



Budget 2025

THE VEHICLE TO
LAUNCHING CANADA'S
HOUSING MISSION

THE SH/FT
RIGHT2HOUSING

Executive Summary

Budget 2025 will be the government's defining blueprint for Canada's future. It will not simply allocate funds, but signal the priorities and values that will shape our economy, society, and national identity for years to come. To succeed, it must go beyond assigning dollars to programs—it must ensure every public dollar produces public good, with accountability and impact built into the design.

Budget 2025 is Canada's chance to bring people back home. At the heart of today's economic, social, and political challenges is the housing crisis—touching every sector, from health care and education to transportation, justice, and the labour market. This is not one issue among many; it is the issue that stands between the government's ambition to build a united economy and its ability to protect Canadians. Prioritizing people over profit through investing in solutions rooted in rights and dignity will unlock progress across every sector.

Budget 2025 can make a bold statement by funding a Housing Mission with human rights at the center of economic recovery. By embedding the right to adequate housing as a guiding principle, the government signals to provinces, municipalities, and market actors alike: if you want to partner with Canada, you must align with the national goal of realizing housing as a human right. This is not a moral imperative—it is an economic necessity.

This submission outlines how Budget 2025 can drive a Housing Mission rooted in human rights that can make access to affordable and adequate housing for all a reality in Canada.

The Challenge: Solving Canada's Housing Crisis

A significant factor in Canada's recent economic fragility has been its overreliance on the housing and finance sectors for investment and growth. To truly unlock Canada's productive potential and foster a robust, diversified economy, we must transform housing from a speculative investment to a driver of economic prosperity and a basis for community resilience and well-being. This can only be achieved by understanding that addressing the housing crisis will require a moonshot initiative. One that does more than just tinker at the margins, but rather reimagines a new way of shaping the housing market so that it fuels the economy and serves the needs of everyone in Canada.

The Solution: A Housing Mission Rooted In Human Rights

Economist Mariana Mazzucato's mission-oriented approach calls for governments to lead ambitious, purpose-driven efforts to tackle society's greatest challenges, drawing inspiration from the Apollo program's "moonshot" by combining political will, cross-sectoral collaboration, and long-term investment in the public good. Moonshots harness government power and private skill and ambition to work together in solving a wicked problem. Moonshots demand clarity of purpose—and that shared purpose becomes the driving force that unites government, private actors, and communities. When a wicked problem – like the housing crisis– is framed as a national mission, it creates a common objective so urgent and vital that it transcends individual interests. It compels actors across sectors to collaborate, pool resources, and innovate together. Agreement on the nature of the problem—and the collective commitment to solve it—establishes a kind of moral momentum.

In a true moonshot, there is no plan B—the mission must succeed, and solving the wicked problem becomes the nation's top priority.

The Right to Housing: A Mission-Oriented and Human Rights-Based Approach, a collaboration between Mariana Mazzucato and Leilani Farha, Global Director of The Shift and former United Nations Special Rapporteur on the right to housing, clearly describes how a missions framework is made even more powerful by embedding human rights to galvanize governments to achieve ambitious goals based on universally agreed upon standards. This framework identifies the right to housing as the North Star and calls on governments to act as market shapers: to set bold missions, align public institutions and financing tools accordingly, and build partnerships—including with the private sector—that can be profitable while serving people. It reveals how mission-oriented governance and human rights can work hand-in-hand to generate inclusive, long-term solutions.

The federal government is uniquely positioned to lead in this direction. To meet the scale of the crisis, it must carry out a Housing Mission rooted in human rights—one that reframes the housing crisis from a market failure to a wicked problem and sets out to build a new, inclusive housing system where everyone has access to the right to housing. This requires bold leadership, coordinated action, and—most critically—a federal budget that is fit for purpose:

a budget explicitly designed to finance and drive a Housing Mission of this calibre.

Effectively carrying out this Housing Mission requires the federal government to see Budget 2025 as more than just a financial plan, but the critical vehicle for realizing the right to housing in Canada. This means going far beyond tweaking existing policies or relying on the market to self-correct. It demands a reimagining of government's role: to actively shape the economy in service of people's fundamental rights, and to anchor that commitment in a budget that mobilizes the necessary resources, tools, and partnerships.



Recommendations

The federal government has set out to design a budget that strengthens the economy, protects Canadians, and transforms government. Achieving these goals requires more than assigning dollar amounts to programs. If money alone were the solution, housing affordability would already be a reality in Canada. What matters most are the values attached to the investments – it's values that make all the difference and that determines whether public spending delivers real change.

This pre-budget consultation is, at its core, a national conversation about values. The government is asking Canadians what they value to guide how public dollars should be spent. That same value-based lens must shape not only the budget itself but also how it is implemented.

In 2019, Canada affirmed a defining value: the right to housing. Parliament enshrined this right in the National Housing Strategy Act (NHSA), making it law and the foundation of national housing policy. Yet in the six years since, the housing and homelessness crisis has only deepened — the direct result of failing to invest in what we said we value.

Budget 2025 offers a chance to course correct. By recommitting to the realization of the right to housing through the funding of a rights based Housing Mission, Canada can take concrete steps to ensure that everyone has a safe, adequate, and affordable place to call home. This requires outcome-driven investments — every dollar spent must bring people closer to housing. The advancement of the right to housing must be the North Star of this budget.

Only by putting the protection of human rights at the center of Budget 2025 can the federal government ensure dignity, security, and peace for all Canadians — and, in turn, build a stronger, more resilient economy where everyone can thrive.

