



May 6, 2025

The Rt. Hon. Mark Carney, P.C., M.P.  
Prime Minister of Canada  
House of Commons  
Ottawa, ON K1V 8K2

The Hon. François-Philippe Champagne, P.C., M.P.  
Finance Minister  
House of Commons  
Ottawa, ON  
K1V 9K2

**Subject: Urgency of Officially Announcing an Immediate Start Date for GST Relief for First-time Home Buyers**

Dear Prime Minister Carney and Minister Champagne:

The Canadian Home Builders' Association (CHBA) represents some 8,500 firms from coast to coast, including home builders, renovators, land developers, trade contractors, product and material manufacturers. Since 1943, we have been the national voice of residential construction in Canada, and our members build low-rise, mid-rise, and high-rise homes for both ownership and rental.

I am contracting you today about the need for immediate implementation of your election promise to eliminate the GST for first-time homebuyers on homes at or under \$1 million and the lowering of the GST on homes between \$1 million and \$1.5 million for first-time buyers in more expensive housing markets. The effect of this announcement without an immediate implementation has been a further slowdown in would-be sales and resultant housing starts at a time of great uncertainty already harming the industry and delaying creating more housing supply.

CHBA has long called for fixing of the GST on new housing, and is very encouraged by this announcement, as the policy will go a long way to addressing current affordability issues and unlocking the door to homeownership. That said, it would have significantly more





impact on boosting housing supply if it included all buyers of new homes and also included Accessory Dwelling Units and secondary suites. We would encourage these to be included as well.

However, now that the election is over, it is of critical importance that the removal of the GST be enacted immediately. By not doing so, buyers are not moving ahead with purchases and are waiting so that they can get the GST relief.

The home construction industry is in a very challenging business environment with slow sales and low builder sentiment from affordability challenges including the rising cost of construction, exorbitant development charges in Canada's larger urban centres, mortgage rates remaining higher than inflation, and ongoing economic uncertainty due to tariffs. The escalating trade war threatens residential construction primarily through lower consumer demand, with some increase in construction costs, which are already above levels that many would-be homeowners can bear. The quick removal of GST on homes will be a very positive improvement in a very challenging environment, for both homebuilders and Canadians. Meanwhile, the lack of an implementation is having the opposite effect.

CHBA is asking that the government make this GST relief effective immediately, so that sales and starts can proceed, and not delay implementation of this policy until a Budget is tabled. In 2023, the government removed the GST on purpose-built rental by making the change effective the day the policy was announced, separate from the timing of the budget process and well ahead of the fall economic statement. CHBA strongly applauded the move and the quick implementation. We are asking for the same consideration this time.

CHBA looks forward to a continued positive working relationship with your government and ensuring that the best policies are put in place in a timely manner, to ensure challenges to housing affordability are addressed.

Should you require more information, please have your staff contact Nicole Storeshaw, Director, Government Relations at [nicole.storeshaw@chba.ca](mailto:nicole.storeshaw@chba.ca).





Sincerely,

Kevin Lee, P.ENG., M.ARCH.  
CEO, CHBA

cc: Christiane Fox, Deputy Clerk of the Privy Council Office & Associate Secretary to the  
Cabinet  
Chris Forbes, Deputy Minister, Department of Finance

