



# Submission to the House of Commons Standing Committee on Finance (FINA) in advance of the 2026 Budget

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**Canadian Housing and  
Renewal Association**

CHRA ACHRU

A Home for the Housing Sector

## Introduction: The Housing Crisis Demands a Whole-System Response

Canada's housing crisis is not a single problem; it is a failure across an interconnected system. The National Housing Strategy must reflect this reality. Piecemeal interventions targeting one part of the system while neglecting others have produced a decade of worsening outcomes: record-high rents, a surge in homelessness, and a dramatic erosion of affordability for low- to median-income Canadians. A clear, coordinated, and comprehensive plan that addresses all parts of the housing system is necessary to reverse these losses.

The costs of inaction are not abstract. More than 1.5 million Canadian households were in core housing need in 2021. At the same time, Canada's non-market housing stock makes up only 4.54% of total housing, leaving far too many Canadians without access to permanently affordable homes.

The housing crisis also presents a massive economic challenge. Scotiabank Economics has documented the direct relationship between housing insecurity and reduced consumer resilience, while calling for a doubling of the supply of social housing.<sup>1</sup> Stable, affordable housing is foundational to productivity, workforce mobility, and long-term economic competitiveness. The federal government has the tools, including Build Canada Homes, to respond with the scale and ambition this moment demands. To do so, it must prioritize non-market community housing the core of its strategy.

### Non-Market Housing Delivers Permanent, Genuine Affordability

One of the most important distinctions between market and non-market housing is long-term commitment to affordability. Market-based affordable housing, even when subsidized, is typically affordable only for a fixed period before it converts to market rent.

Private market operators deliver affordable housing, usually benefitting from some form of government subsidy through low-interest loans and grant contributions, for a time-limited affordability period.

Even in an environment where rents are declining, new private market rental units entering the market today are unaffordable to many people. In many cities, new one-bedroom apartments are listing above \$2,000 per month requiring incomes above \$80,000 to be truly affordable. Yet the median renter income in Canada was \$62,000 in 2023 and is just \$31,280 for those in core housing need.<sup>2</sup> The private market is simply not positioned to serve these households.

Non-market community housing, by contrast, is permanently affordable. Owned by mission-driven non-profit organizations, these homes are permanently removed from speculative market pressures. This is not just a social good; it is a fiscally responsible long-term investment in Canada's housing system.

<sup>1</sup> Scotiabank Economics. [Canadian Housing Affordability Hurts](#). 2023.

<sup>2</sup> Steve Pomeroy. [I'll Have a Double-double, Please: Quantifying the base to scale up non-market housing in Canada](#). CHRA. 2025

Affordable housing is best delivered by mission-based non-market community housing providers. They are committed to affordability in perpetuity. In addition, driven by their social mission, they are motivated to stack additional funds from philanthropic sources, other orders of governments, social impact investment, and their own equity to make the bottom line work.

## **Supporting Economic Productivity**

Investment in community housing is an investment in infrastructure, productivity and social good. A 2023 study by Deloitte, done on behalf of CHRA, found a direct link between the proportion of community housing in the overall housing stock and gains in economic productivity.<sup>3</sup> By these estimates, the economic gains would significantly outweigh the costs within two years of hitting the target.

## **We Need to More Than Double the Non-Market Housing Sector**

Canada's non-market community housing sector currently represents 4.54% of the overall housing stock, down from a peak of 5.2% in 1996. CHRA's 2025 research report on scaling up non-market housing, estimates the current stock at roughly 758,000 to 796,000 homes. Both Scotiabank<sup>4</sup> and RBC<sup>5</sup> underscore the economic urgency of expanding social housing noting that addressing Canada's housing shortage is essential to long-term economic competitiveness and resilience.

Advocates and researchers have converged on the goal of first doubling the stock of non-market community housing and then aiming for a 20% share of Canada's housing stock. Achieving this would require producing more than 750,000 units. Reaching that target in 15 years would require building 50,000 non-market units annually; a significant but achievable ambition if the political will and investment are sustained.

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<sup>3</sup> Deloitte Canada. [The Impact of Community Housing on Productivity](#). CHRA, 2023.

<sup>4</sup> Scotiabank Economics. [Canadian Housing Affordability Hurts](#). 2023.

<sup>5</sup> Royal Bank of Canada. [The Great Rebuild: Seven Ways to Fix Canada's Housing Shortage](#).

