

# **Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget**

**By: Habitat for Humanity Canada**

**July 31, 2025**

**Recommendation 1:** That the government accelerate the approval and implementation of Part 2 of Bill C-4, *An Act respecting certain affordability measures for Canadians and another measure* in relation to extending the first-time homebuyer's rebate of the goods and services tax.

**Recommendation 2:** That the government provide an immediate top-up of funding to the Affordable Housing Fund, including investments in affordable homeownership programs like those administered by Habitat for Humanity.

**Recommendation 3:** That the government structure Build Canada Homes to include a clear commitment to keeping homeownership within reach for those who are not served by the private homeownership market.

**Recommendation 4:** That the government respond to calls by the Canadian Housing and Renewal Association to immediately release \$300 million in funding to the National Indigenous Collaborative Housing Inc. (NICH), to deliver on the urban, rural and northern (URN) Indigenous Housing Strategy.

**Recommendation 1: That the government accelerates the approval and implementation of Part 2 of Bill C-4, *An Act respecting certain affordability measures for Canadians and another measure* in relation to extending the first-time homebuyer's rebate of the goods and services tax.**

Habitat for Humanity Canada welcomed the introduction of Bill C-4, and the included measure to effectively waive the GST on the sale of homes up to \$1 million to first-time buyers. This measure will help future homeowners who partner with Habitat and help keep funds available for investment in more homes specifically built for affordable homeownership.

Delays to implementing the proposed measures in the bill will have real cost implications for Habitat homeowners, and the local Habitats who build and provide access to ownership for them. We strongly encourage the House Standing Committee on Finance to deliberate on the bill quickly, though thoroughly, and consider how eligibility for the rebate will be implemented, given the delay between the May 27 date of eligibility proposed in the legislation and the anticipated date of the coming into force of the bill.

Further, Habitat Canada recognizes that there are calls to expand the GST rebate/waiver to all homebuyers. We would encourage government to move forward with the current legislative proposal in support of first-time buyers and consider expansions afterwards. The risk of further delay is not beneficial for the 88 per cent of Canadians who aspire to own their own home and believe it is out of reach.<sup>i</sup>

**Recommendation 2: That the government provide an immediate top-up of funding to the Affordable Housing Fund, including investments in affordable homeownership programs like those administered by Habitat for Humanity.**

Habitat for Humanity has a proven record of delivering housing supply that is purpose-built to provide access to homeownership. We do this by lowering the barriers to access including removing downpayment requirements, providing a mortgage payment that is geared to income, offering equity gains, and building financial and homeowner literacy. We build homes specifically to serve our partner families.

From 2019 to 2025, Habitat for Humanity affiliates built steadily – through some of the toughest build years in decades – serving over 5,000 individuals by building energy-efficient, accessible, and affordable homes with funds from the Affordable Housing Fund (formerly the Co-Investment Fund). Habitat leveraged every dollar 2:1 and delivered more than \$311 million in construction activity and \$40 million in tax revenue.

Many Habitat affiliates have projects about to start that could be completed within our average build time of two years. However, there is no clear path for near-term investment by the federal government in affordable homeownership.

Habitat Canada recommends that the federal government top up the Affordable Housing Fund, simplify the delivery of funding, and include an allocation specifically for affordable homeownership providers.

**Recommendation 3: That the government structure Build Canada Homes to include a clear commitment to keeping homeownership within reach for those who are not served by the private homeownership market.**

Across Canada, an entire generation of young people, along with newcomers and Indigenous families, is being shut out of homeownership. The aspiration to own a home, once a cornerstone of middle-class life, now feels out of reach.

Recent federal investments in housing have been important, but do not meet the legitimate homeownership expectations of many of those living in Canada. The National Housing Plan is currently missing a strategic and deliverable plan to restore pathways to ownership to middle class, working Canadians. Habitat for Humanity has a proven record of addressing this growing political and policy challenge, by delivering targeted supply, lowering the financial barriers to homeownership, and securing existing affordable housing through repairs and buybacks.

An investment in affordable homeownership is an investment in Canada's economic future. Habitat for Humanity generates \$35 million in economic uplift every year. Habitat households earn 28 per cent more in employment income than they would have if they had continued renting. Intergenerational poverty is reduced, and health and education outcomes of the children in Habitat homes are improved. <sup>ii</sup>

**Recommendation 4: That the government respond to a call by the Canadian Housing and Renewal Association (CHRA) to immediately release \$300 million in funding to the National Indigenous Collaborative Housing Inc., to deliver on the URN Indigenous Housing Strategy.**

Habitat Canada has long supported calls by CHRA for investment in an urban, rural and northern Indigenous housing strategy. Through our work with Indigenous communities in our Indigenous Housing Partnership, we see first-hand the housing need in Indigenous communities, both for new builds and critical repairs.

We add our voice to calls for the federal government to immediately move forward on this commitment, and stand ready to engage, as appropriate, with Indigenous communities to support their housing needs.

**A systems approach**

Habitat Canada recognizes that housing is a deeply interconnected system. To create a housing system that works for everyone, multiple, simultaneous interventions are needed to meet the housing needs and aspirations of those living in Canada.

As partners in the Housing Canada Coalition, Habitat for Humanity Canada works collaboratively with organizations across the housing sector, including the Canadian Alliance to End Homelessness, the Canadian Housing and Renewal Association, and the Canadian Real Estate Association. In the face of our worsening housing crisis and trade pressures, we released [the Sovereign Housing Plan](#), laying out a roadmap for the government to respond to the immediate crisis while building resiliency for the future.

To build a housing system that works for everyone, Budget 2025 must advance these types of bold, coordinated solutions that address needs and opportunities across the entire housing ecosystem.<sup>iii</sup>

### **About Habitat for Humanity Canada**

Founded in 1985, Habitat for Humanity Canada is a national charity comprised of local Habitat organizations working in every province and the North. Through innovative home construction, repair, and financing, skills training, and advocacy, we bring people together to build homes, communities, and hope. Habitat for Humanity Canada is a member of Habitat for Humanity International, a leading global non-profit working in more than seventy countries.

### **About our national Affordable Homeownership Program**

Once they move in, Habitat homeowners are responsible for maintaining their own home. We help families and individuals prepare for homeownership by providing homeowner education classes, ranging from financial literacy and budgeting to home repair and maintenance.

Our model bridges the gap for working families who otherwise wouldn't have the opportunity to own a home.

To qualify, eligible homeowners must be:

- In need of better housing. Potential homebuyers might be dealing with poorly maintained, unhealthy or overcrowded housing; unaffordable rent; inaccessible housing for people living with disabilities; or have other shelter needs.
- Willing to partner with Habitat: Habitat homebuyers volunteer a minimum of 500 hours with Habitat including volunteer hours spent building their own home or at a Habitat ReStore. This also includes classes in personal finances, home maintenance and other homeowner topics.
- Able to make affordable mortgage payments: Habitat homeowners buy their home for the fair market value. Mortgage payments are made affordable because they do not exceed 30 per cent of the gross household income, and income is evaluated on a yearly basis.

You can learn more about what we do and our impact at [www.habitat.ca](http://www.habitat.ca).

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<sup>i</sup> Habitat for Humanity Canada/Leger. Affordable Housing Survey 2024. November 2024.

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<sup>ii</sup> Deloitte Canada. Habitat for Humanity Impact Study. February 2025.

<sup>iii</sup> Housing Canada Coalition: A sovereign plan to protect Canadians and build a resilient housing system. March 2025.