



Today's presentation

1. Background

- Why income security is central to addressing housing affordability
- The Canada Housing Benefit and the next National Housing Strategy

2. Overview of Maytree's proposed Canada Renters Credit

- Design recommendations
- Illustrations of the impact
- How it works with the Canada Housing Benefit

3. Maytree's long-term vision for a Canada Housing Benefit System

4. Common questions and Q&A

Too many people can't afford the rent



Too many people across Canada are experiencing or at risk of experiencing homelessness because they can't afford to pay the rent.

People experiencing homelessness

At least **65,000 people** experienced homelessness on a single night in 2025

Having **insufficient income** is the most reported reason for becoming homeless

People at risk of homelessness

34% of renter households paying market rates live in unaffordable housing

32% of renter households paying below-market rates live in unaffordable housing

Affordable supply will take years. Renters need help now.



- Governments have responded to the housing affordability challenge by boosting rental supply.
- Building more deeply affordable housing is critical but will take years to reach the necessary scale.
- Conversely, income support can close the affordability gap now.
- Housing benefits – the focus of Maytree's proposal – are a type of income support that provides people with direct assistance they can use to maintain or find rental housing.



The opportunity: The next National Housing Strategy



- Federal funding for the Canada Housing Benefit, the only direct income support for renters in the National Housing Strategy, ends in early 2028.
- It has assisted as many as 300,000 households to:
 1. Reduce the amount of money they spend on housing
 2. Afford other necessities like food and transit
 3. Keep up with their rent so they can remain housed and not fall into homelessness
- The federal government is developing a new National Housing Strategy. Expanding housing benefits should be a central priority.



The idea: Think bigger than the Canada Housing Benefit



- The Canada Housing Benefit is helpful, but it's limited.
 - Funding is capped, with waitlists and strict eligibility criteria that limit access.
 - Support can be difficult to understand and access for recipients.
 - Each province and territory has a different design with different target populations, creating inequities and making it difficult to solve nation-wide problems.
- What renters across Canada need is an entitlement-based, easy to administer income support, like the Canada Child Benefit but for rent.

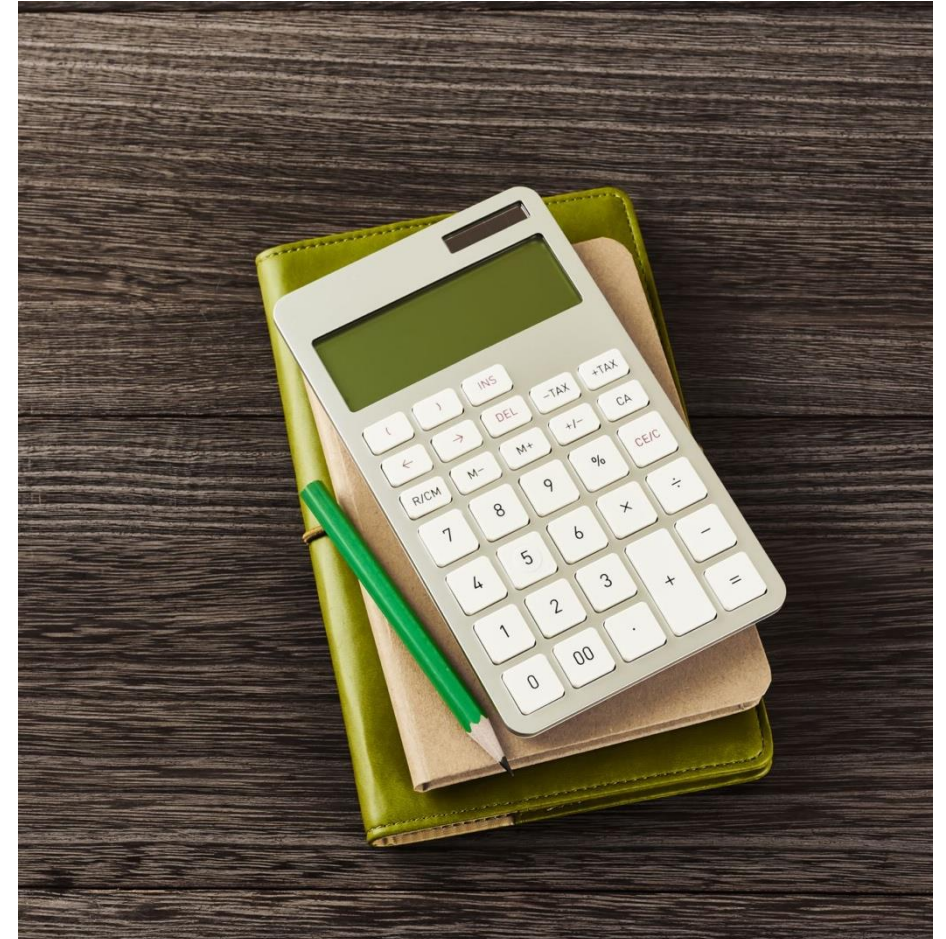


The proposal: The Canada Renters Credit



The Canada Renters Credit:

