



January 19, 2026

Senate of Canada
Ottawa, ON
K1A 0A4

Dear Senator,

On behalf of the over 8,500 members of the Canadian Home Builders' Association, I am contacting you about the need for urgent passage through the Senate of *Bill C-4 An Act respecting certain affordability measures for Canadians and another measure* (first reading completed in the Senate on December 11, 2025.)

The bill allows for the removal of GST on new homes under \$1 million and a lowering of GST on homes between \$1 million and \$1.5 million for first-time buyers. The policy was first announced by the Prime Minister in March, with legislation tabled in the House of Commons in June, needs Royal Assent before Canadians will move forward with purchases. Although purchases dating back to last May will be eligible to claim the rebate, the uncertainty has kept buyers on the sidelines, preventing purchases and housing starts. And given that builders must include the full GST in the purchase until the rebate becomes law, it has also prevented many would-be buyers from qualifying for a mortgage to move forward with a purchase.

The bill had unnecessarily protracted passage through the House of Commons, delaying approval for months, at extreme cost to a struggling industry. The impact of delay in Bill C-4 receiving Royal Assent cannot be overstated. While the intent of this measure was to increase housing supply, the effect of not getting this through parliament has been the exact opposite. As a result, the industry is seeing a further slowdown in would-be sales and resultant housing starts at a time of great uncertainty already harming the industry and delaying the creation of more housing supply. In some regions, this is nothing short of disastrous – for example, in Ontario, some 64% of CHBA members are reporting layoffs. Until this bill becomes law, buyers will not move ahead with purchases as they are waiting for certainty regarding the GST relief. Starts will falter, and at this point, so will many companies.





CHBA has been recommending that the government extend their GST relief policy to all buyers of new homes (not solely first-time buyers), which would enable move-up buyers and downsizing buyers to purchase new homes and ensure a further boost of housing supply, freeing up entry-level homes for first-time buyers in the existing housing market. However, it is crucial that what is currently contained in Bill C-4 on the GST rebate is passed without further delay.

Therefore, CHBA is asking that once the Senate resumes after winter recess that the passage of Bill C-4 is made a top priority and passed without delay. It must not languish as it did in the House of Commons. Canadians cannot afford further delays – addressing Canada's housing affordability and supply challenges is too important to not make this legislation a top priority. Please don't hesitate to contact me for more information. To do so, you can reach out to Nicole Storeshaw, Director of Government Relations at nicole.storeshaw@chba.ca.

Sincerely,

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