22,600, marking an increase of about \$1,700 per unit.

These levies cover a range of infrastructure needs, including water and wastewater treatment, transportation, and emergency services.

Impact on Development and Affordability

The disparity in development charges between the GTA and Calgary has notable implications. Higher development charges in the GTA contribute to increased housing costs, potentially deterring buyers and developers. Lower charges in Calgary may enhance its attractiveness to both developers and prospective homeowners, potentially driving outmigration from higher-cost regions, such as the GTA.

HST on New Homes and General Taxation

GST/HST on New Homes

Federal GST Rebate for First-Time Homebuyers (2025):

Effective May 27, 2025, the Canadian government introduced the First-Time Home Buyers' (FTHB) GST Rebate as part of its 2025 Budget. This initiative provides:

- A 100% rebate of the 5% federal GST (or the federal portion of the HST) on new homes priced up to \$1 million.
- A partial rebate for homes priced between \$1 million and \$1.5 million, decreasing linearly. For instance, a \$1.25 million home would qualify for a 50% rebate.
- No rebate for homes priced at \$1.5 million or more.

To be eligible, purchasers must be first-time homebuyers, at least 18 years old, Canadian citizens or permanent residents, and intend to use the home as their primary residence. The agreement of purchase and sale must be signed between May 27, 2025, and December 31, 2030, with construction substantially completed by December 31, 2035.

Ontario HST Implications:

In Ontario, the *Harmonized Sales Tax (HST)* remains 13%, combining a 5% federal GST and an 8% provincial portion. However, in the 2025 Fall Economic Statement, the Ontario government announced it will remove the provincial 8% HST portion for *first-time buyers of newly built homes* effective January 1, 2026. This measure mirrors the federal GST rebate and effectively makes new homes HST-free for first-time buyers up to the \$1 million threshold, with a declining rate for properties up to \$1.5 million.

Together, these combined rebates reduce closing costs by tens of thousands of dollars for qualifying buyers, particularly in the GTA, where the average new home price often exceeds \$900,000.

Income Tax Rates (2025)

Ontario

Combined federal and provincial income tax rates in Ontario for 2025 are:

- 20.05% on the first \$49,231 of taxable income.
- 53.53% on taxable income over \$220,000.

Alberta:

Combined federal and provincial income tax rates in Alberta for 2025 are:

- 23.0% up to \$60,000
- 48% on taxable income over \$362,961

Combined with federal rates, Alberta's total tax rates are generally lower than Ontario's, especially for middle-income earners.

Implications for Outmigration

The cumulative weight of taxation and fees in the Greater Toronto Area, encompassing land transfer taxes, development charges, income taxes, and sales taxes, has resulted in one of the highest effective costs of homeownership in Canada. A new homebuyer in Toronto can typically face over \$150,000 in combined taxes, levies, and closing costs before making a single mortgage payment, though governments are beginning to take action to reduce these burdens.

These structural expenses not only reduce affordability but also discourage inter-provincial investment and mobility into the region. In contrast, cities like Calgary, Edmonton, and even mid-sized Ontario municipalities offer markedly lower barriers to homeownership entry, with minimal land transfer fees, lower property taxes, and more predictable development costs. This disparity has become a growing factor in household relocation decisions, reinforcing a broader pattern of outmigration from the GTA toward jurisdictions with lower taxation, faster permitting timelines, and greater perceived economic freedom.

Work-from-Home Trends and Outmigration

The shift toward remote and hybrid work has become a defining feature of the post-pandemic labour market, significantly reshaping residential patterns in the Greater Toronto Area (GTA). According to [Statistics Canada](#), as of November 2024, in the Toronto economic region, **14.0%** of employees worked exclusively from home, and an additional **14.8%** were in hybrid arrangements (totalling 28.8%). This compares with just 3.6% in May 2016.

Across Canada, working from home remains a meaningful option. A 2025 survey by [Robert Half](#) found that **68%** of Canadian workers cited flexibility as a major influence in their job choice decisions, with **49%** of job seekers indicating a strong preference for hybrid roles and **26%** for fully remote roles.

This new flexibility has enabled many GTA residents, particularly young families and professionals, to relocate to more affordable and spacious communities outside the GTA while maintaining employment in the GTA. A study by the [C.D. Howe Institute](#) noted that by the end of 2023, **26%** of paid employees across Canada were spending at least part of their week working from home, with the trend particularly evident in metro regions like Toronto, where remote-enabled jobs are concentrated.

As commuting constraints relax and location becomes less tied to office geography, many households are reassessing the premium placed on proximity to the city center. This is reflected in anecdotal data showing a movement from the GTA to surrounding communities, where larger homes, better outdoor space, and lower living costs are more accessible. This trend is also evident in a recent Ipsos poll commissioned by the Toronto Regional Real Estate Board (TRREB) which revealed that 66 per cent of young Ontarians (aged 18-34) plan to leave the GTA within five years, citing housing affordability as the primary reason. An article from

[Toronto Metropolitan University](#) echoes this sentiment, suggesting that some workers in Toronto have left the region because of the option to work remotely.

In combination, these trends suggest that remote work flexibility is not just altering how we work; it's also influencing **where** we live. For the GTA, this means that while high housing costs and urban amenities have traditionally anchored population growth, the ability to work from home has become a catalyst for **outmigration**, as households seek lifestyle advantages and cost savings in regions with more space, shorter commutes, and lower ownership burdens.

Recommendations:

To address these challenges, several policy recommendations are warranted.

1. **Increasing the supply of family-sized housing in the GTA is crucial.** This can be achieved by accelerating zoning reforms to permit more “missing middle” housing—such as townhouses, duplexes, and low-rise apartments in established neighbourhoods, and by incentivizing developers to build affordable, ground-oriented homes suitable for families. Building code amendments that remove rules hampering the constructions of family-sized apartments should also be considered.
2. **Supporting remote work infrastructure is essential.** Investments in high-speed internet and digital infrastructure in both urban and rural areas will support continued remote work, while encouraging employers to maintain flexible work policies can help retain talent and reduce congestion.
3. **Regional economic planning is necessary to prepare for population growth in impacted communities.** Urban policy should also be adaptable, with continuous monitoring of migration trends and housing needs to inform responsive planning. Strategies to revitalize downtown Toronto, such as converting underused office space to residential or mixed-use developments, should be considered to keep the urban core vibrant.

Conclusion

Outmigration from the Greater Toronto Area reflects the intersection of long-term affordability pressures, fiscal policy burdens, and shifting lifestyle preferences. High housing costs, multi-layered taxation, and infrastructure strain have eroded the region's traditional appeal, particularly for younger households and working-age families. The normalization of remote and hybrid work has expanded geographic options, allowing residents to pursue lower costs and an improved quality of life in smaller Ontario centres or other provinces. Despite moderate improvements in inflation and employment, structural costs remain elevated. Property taxes, land-transfer levies, and development charges continue to compound ownership barriers, while congestion and safety concerns weigh on perceptions of urban livability. The cumulative effect is a steady redistribution of population and economic activity away from the GTA toward jurisdictions that offer affordability, accessibility, and fiscal predictability.

Addressing this trend will require coordinated action across governments to expand the right type of housing supply, streamline permitting processes, and moderate cumulative fees for new construction. Without comprehensive reform, the region risks entrenching a pattern of outward mobility that could slow long-term economic growth, strain public revenues, and weaken the GTA's role as Canada's primary destination for opportunity and investment.



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