## Summary of Recommendations

1. Establish the fiscal framework for the renewal of the National Housing Strategy.
2. Close the urban, rural, and northern Indigenous housing gap.
3. Recapitalize Build Canada Homes with a 10-year investment time horizon.
4. Work with provinces and territories to fund operating expenses and wrap-around supports for supportive housing.
5. Enable the Community Housing Transformation Centre to serve as a long-term national intermediary for community housing capacity.

### Recommendation 1: Establish the fiscal framework for the renewal of the National Housing Strategy

The current National Housing Strategy ends in March 2028. That deadline is approaching fast and the stakes could not be higher. The bilateral agreements with provinces and territories that underpin the NHS will need to be renegotiated. If the federal government waits until 2027 to begin that process in earnest, it will be too late. Housing providers, provinces, and municipalities need predictability years in advance to plan, secure financing, and retain the organizational capacity required to deliver housing at scale.

CHRA recommends that this budget lay the groundwork for a comprehensive federal fiscal framework for the next National Housing Strategy, developed in genuine partnership with provinces, territories, municipalities, and the non-market community housing sector. That framework must provide clarity and continuity across three interconnected pillars:

- **Stability of rental assistance and housing allowances.** Both jointly funded rental assistance programs such as the Canada Housing Benefit, and federal programs such as the Federal Community Housing Initiative Phase 2 represent a critical housing lifeline for tens of thousands of low-income households. The next NHS framework must confirm, with sufficient lead time, that these programs will continue without interruption.
- **A stable and predictable pipeline for new non-market housing development.** The next NHS must include a clearly articulated ten-year funding framework for new non-market community housing supply. This should be paired with a clear commitment by all levels of government to more than double the supply of non-market community housing across the country.
- **Ongoing preservation of the existing non-market community housing stock.** Canada's legacy non-market housing stock is aging and in urgent need of capital investment. The next NHS fiscal framework must embed a coordinated federal-provincial approach to the preservation and rehabilitation of existing community housing. The most affordable home we can provide is the one that already exists. A complete National Housing Strategy can't focus on new supply while allowing existing affordable homes to deteriorate and be lost.

Supporting low-income households that currently benefit from federally funded rent subsidies, building a strong pipeline of new non-market housing supply, and supporting long-term capital asset management of existing community housing all require long, stable, and predictable

timelines. CHRA urges this Committee to recommend that Budget 2026 allocate resources to begin the design and consultation process for the next National Housing Strategy immediately and to signal clearly that a multi-year fiscal framework will be in place before the current NHS concludes.

## **Recommendation 2: Close the urban, rural, and northern Indigenous Housing gap**

One of the most persistent shortcomings of the National Housing Strategy is its inadequate response to the housing needs of Indigenous peoples living in urban, rural, and northern (URN) contexts outside of Indigenous-governed systems and communities. Most Indigenous people in Canada do not live on First Nation reserve lands. According to the 2021 Census, approximately 1.8 million Indigenous people live in Canada, and roughly 79% live in non-reserve settings in URN areas.<sup>6</sup>

Budget 2023 committed \$4 billion over seven years for an Indigenous Housing Strategy. However, significant portions of this funding have not yet been deployed. Progress has been delayed by the absence of a clear federal implementation approach. Going forward, the federal government must work closely with Indigenous governments, housing providers, service providers and community organizations to address the housing gap experienced by Indigenous people living in URN contexts.

Front-line housing, homelessness prevention, and community safety services are primarily delivered by URN Indigenous housing providers, friendship centres and community-based organizations that support First Nations, Inuit, and Métis people across diverse Indigenous identities and lived experiences. These vital organizations operate where Indigenous people live and seek support and are often the only providers offering culturally appropriate and accessible supports in these settings.

CHRA recommends that the federal government:

- Enshrine the *for-Indigenous, by-Indigenous* principle in the design, delivery, and governance of all federal housing programming serving Indigenous peoples in URN contexts, consistent with Canada's obligations under the *United Nations Declaration on the Rights of Indigenous Peoples Act* (2021).
- Ensure that the next iteration of a ten-year National Housing Strategy incorporates the expertise of the URN Indigenous-led community housing sector from the outset and consistently, not as an afterthought.

