

Response to 2026.EC26.4: Consumer Protection, Ticket Price “Gouging” and Booking Accommodation Hidden Fees

Date: June 29, 2026

To: Economic and Community Development Committee

From: Executive Director, Municipal Licensing and Standards

Wards: All

SUMMARY

In an increasingly digital marketplace, consumer protection has become a primary concern for many Torontonians. Rising costs and opaque pricing practices have made it increasingly difficult for consumers, particularly sports and entertainment fans, to afford live event tickets and associated costs.

In Ontario, the provincial and federal governments are responsible for creating regulations and overseeing enforcement of consumer protection, including regulating businesses through the provincial *Consumer Protection Act, 2002* and *Ticket Sales Act*, and the federal *Competition Act*. Overall, the City has limited regulatory authorities in this area but does prohibit the resale of event tickets occurring on public sidewalks under the Use of Streets and Sidewalks Bylaw ([Chapter 743](#)). Any by-laws or regulations enacted by the City must not conflict with provincial or federal legislation.

This report provides an overview of the regulatory landscape for consumer protection and competition laws with respect to event tickets and booking accommodations, as well as the opportunities for, and jurisdictional limitations of the City. The report fulfills the directive of item [2026.EC26.4](#), which requested staff to report back to the Economic and Community Development Committee in July 2026 on consumer protection issues related to ticket price “gouging” of sporting and entertainment events as well as hidden fees for booking accommodations. In addition, the report responds to item [2025.EC24.9](#) from November 2025, which requested staff to explore consumer protection enforcement activities for major sporting events. Note that algorithmic and/or surveillance pricing is beyond the scope of this report.

This report was developed in consultation with the Economic Development and Culture Division, and the Customer Experience Division.

RECOMMENDATIONS

The Executive Director, Municipal Licensing and Standards, recommends that:

1. The Economic and Community Development Committee receive this report for information.

FINANCIAL IMPACT

There are no financial impacts associated with this report. The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On February 24, 2026, Economic and Community Development Committee adopted [EC26.4 - Consumer Protection, Ticket Price "Gouging" and Booking Accommodation Hidden Fees](#), which requested a report back to the committee on consumer protection issues related to ticket price "gouging" at sporting and entertainment events as well as hidden fees for booking accommodations, including a summary on the prevalence of consumer complaints, existing municipal policy and enforcement tools, options for municipal action, advocacy and intergovernmental coordination, and an overview of existing regulatory landscape at other levels of government regarding ticket price gouging and hotel hidden fees.

In November 12 and 13, 2025, City Council adopted [EC24.9 - Toronto Sports and Culture Should Be For Everyone](#), which requested Municipal Licensing and Standards to explore consumer protection enforcement activities for upcoming major sporting events, including the World Series games and FIFA World Cup events, as was employed during the Taylor Swift 2024 concert events in Toronto. Council also requested for the Government of Ontario to introduce legislative changes to combat predatory pricing and fraud, including restricting the re-sale of tickets at above face value.

COMMENTS

Background

Rising costs and opaque pricing practices have made it increasingly difficult for consumers, particularly sports and entertainment fans, to afford live event tickets and associated costs. During the 2024 Taylor Swift Eras Tour and the 2025 Blue Jays World Series games in Toronto, concerns were raised around both the affordability of events and the transparency of pricing, with consumers facing final costs that far exceeded the posted cost. In February 2026, the Economic and Community Development Committee

directed staff to report back on the prevalence of consumer complaints on ticket price gouging and hotel hidden fees as well as the City's role within the existing regulatory landscape, and potential options for municipal action, advocacy, and intergovernmental coordination.

With respect to event tickets, public discourse often focuses on practices commonly referred to as "price gouging". Although there is no definition for *price gouging* in provincial or federal legislation, the term is generally used to describe the practice of overcharging customers for something by sharply increasing its price, in order to take advantage of a sudden surge in demand. The province has previously applied this term to situations such as the overpricing of masks and disinfectants during the COVID-19 pandemic, as well as the resale at exorbitant prices of high-demand tickets. More broadly, the term is increasingly used in political and cultural contexts to describe prices perceived as unfair or unaffordable for customers.

Ticket scalping, though not a term that is legally defined in provincial or federal legislation, generally refers to the practice of purchasing event tickets with the primary intention of reselling them at a higher price. While traditionally associated with in-person resale outside event venues, scalping today largely occurs online and is often carried out by automated bots and people bulk purchasing high-demand tickets.

With respect to hotel hidden fees, *drip pricing* is defined in federal legislation under the *Competition Act*, and is referred to as a deceptive marketing practice where companies advertise a low initial price to attract customers, then require additional mandatory fees and/or charges (excluding government-imposed fees such as the Harmonized Sales Tax (HST) resulting in an advertised price that is not attainable.

Jurisdictional Research

The provincial and federal governments have adopted laws and regulations regarding consumer protection, unfair business practices, privacy, and market competition. At the municipal level, ticket resale activity is prohibited on City streets. The following is an overview of the applicable laws at the municipal, provincial, and federal levels of government.

Government of Ontario

The [*Consumer Protection Act, 2002*](#) is the main piece of legislation that sets out the rights of consumers and governs the most common forms of personal transactions between consumers and businesses in Ontario. A key component of the Act is the prohibition of businesses from engaging in "unfair practices".