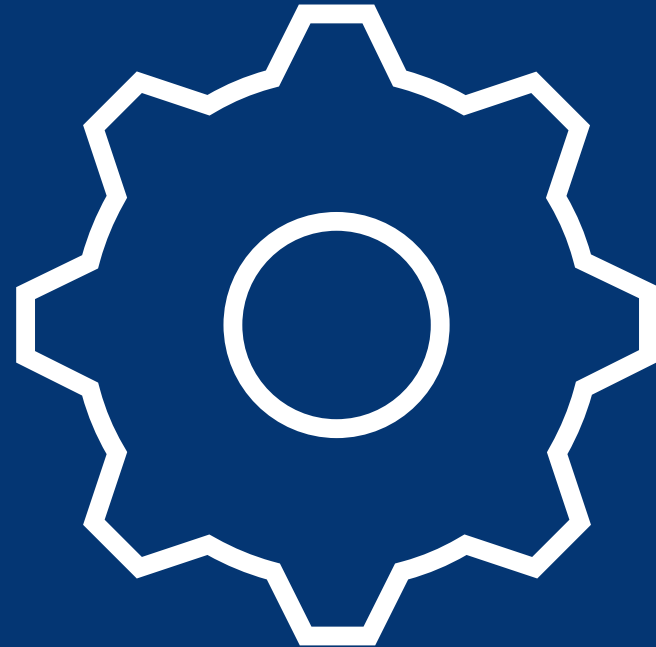
- Is a refundable tax credit – efficient, timely, and available to everyone who needs it and files taxes.
- Represents the first ever national income floor for low-income renters.
- Does not replace the Canada Housing Benefit or other income supports. These would stack on top.
- Is the first step in transforming the way that housing benefits work in Canada.



We already know this model of income support works



- No cumbersome applications or new administrative processes
- No waitlist for access
- Benefits are portable (people can live where they need to, not where they must)
- Benefits are consistent across Canada
- The design protects against rent inflation
- Fewer messy benefit interactions (tax system's income definition is used to calculate benefits)



Design of the Canada Renters Credit

- **Maximum benefit:** \$200/month for a single renter household, scaled by family size.
- **Income eligibility:** Benefit begins to reduce when Adjusted Family Net Income reaches 75% of the Low-Income Measure (\$23,488 for single-person household), reducing by 30 cents per dollar of income afterwards (reaches \$0 at \$31,488 for single-person household).
- **Age requirements:** Working-age adults, seniors, and youth who live independently would be eligible. Full-time students are ineligible.
- **Renter status required:** Responsibility for submitting proof of rent would fall to landlords using the Quebec Solidarity Tax Credit model.
- **Reach:** About 2 million tax families, with an average benefit of \$192/month across all family types.
- **Impact:** Estimated annual cost of \$4.7B. Households with a severe affordability burden (spending >50% of income on rent) would decrease (28.1% to 24.6%).



