

NEWS RELEASE

Red tape costs homebuilders twice as much in Toronto than Hamilton

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For immediate release

TORONTO—The cost of complying with residential development regulations in Toronto is more than twice as expensive than in Hamilton, according to a survey of homebuilders released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

The *New Homes and Red Tape in Ontario: Residential Land-Use Regulation in the Greater Golden Horseshoe* finds that typical compliance costs were \$46,569 per unit of new housing in Toronto compared to \$20,961 in Hamilton.

In Oakville, one of the most regulated municipalities in the region, the cost is more than \$60,000.

“Costly and confusing regulations, long approval times, rezoning delays, and overall uncertainty for developers both increases the costs and impedes new homes from being built throughout the Golden Horseshoe,” said Kenneth Green, a senior research director at the Fraser Institute and co-author of the study.

The red tape ranking, which includes survey data from 2014 and 2016, compares municipalities in the Greater Golden Horseshoe on the length and uncertainty of construction approval times, regulatory costs and fees, rezoning prevalence and level of opposition to development.

Toronto ranked 20th out of 23 municipalities, ahead of only Oakville, Ajax and King Township.

Toronto earned low marks in the survey for having the highest opposition to new housing development from city council and community groups and for requiring nearly 70 per cent of all new residential development property to be rezoned.

In Toronto’s case, the rezoning process takes more than seven months (on average) to complete—nearly double the region’s average of four months.

“If city councils in the Golden Horseshoe really want to increase the supply of housing and lower prices, they should consider more sound regulatory regimes that encourage, not stifle, residential development,” Green said.

***Greater Golden Horseshoe municipalities (least regulated at the top):**

1. Burlington
2. Hamilton
3. Milton
4. Brampton
5. Uxbridge
6. Whitby
7. East Gwillimbury
8. Markham
9. Vaughan
10. Newmarket
11. Halton Hills
12. Oshawa
13. Bradford West Gwillimbury
14. Mississauga
15. Pickering

16. Whitchurch-Stouffville
17. Caledon
18. Richmond Hill
19. Aurora
20. Toronto
21. Oakville
22. Ajax
23. King Township

*This aggregate index only includes municipalities that garnered sufficient numbers of survey responses.

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