The following are The Shift's recommendations for Budget 2025.

Reaffirming Federal Leadership on the Right to Housing

Recommendation 1: Make an explicit commitment in Budget 2025 to delivering a Housing Mission based on the commitments made in the NHSA

Rationale:

The NHSA requires Canada to progressively realize the right to adequate housing, yet recent budgets and policy frameworks have excluded human rights language—undermining accountability and weakening commitments. The right to housing is Canada’s housing policy, which means that Budget 2025 must clearly commit to delivering on this promise. It can do this by establishing a Housing Mission, thereby signalling to provinces, municipalities, and partners that federal investments are guided by a single North Star – realizing the right to housing, rather than short-term political or financial considerations.

Recommendation #2: Strengthen the federal role beyond being a hands-off funder to ensure investments achieve measurable housing outcomes.

Rationale:

Federalism is not always conducive to the type of tri-level governmental collaboration needed to solve the housing crisis; however, it must not reduce the federal government to a passive funder. Without the ability to influence how resources are used, federal dollars cannot deliver on national priorities like restoring affordability in housing. Budget 2025 should reinforce the federal government’s leadership role by ensuring it can direct how investments are used on the ground to guarantee that they produce clear, measurable outcomes.

Meeting Housing Needs Through Strategic Supply

Recommendation #3: Align federal investments in new housing supply with the needs and incomes of Canadians, ensuring the “who” drives the “what.”

Rationale:

Building new supply continues to be the strategy that governments in Canada implement to address the housing crisis. However, the types of units being developed often fail to meet the needs of those most affected by the crisis. Luxury condos, high-cost rentals, and single-family homes dominate new supply, leaving many Canadians unable to access housing that suits their circumstances. As a result, new housing units across Canada’s largest cities continue to remain unsold and vacant, signalling a mismatch between what is being built and who it is intended for. Federal investments must be informed by the demographics, affordability, and specific needs of communities to ensure housing is not only available but genuinely attainable for

Canadians. All federal spending, including tax exemptions and low-interest loans, must be limited to those developing supply that matches the greatest level of housing need. Trickle-down theories of supply and demand have proven to fail. Central to driving a Housing Mission is for the government to step into the role as a market shaper, ensuring that the Canadian housing system is responsive to the needs of everyone in Canada.

Recommendation #4: Create funding conditions that require governments to identify and repurpose existing buildings to create affordable housing before building new supply.

Rationale:

Before using federal funds to build new units, provinces and municipalities should be encouraged to leverage what already exists. Canada's housing market is dominated by two extremes: high-rise condos and single-family homes, which fail to provide the flexibility needed for Canadians in today's society. Funding should be allocated to help governments audit and repurpose underutilized buildings—through adaptive reuse or flexible housing models—which can create an affordable supply efficiently, while also addressing diverse community needs, including accessibility, multi-generational living, and other forms of flexibility not provided by standard housing types. This approach also supports Canada's climate goals by reducing construction-related carbon emissions. By prioritizing what we already have, federal investments can deliver more housing faster, more equitably, and more sustainably.

Creating Pathways Out of Homelessness and Preventing It Altogether

Recommendation #5: Fund Housing First programs that include the supportive services people need to exit homelessness and rebuild their lives.

Rationale:

Four walls and a roof are not enough to create a home, and the provision of supports without a stable and secure place to call home is fundamentally misguided. The strength of the Housing First model lies in its foundation: the recognition that housing is a human right and that people experiencing homelessness have the right to self-determination. Its proven success comes from pairing housing with supportive services—mental health, addiction, employment, or social supports—that people can access voluntarily and on their own terms. Housing without supports, or supports without housing, cannot deliver lasting results. Federal investments should therefore ensure both are funded together, ensuring people have the stability, dignity, and self-determination needed to rebuild their lives and reconnect with the community.

Recommendation #6: Invest in diversion and prevention programs to keep people housed and stop homelessness before it starts.

Rationale:

Addressing homelessness after it occurs is necessary but insufficient. Many Canadians face housing precarity due to financial strain, health challenges, or social vulnerabilities. Federal investments should support programs that identify and address risks early—such as rent banks, landlord mediation, or emergency supports—so people can remain housed. Proactive measures protect dignity, reduce trauma, and prevent the cascading social and economic costs associated with homelessness. At the same time, governments must stop subsidizing systems where private actors capture the gains while the public absorbs the costs. Public investments should be critically assessed to ensure they do not enrich private actors at the expense of housing security. For example, granting REITs tax exemptions while they file above-average rent-gear-to-income and eviction applications only accelerates homelessness while rewarding those fueling the crisis.

Concluding Thought

As stated in Prime Minister Carney’s Mandate Letter, Canadians elected a liberal government to “build a strong economy that works for everyone”. Doing so requires more than putting stock in solutions that have already been proven to fall short. It demands a re-thinking of the systems, actors, and policies driving the housing crisis—and a commitment to recalibrate them so that Canada’s economy, and housing within it, work better for everyone, especially those in greatest need.

A housing mission—rooted in human rights—is exactly what is required.

Crucially, this mission requires a federal budget that is fit for purpose. Budget 2025 is a window of opportunity for the federal government to launch a Housing Mission that is holistic, collaborative, well-resourced, and coordinated across all levels of government. Such a mission must integrate economic, social, and environmental goals as mutually reinforcing, to make the right to housing a lived reality.

Budget 2025 is the vehicle that can carry Canada from vision to reality—ensuring that everyone in this country has an adequate and affordable place to call home.