



February 11, 2022

The Honourable Peter Bethlenfalvy  
Minister of Finance  
c/o Budget Secretariat  
submissions@ontario.ca

Dear Minister Bethlanfalvy,

On behalf of the Mortgage and Title Insurance Industry Association of Canada (MTIAC), we are pleased to participate in the Ontario Government's 2022 Budget Consultations.

MTIAC represents a group of private-sector mortgage default insurers and title insurers. Collectively, MTIAC members are proud to have helped millions of Canadian families and individuals realize the dream of homeownership.

Throughout the pandemic, housing affordability has become increasingly stressed, with more and more Ontarians experiencing significant challenges finding accommodations that are within their means.

That's why we believe that any plan to grow the economy must contain measures to support Ontarians who are struggling to afford a suitable home for their families, while ensuring that the real estate market remains fair, safe and stable.

To that end, we are pleased to provide the following recommendations for your consideration:

**1. Improve housing affordability, especially for first time homebuyers**

Throughout the COVID-19 pandemic, Ontarians have been facing increasing challenges of housing affordability. A major contributing factor is that housing supply has not kept pace with demand, forcing ongoing price escalation. While this issue used to be limited to the Greater Toronto area, in recent years housing demand has spread beyond the borders of the GTA to every corner of Ontario.

In order to improve affordability, immediate and ongoing action is required to increase the supply of new housing. That's why we are grateful for the Ontario Government's ongoing leadership on this important file, including by bringing forward and implementing its Housing Supply Action Plan, assembling the Housing Affordability Task Force and hosting the recent Housing Affordability Summit with Ontario's municipal leaders.



Recently, the Housing Affordability Task Force has completed its work and delivered its Report to the Minister of Municipal Affairs and Housing, which contains a number of concrete recommendations that the Government can pursue immediately in order to accelerate the construction of new housing.

MTIAC is particularly supportive of the recommendations designed to reduce or eliminate certain actions that needlessly delay or prevent new housing projects from coming online. Recommendation 12.b, for example, to “Exempt from site plan approval and public consultation all projects of 10 units or less that conform to the Official Plan and require only minor variances” has the potential to accelerate much needed housing approvals, thereby increasing supply and easing demand-fueled price escalation.

Similarly, Recommendation 13 to limit certain public hearings and Recommendation 19 to legislate timelines throughout the approvals process have the potential to significantly reduce avenues for obstruction and delay that have come to characterize local approvals processes.

Lastly, we agree that the Ontario government should consider financially rewarding municipalities that meet or exceed their provincial growth targets and/or reduce their total approval times, while also reducing funding to municipalities that “fail to meet provincial housing growth and approval timeline targets,” per Recommendations 48 and 49. MTIAC has long advocated that the province hold to account those municipalities that fail to meet their duties to bring new housing online that is suitable and affordable for their communities and so we encourage the Government to give these elements of the Report serious consideration.



## **2. Continue to combat fraud and money laundering in Canada’s real estate markets**

Money laundering and other criminal activities can pose a risk to Ontario’s real estate markets and have an adverse effect on affordability. These kinds of crimes can victimize Ontario homeowners, distort home prices and support even more harmful criminal enterprises, such as drug trafficking and human trafficking.

That’s why MTIAC members have been supportive of the Government’s commitment to clamp down on these kinds of crimes, through its review of the *Mortgage Brokerages, Lenders and Administrators Act*. We are also pleased that the Financial Services Regulatory Authority (FSRA) has been making sustained efforts towards improving their enforcement efforts in this regard and we look forward to continuing to support them in that important work.

As a next step, we recommend that the Ontario Government engage the Federal Government as they move forward on their commitment to create a new Financial Crimes Agency. MTIAC has long called for increased information sharing between enforcement bodies, improved education and training for enforcement bodies, and increased penalties for fraudsters, all of which could have a substantial impact in the fight against fraud. The creation of a new Financial Crimes Agency could provide an opportunity to achieve these goals, and we believe that collaboration and coordination between governments will be an important prerequisite for its success.

Thank you for this opportunity to provide our recommendations as part of the Budget 2022 consultation. We invite you to follow up with us directly if we can be of any further assistance. Please feel free to contact Ed Steel, Executive Director of MTIAC at [ed.steel@mtiac-acahtc.ca](mailto:ed.steel@mtiac-acahtc.ca) at your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "JR", written over a light blue horizontal line.

John Rider  
President and Board Chair  
MTIAC

A handwritten signature in black ink, appearing to read "Ed Steel", written over a light blue horizontal line.

Ed Steel  
Executive Director  
MTIAC