In 2023, the Ontario government introduced and passed a new, updated Consumer Protect Act through the [*Better for Consumers, Better for Businesses Act, 2023*](#), which expanded the definition of "unfair practices" to include "unconscionable acts". An example of an unconscionable act includes "charging a price for goods or services that grossly exceeds the price at which similar goods or services are available from similar suppliers". The *Consumer Protection Act, 2023* is yet to be proclaimed by the Lieutenant Governor of Ontario and it is unknown as to when it will come into force.

Until then, the existing *Consumer Protection Act, 2002*, will remain in effect. The Ministry of Public and Business Services Delivery and Procurement is responsible for administering and enforcing the Act.

The [Ticket Sales Act, 2017](#) oversees the sale and resale of tickets including prohibition, ticket business transparency, complaints and enforcement. On April 24, 2026, the Government of Ontario passed [Bill 97](#), which amended the *Ticket Sales Act* to cap all resale ticket prices to be sold at a cost no higher than the original cost (i.e. face value plus fees, plus taxes). The legislative changes make it illegal for tickets to concerts, cultural, sports and other live events in Ontario to be re-sold for more than their original cost. The Ministry of Public and Business Services Delivery and Procurement is responsible for enforcing the Act.

Government of Canada

The [Competition Act](#) is the main piece of legislation that protects consumers from deceptive-marketing practices such as drip pricing. The purpose of the Competition Act is to maintain and encourage competition in Canada in order to promote the efficiency and adaptability of the Canadian economy. The Competition Bureau Canada enforces the Act, which involves investigating and addressing abuses of market power, anti-competitive mergers, price-fixing, bid-rigging and deceptive marketing practices. When a business conducts drip pricing (i.e. offering a product or service at a price that is unattainable because consumers must also pay additional charges or fees to buy the product or service), it may be participating in deceptive marketing practices.

In June 2022, amendments were made to the Competition Act through Bill C-19 (also known as the [Budget Implementation Act, 2022](#)) to broaden prohibited conduct, expand the powers of the Competition Bureau, and increase penalties. This included expressly codifying the definition of “drip pricing” to fix potential loopholes or misinterpretation of the law by suppliers.

City of Toronto

[Chapter 743, Streets and Sidewalks, Use of](#) regulates activities on city streets and sidewalks. Within Section 743-2 of the Chapter, it states that “no person shall use or occupy a street for the purposes of the sale, or offering for sale, of event tickets.” Through Chapter 743, the City prohibits the resale of event tickets on the City’s right-of-way such as sidewalks, but not on private property, parks or other public spaces.

[Chapter 545, Licensing](#) and [Chapter 546, Licensing of Vehicles-for-Hire](#) include provisions related to price transparency for specific licence types, including body-rub parlours, pet shops, pedicabs, and/or Private Transportation Companies. These provisions outline how and/or when prices must be displayed to customers. The [City of Toronto Act, 2006](#) also gives the City explicit authority to establish rates or fares to be charged by taxicabs and non-motorized vehicles for hire, but does not explicitly allow the City to set prices for any other business types. Chapter 546 regulates taxicab rates and fares to support street hail price transparency for consumers.

Any by-laws or regulations enacted by the City must not conflict with provincial or federal legislation.

Prevalence of Issues and Complaints Data

Data on concerns related to price gouging and hidden fees are collected by the Province's Ministry of Public and Business Service Delivery and Procurement and Competition Bureau Canada. The Ontario and federal governments do not publicize data on the prevalence or types of consumer complaints they collect.

Given that the provincial and federal governments enact and enforce most of the legislation in this area, quantitative information or data regarding consumer protection issues are not collected by the City. However, 311 receives and tracks the number of calls and emails it receives from residents regarding the *Consumer Protection Act* and Competition Bureau. In 2025, there were 187 general inquiries made to 311 regarding the 'Provincial Consumer Protection Act and the Federal Competition Bureau'. All of the inquiries were about general customer dissatisfaction regarding goods and services. 311 does not track specific content or details for service requests or general inquiries made about price disputes, ticket price gouging, or booking accommodations. Instead, they refer customers to the appropriate provincial or federal complaint form. Residents and visitors may reach out to Consumer Protection Ontario directly through their [Complaint Form](#) online or by phone. Complaints to Competition Bureau Canada can be submitted through the [Complaint Form online](#).

Potential Options for Municipal Action, Advocacy, or Intergovernmental Coordination

As described above, the issues of ticket price gouging and accommodation hidden fees are regulated by the provincial and federal levels of government. The City does not regulate or enforce the provincial *Consumer Protection Act, 2002* or *Ticket Sales Act, 2017* as these are within the provincial domain. In recent years, the provincial and federal governments have introduced new laws to broaden, clarify, and strengthen consumer protection rules through the Province's [Better for Consumers, Better for Businesses Act, 2023](#) and federal [Budget Implementation Act, 2022](#).

Staff will continue to monitor any changes to provincial regulations and enforcement regarding resale tickets and drip pricing. MLS, in collaboration with the Customer Experience Division, will also continue to monitor and explore opportunities to improve data collection and ensure appropriate referrals.

CONTACT

Joanna Hazelden, Director (Acting), Policy and Strategic Support, Municipal Licensing and Standards, 416-392-9830, Joanna.Hazelden@toronto.ca

SIGNATURE

Seán McGowan
Executive Director, Municipal Licensing and Standards