Illustration of the Canada Renters Credit

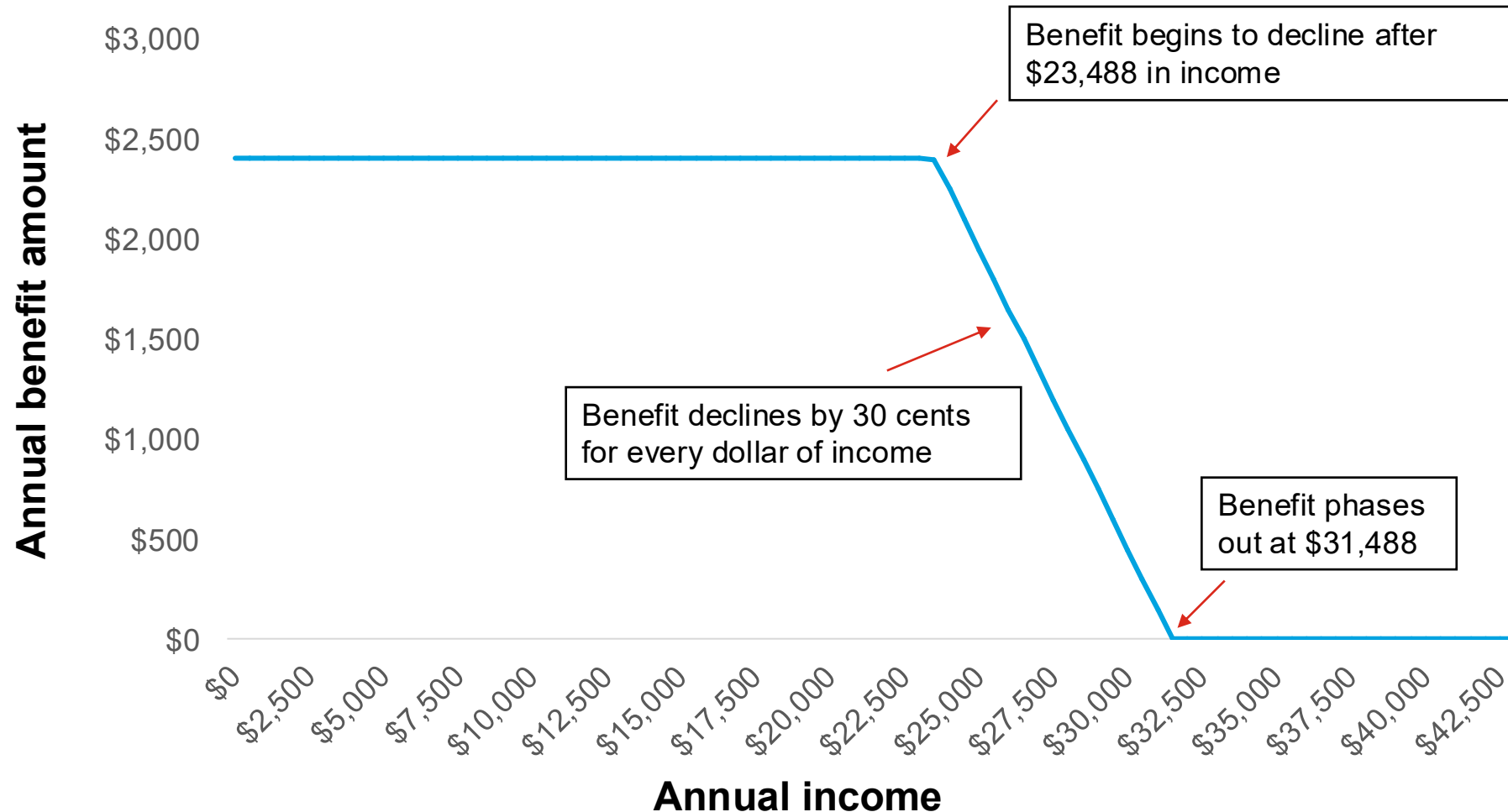
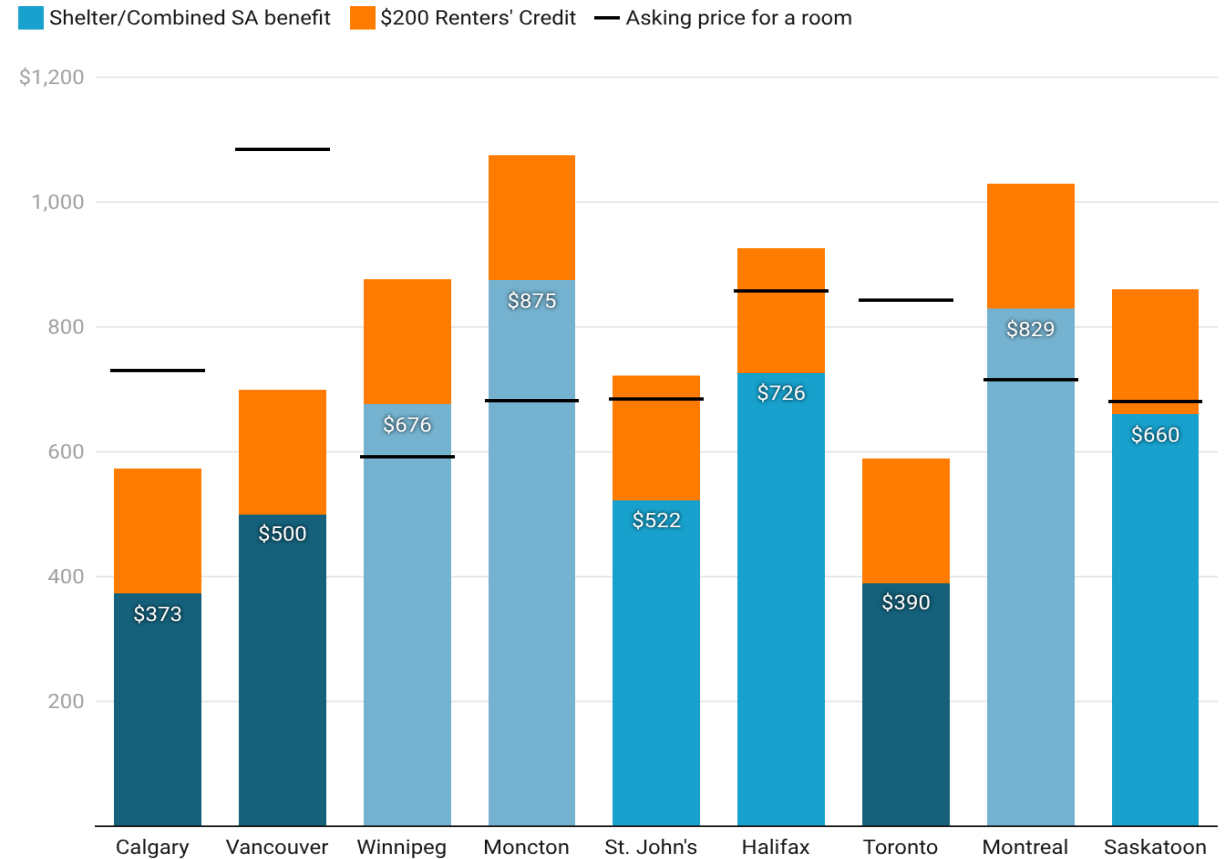


