

October 22, 2025
Hon. Peter Bethlenfalvy
Minister of Finance
Frost Building South
7 Queen's Park Crescent
Toronto, ON
M7A 1Y7

Submitted via email to: Minister.fin@ontario.ca

RE: TRREB Submission Regarding Ontario Fall Economic Statement

Dear Minister Bethlenfalvy,

On behalf of more than 70,000 REALTOR® Members of the Toronto Regional Real Estate Board (TRREB), I am writing to provide input for consideration as the Government of Ontario prepares its 2025 Fall Economic Statement.

TRREB fully supports the province's commitment to tackling Ontario's housing affordability and supply crisis. Achieving a healthy and sustainable housing system will require continued, targeted action in key areas to meet provincial supply goals and protect fairness for renters and homeowners alike.

We submit the following recommendations for consideration in the upcoming Fall Economic Statement.

Restart MPAC Property Assessments

Unfortunately, the provincial decision to pause regular property reassessments by the Municipal Property Assessment Corporation (MPAC) has created growing distortions in Ontario's property tax system. As of 2025, assessments remain based on 2016 market values, nearly a decade out of date. Given the significant appreciation and localized market shifts that have occurred since then, this prolonged freeze has resulted in inequities between similar properties, with some owners now paying disproportionately more or less in property taxes due to outdated valuations.

Over time, the widening gap between assessed values and actual market conditions risks eroding public confidence in the fairness and transparency of the property tax framework. Homeowners of certain property types, particularly those in areas or sectors that have appreciated more rapidly, are being penalized, while others continue to benefit from assessments that no longer reflect market reality. The absence of current data also undermines transparency across the broader real estate ecosystem, limiting the accuracy of information relied upon by buyers, sellers, municipalities, and developers alike.

TRREB strongly urges the province to resume MPAC's regular assessment cycle, beginning with clear communication to municipalities and property owners about a phased reintroduction of updated valuations. A modernized reassessment, aligned with current market conditions, will help

restore fairness and equity across the system, strengthen transparency in municipal taxation, and reduce long-term uncertainty for Ontario residents.

Reduce the Backlog at the Landlord and Tenant Board

A functional and efficient Landlord and Tenant Board (LTB) is essential to the stability of Ontario's rental housing sector. The delays resulting from the existing backlog have particularly impacted small landlords who rely on timely hearings and resolutions to maintain rental income. They also limit tenant access to justice in legitimate cases of dispute.

The current backlog results from several intersecting challenges: insufficient staffing levels, an inadequate number of experienced adjudicators, outdated administrative systems, and a heavy reliance on digital-only hearings that have unintentionally created barriers to access for vulnerable individuals.

As outlined in the 2024 TRREB report, [*Breaking the Backlog: Restoring Fairness and Justice to Ontario's Landlord and Tenant Board*](#), restoring public confidence in the LTB requires a multi-pronged approach:

- **Reinstate in-person hearings** as the default, while preserving virtual options where both parties agree. This will help reduce accessibility challenges for vulnerable populations.
- **Modernize the LTB's technology infrastructure** for more reliable scheduling, communication, and case processing.
- **Implement and enforce service timelines** for urgent applications to help ensure timely access to justice.
- **Streamline application intake and screening** to prevent minor administrative issues from delaying or invalidating legitimate cases.

According to an Ipsos public polling commissioned by TRREB in October 2024, the results are clear: a substantial majority of residents across the GTA (94 per cent) think that it is essential for Ontario to have a properly functioning LTB to support the rental housing market; 93 per cent want to see the government reduce the backlog at the LTB; and 89 per cent support the government investing in technology, processes, and hiring additional staff at the LTB.

A healthy and responsive rental housing market depends on a well-functioning dispute resolution system. Addressing the LTB backlog must remain a priority if Ontario hopes to maintain and expand the supply of purpose-built and secondary rental housing.

Provide Targeted HST Relief to Stimulate New Housing Starts and Focus on Job Creation and Economic Growth

Housing and the real estate industry provide more than shelter. They are the foundation of our economy, a significant contributor to GDP, and the source of employment for tens of thousands of workers. As witnessed during COVID, housing is an economic engine that was essential to the health of the economy.

Ontario's housing supply goals are increasingly at risk as new construction slows across the province. Data from the first half of 2025 shows a collapse in housing sales and starts, driven by elevated construction costs and fees, and economic uncertainty from U.S. tariffs. Reducing construction costs remains the most critical factor in translating housing targets into actual housing starts. Without addressing underlying cost pressures, it will be impossible to stimulate the new supply required to meet current and future demand. If the present trend continues, the

consequences will be felt not only today but for years to come, as the development cycle often requires a multi-year runway from permitting to completion.

TRREB recommends that the province explore temporary and targeted relief on the provincial portion of the Harmonized Sales Tax (HST) for all new housing developments, aligning with similar federal efforts under consideration for the GST. This relief can potentially support shovel-ready projects that are currently stalled due to financial viability challenges.

Incentivizing developers to proceed with construction today will help ensure that jobs are protected, economic growth continues, and an active housing pipeline is established. This will help prevent an even more acute supply crisis in the years ahead. Furthermore, targeted tax relief can act as a stimulus to revive investor and builder confidence and avoid a prolonged slowdown that could take years to reverse.

Given the broader economic and budgetary constraints and uncertainties, we recognize that governments at all levels are seeking neutral or low-cost policy solutions. However, there is a significant cost to inaction. A prolonged stall in new construction will exacerbate the province's loss of tens of thousands of jobs, tax revenues, and construction activity. It will also negatively impact the housing supply shortfall and lead to more pronounced affordability pressures. Without intervention, these dynamics risk triggering upward price pressure in the resale market.

Given the complexity and large amounts of capital investment required in the housing sector, a renewed investment in housing will require a deliberate shift toward private-sector incentives that attract and mobilize capital rather than rely on traditional government grants. This is where the provincial government can play a significant role by reducing regulatory risk, offering targeted tax measures, and ensuring predictable approval processes. Investing in new and emerging building methodologies such as factory-built, panelized, modular, and other innovative construction techniques is also necessary.

Conclusion

TRREB applauds the Ontario government for its continued efforts to tackle the province's housing affordability and supply challenges. We encourage renewed attention to the key areas of concern to ensure new housing supply is not delayed by market pressures that can be addressed through targeted policy interventions.

Thank you for the opportunity to provide feedback. TRREB remains committed to working collaboratively to advance housing policies that support affordability, growth, and fairness for all Ontarians. Please do not hesitate to reach out if additional information is required.

Sincerely,



Elechia Barry-Sproule
President