

41,000 jobs, 23,000 annual housing starts and \$10 billion in investment at risk — third-party analysis underscores the implication of inaction on broad GST/HST relief for new homes

Greater Toronto Area, June 23, 2025 – A new article by Altus Group, prepared for the Building Industry and Land Development Association (BILD) and the Ontario Home Builders' Association (OHBA) demonstrates that without significant intervention to jump-start the housing sector, almost 50 per cent of residential construction sector jobs in the Greater Toronto Area (GTA) are at risk. The article further outlines that without action, by 2027, housing starts could fall by more than 60 per cent versus 2024 levels and construction investment could drop by over \$10 billion in the GTA. The article joins a growing body of research that points to the need to urgently cut the GST/HST on all new homes.

“The pipeline of future housing supply for the GTA is at risk, along with the livelihood of 41,000 workers in the region and billions of dollars of investments,” said Dave Wilkes, President and CEO of BILD. “Alongside this massive risk we now know, due to economic analysis undertaken on the cost for governments to eliminate the GST/HST on new homes, that the provincial and federal governments can mitigate against this by treating the new home buyers of today more equitably.”

Altus Group's paper can be found [here](#). It provides analysis on the need to increase the urgency of addressing barriers (including excessive government taxation) now, before these longer-term implications on the pipeline of construction, and ultimately on jobs and the broader economy, set in.

Analysis of the costs of extending the GST/HST exemption to all new owner-occupied housing, rather than the very narrow current federal government approach, can be found [here](#) for Ontario; and [here](#) for the federal analysis. Prepared by the Missing Middle Initiative, the think tank estimated the total cost to extend GST/HST relief to all owner-occupied new home purchases to be \$2 billion nationally and \$900 million provincially.

“This one measure taken in tandem by the province and federal government can immediately lower housing costs, jump-start demand, and protect against future supply shocks that spike prices,” added Scott Andison, CEO of the Ontario Home Builders' Association. “Parking the generational equality and affordability issues, it's important to remember that the government cost estimates are province-wide and nationwide, with housing starts in the GTA being approximately 20 to 25 per cent of the national average and 40 to 45 per cent of the provincial average. That means for less than a billion dollars governments can protect at least 41,000 jobs, 23,000 annual starts, and over \$10 billion in investment — with all the spinoff associated with that. If you extrapolate this across the province the impact is even greater; if this were any other industrial sector, this wouldn't even be a question.”

Housing is not a just-in-time product — the pipeline is long. Regulators observing lagging indicators of the sector's health are looking in the rearview mirror and risk missing the opportunity to effect change to avoid a looming crisis. The time for action on the GST/HST exemption for all new housing, both provincially and federally, is now.

BILD and OHBA thanks and acknowledges Altus Group for this timely and valuable analysis.

With more than 1,000 member companies, BILD is the voice of the home building, residential and non-residential land development and professional renovation industries in the Greater Toronto Area. The building and renovation industry provides 256,000 jobs in the region and \$39.3 billion in investment value. BILD is affiliated with the Ontario and Canadian Home Builders' Associations.

Founded in 1962, the Ontario Home Builders' Association (OHBA) is the voice of the residential construction industry in Ontario. It represents over 4,000 member companies in the home building, land development, professional renovation, and professional services sectors through 28 local chapter associations across the province. OHBA advocates on behalf of its members to key stakeholders, provides member benefits and training, and promotes innovation and professionalism within the residential construction industry.

-30-

For additional information or to schedule an interview with BILD, contact Justin Sherwood at jsherwood@bildgta.ca (416-371-6005).

For OHBA information or to schedule an interview, contact Emma Maynard at emaynard@ohba.ca (416-578-5800)