



Elizabeth Roy
Mayor
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July 8, 2024

The Right Honourable Justin Trudeau
 Prime Minister of Canada
 Office of the Prime Minister
 80 Wellington Street
 Ottawa, ON K1A 0A2
 Via email: justin.trudeau@parl.gc.ca

The Honourable Doug Ford, Premier of Ontario
 Legislative Building
 Queen's Park
 Toronto, ON M7A 1A1
 Via email: doug.fordco@pc.ola.org

Dear Prime Minister and Premier of Ontario,

Public concern regarding housing unaffordability has never been greater. The Town of Whitby acknowledges that all levels of government are now actively putting measures in place to make housing more affordable and equitable for all. Whitby fully supports the 2023 decision by the federal and provincial government to exempt all forms of purpose-built rental (whether affordable or market) from HST/ GST. While we support the decision to exempt rental units from HST/GST, we were dismayed to learn that affordable homeownership homes delivered by our partners, specifically Habitat for Humanity, continue to be subject to HST/ GST.

The Town of Whitby recently made a decision at Council to donate \$5 million in land (two parcels) to Habitat for Humanity GTA that will unlock the benefits of homeownership for approximately 40 working families here in Whitby. It is distressing for our Council to realize that approximately \$3.3 million of Habitat GTA's project costs are attributable to HST, going directly to the province and federal government. Surely this is a counterproductive use of taxpayer dollars and runs in opposition to our shared goal of supporting non-profits in delivering more below market housing.

In the GTA, HST/GST is adding an average of \$80,000 per home to the price that Habitat for Humanity incurs to deliver desperately needed new affordable ownership homes. We understand from Habitat for Humanity GTA that for every 5 homes they deliver, they could potentially provide 1 more if they were not burdened with the additional expense of HST/ GST. Exempting, deferring, or rebating HST/ GST on non-profit affordable ownership homes like those built and delivered by Habitat for Humanity would represent a loss of only 0.1% to 0.5% of total revenues from HST/ GST on new homes.

The economic value of HST/ GST relief could be retained as part of the second mortgage in non-profit affordable homeownership programs, thus avoiding any financial windfall at time of sale for homeowners. Moreover, this form of relief could be provided as a deferral, rather than a straight exemption, with the requirement that it be paid back if and when an affordable ownership unit is sold to the market.



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[The Blueprint for More and Better Housing](#) report released in March 2024 by the Task Force for Housing and Climate, recommended that the federal and provincial governments should provide a “full HST/ GST exemption for charitable non-profit (housing) organizations”.
We agree and we urge your governments to move quickly to expand the HST/ GST relief now in place for purpose-built rental to also include non-profit affordable ownership housing.

If any additional information or further confirmation of our support is required, please feel free to contact me at mayor@whitby.ca.

Yours Sincerely,

Elizabeth Roy
Mayor

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