

June 7, 2023

**Submission from the South Niagara Chambers of Commerce (SNCC)
To the Clerk of the Standing Committee on International Trade**

Re: Underused Housing Tax Act affecting Canadian Border Communities

American property owners are a cog in the economic engine that directly affects our South Niagara Chambers of Commerce (SNCC) members — notably in the Fort Erie and South Niagara area.

As United States Congressman Brian Higgins (NY-26) has testified to your committee, hundreds of U.S. residents who own property have been impacted by the imposition of the *Underused Housing Tax Act*. It has indeed become an unintentional non-tariff trade irritant with Canada's largest trading partner.

According to the Blues (the draft Evidence - not the final version/officially published) of the committee meeting of June 5, 2023, Higgins said:

"We have heard from more than 400 constituents who have owned property in Canada in the Niagara region, in many cases for 30 to 40 years. It's multigenerational."

We at the SNCC are similarly concerned about the potential loss of these valued members of our committee through property sales, resulting from this ill-will-generating extra tax. These are people who have often happily come here for decades. They buy our groceries, purchase watercraft and building products, go to Niagara restaurants and attractions, and support local jobs — while paying property tax on typically- seasonal homes and cottages.

They also act as friendly ambassadors to bring other American visitors into a region that crucially depends on them.

To that end, Tony Baldinelli, Member of Parliament for the Niagara Falls riding, passed a May 29, 2023 motion to the committee that, pursuant to Standing Order 108(2), the committee undertake a study on the Underused Housing Tax that focuses on the Underused Housing Tax impacts on Canadian border communities like ours.

“While the Underused Housing Tax may have been done for targeted reasons to help cool Canada’s property market, we are concerned that its effect is to be a countrywide sledgehammer to affected areas that are not of housing-policy concern,” adds Dolores Fabiano, Executive Director of the SNCC.

“The SNCC and its members strongly support this motion to have the committee undertake the proposed study — with corresponding stakeholder meetings — to let us fully understand the unintended effects of this tax measure in areas like South Niagara.”

About the South Niagara Chambers of Commerce: *The South Niagara Chamber of Commerce is comprised of four Chambers; [Niagara Falls](#), [Fort Erie](#), [Welland/Pelham](#), and [Port Colborne Wainfleet](#).*

Collectively, our chambers work to provide quality service, resources, and events to all of our members in their given markets.

Comments from Brian Higgins, Member of Congress (NY-26), United States House of Representatives:

<https://www.ourcommons.ca/Committees/en/CIIT/StudyActivity?studyActivityId=12241007>

The text of MP Baldinelli's motion:

That, pursuant to Standing Order 108(2), the committee undertake a study on the Underused Housing Tax, which has become an unintentional non-tariff trade irritant with Canada's largest trading partner, the United States of America; that this study focus on the Underused Housing Tax impacts on Canadian border communities; that the committee invite relevant departmental officials from Global Affairs Canada and the Department of Finance, as well as United States Congressman Brian Higgins and/or other experts the committee deems relevant; that the committee hold two meetings; and that the committee report its findings and recommendations to the House of Commons.