

## **OHBA on the Risk to Ontario's Housing Sector From Trump Tariffs**

*The Latest Tariffs on Steel and Aluminum Will Deal a Significant Blow to Housing in Ontario*

**TORONTO, ONTARIO, FEBRUARY 10, 2025** – With this today's announcement of the Trump administration's 25% tariffs on Canadian steel and aluminum, the Ontario Home Builders' Association (OHBA) is greatly concerned by how the new tariffs will negatively impact housing in Ontario.

The potential for economic slowdown due to the tariffs may be most impactful to the housing sector. Canada is the largest exporter of steel and aluminum to the United States, the negative impact from tariffs on these industries will likely have ripple effects across the Canadian economy, particularly Ontario. This economic slowdown will likely lead to decreased investment in residential real estate and fewer housing starts, and would surely erode the progress made to increase the supply of housing and improve affordability for Ontarians.

"We're at a turning point, not only for the Canadian economy, but specifically for the housing sector in Ontario. I'm worried about the effect that these new tariffs will have on residential construction," said Scott Andison, CEO of OHBA. "The potential impact of an economic slowdown, job loss, and decreased investment in residential real estate, could be a brutal blow to the housing sector and therefore to housing affordability for Ontarians."

The tariffs on steel and aluminum will also lead to an increase in costs for key construction materials for new homes, including projects already underway. Increasing construction material costs means increased construction costs overall, and therefore an increase in the price of new homes for potential purchasers. This would only compound the effects of decreased investment in housing, a sector that is already struggling to keep up with rising costs due to inflation.

Moreover, given the importance of steel and aluminum to our trading relationship with the United States, the new tariffs will likely result in a weaker Canadian dollar, which would again further contribute to increasing construction costs in Ontario. Retaliatory tariffs, that may be necessary for political reasons, would exacerbate the effects described above.

"While retaliatory tariffs may be needed, I'd like to see construction materials, particularly those vital to the residential construction industry, excluded," noted Andison. "We don't want to make a bad situation worse."

OHBA will look to work with the provincial government to minimize the impact of these tariffs on the residential construction industry. However, between the risk of a downturn, increased costs of construction materials, and currency risk – the potential exists for the impact of these tariffs on housing to be devastating.



### **About the Ontario Home Builders' Association**

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.

### **For any media inquiries, please contact:**

Andres F. Ibarguen  
Senior Manager, Communications  
(647) 217-6790  
aibarguen@ohba.ca