## **Recommendation 3: Recapitalize Build Canada Homes with a 10-year investment time horizon**

The initial \$13 billion capitalization of Build Canada Homes is a meaningful first step, but it is not sufficient to deliver the scale of non-market housing that Canada needs. BCH's current five-year funding horizon creates uncertainty that undermines long-term housing development. Housing development projects operate on multi-year timelines from conception to completion—often five

<sup>6</sup> Canada Mortgage and Housing Corporation. [Urban, Rural and Northern Indigenous Housing Strategy Fact Sheet](#). 2025

to ten years or more. Organizations making decisions today about land acquisition, partnership development, and design need confidence that BCH, and the capital behind it, will be a reliable, long-term source of financing and funding, not something that may or may not be renewed at the next budget cycle.

Consistent and stable funding and financing is what creates a strong, sustained pipeline of new non-market community housing developments. CHRA recommends that Budget 2026 commit to a full recapitalization of Build Canada Homes through to 2036, at a level of funding and financing commensurate with the goal of more than doubling Canada's non-market housing stock.

To ensure that this investment delivers permanent affordability rather than time-limited subsidy, the 10-year recapitalization must be paired with some essential conditions:

- BCH must prioritize non-market community housing. "Affordability" is too broad a mandate for a Crown Corporation of this scale and consequence. Without a clear focus on mission-driven, permanently affordable non-market housing, we risk pushing towards market-based time-limited affordability.
- BCH must adopt clear public targets. These targets must outline how much non-market community housing will be built, what levels of affordability they will create, and the proportion that is Indigenous-led non-market housing. There must be public reporting against these targets., These targets must sit clearly within the context of a broader National Housing Strategy.

#### **Recommendation 4: Work with provinces and territories to fund operating expenses and wrap-around supports for supportive housing**

Supportive housing, which combines stable housing with integrated health, social, and wrap-around services, is among the most effective interventions available for Canadians experiencing chronic homelessness or living with complex needs. It is also among the most difficult housing to fund sustainably, because the economics of supportive housing do not work without dedicated, ongoing public investment in both reducing the rents and funding the supports.

Capital funding alone is not sufficient. CHRA recommends that the federal government work with provincial and territorial partners to establish sustainable, long-term funding for the operating costs and wrap-around supports associated with supportive and transitional housing. This investment must be designed in close partnership with supportive housing providers with demonstrated expertise in this area.

#### **Recommendation 5: Enable the Community Housing Transformation Centre to serve as a long-term national intermediary for community housing capacity**

Scaling up Canada's non-market community housing sector is not simply a question of capital. It requires a sector that has the organizational capacity, development expertise, professional skills, and institutional readiness to absorb and deploy investment at scale, in every region of the country. Building this capacity takes time, and it requires sustained investment.

The Community Housing Transformation Centre (CHTC) has been an exceptional steward of federal investment in sector capacity. Since its establishment, the CHTC has leveraged federal funding with provincial and other partner investments, supported pre-development work, strengthened organizational capacity, and driven innovation across the non-market community housing sector. However, the CHTC's current funding is set to expire in March 2028.<sup>7</sup>

CHRA strongly recommends that the federal government make a long-term investment into strengthening the non-market community housing sector by providing the Community Housing Transformation Centre with stable funding to 2038. CHTC acts as a national intermediary and capacity-building infrastructure supporting Canada's non-market housing sector to strengthen governance, scale delivery, preserve affordability, and mobilize innovation into practice. Allowing its funding to lapse would be a significant setback at precisely the moment Canada needs to be scaling up.

## About CHRA

The Canadian Housing and Renewal Association (CHRA) is Canada's national voice for the non-market community housing sector. CHRA represents a diverse membership of non-profit and cooperative housing providers, Indigenous housing organizations, provincial and territorial housing associations, municipalities, and other housing stakeholders.

Our members are on the front lines of Canada's housing crisis everyday building, operating, and managing homes for the people who need them most: seniors on fixed incomes, families in core housing need, people transitioning out of homelessness, Indigenous peoples in urban, rural, and northern contexts, below-median income households, and countless others.

CHRA believes that addressing Canada's housing crisis requires bold, sustained action. The market alone cannot and will not solve the affordability crisis. We need a strong, well-funded, permanently affordable non-market community housing sector to meet the needs of millions of Canadians.

CHRA's central position is clear: Canada must more than double the supply of non-market community housing.

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<sup>7</sup> Housing, Infrastructure and Communities Canada. [Progress on the National Housing Strategy](#) – December 2023.