Illustration for a single-person household, 2024. Based on Modelling by Gillian Petit and Selvia Arshad using the Social Policy and Simulation Database and Model (SPSD/M) v. 34.0.

Stackable with social assistance



- In six provinces, single social assistance recipients considered employable do not receive enough in shelter or combined benefits to afford the average asking rent for a room in that province's largest city.
- The Canada Renters Credit would fully close this gap in three provinces and help to close the gap in the rest.
- Though not pictured, the Canada Renters Credit would also help other social assistance recipients in communities of all sizes.



Source: Maytree • Created with Datawrapper

The credit's impact on affordability of a room for an unattached single considered employable, by CMA, 2025

Implications for the Canada Housing Benefit



- Housing needs are diverse. We need more tools to get the right kind of income support to the right people.
- The Canada Renters Credit should work with, not replace, the Canada Housing Benefit. The federal government should immediately extend funding for the Canada Housing Benefit so current recipients do not end up worse off.
- In the future, the Canada Housing Benefit could be refocused on addressing homelessness and other urgent situations where a refundable tax credit is not the best way to provide support.



The Canada Renters Credit and Canada Housing Benefit would work together



Two pathways into income support for renters based on needs and circumstances

Canada Renters Credit

Existing renters receive support through the tax system, similar to Canada Child Benefit, Canada Groceries and Essentials Benefit, and/or Canada Workers Benefit.

Canada Housing Benefit

- Transitioning from homelessness into housing (so cannot provide proof of rent);
- Experiencing sudden loss of income, need immediate assistance (can't wait for tax-system); or
- Complex needs requiring ongoing caseworker intervention (e.g., for direct payment of rent to a landlord).

The long-term vision: A Canada Housing Benefit System



The Canada Renters Credit is just a first step. Maytree has advanced a longer-term plan for an integrated system of housing benefits that would be:

- 1 Available to current renters and people experiencing homelessness – two different access routes that reflect different needs and circumstances.
- 2 Targeted, where households with the lowest incomes get the deepest levels of support, but some assistance is still provided as earnings increase.
- 3 Based on the actual costs to rent an affordable market unit and takes account of where people live and the size of the unit they need.
- 4 Administered by provinces and territories based on a common design, but flexible enough to respond to local contexts.



Common questions



Why not build deeply affordable housing instead?

We need both greater supply and income support. Realistically, building enough new supply will take years or decades. Income support works today.

Won't housing benefits push rents higher?

At the household level, the benefit design makes sure landlords don't know who is receiving a benefit and can't affect the benefit amount by raising the rent. At the market level, we need stronger rent regulations to prevent rent inflation.

Can we afford this? Why not make the credit larger?

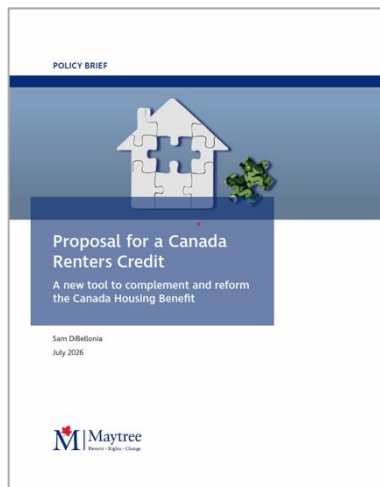
Homelessness and housing instability already leads to billions in downstream costs.

Our design is practical – it provides modest support to people in deepest need at a cost that is significant but not impossible. If the government is open to creating a larger credit, Maytree has also offered modelling for more generous options. Maytree also views this proposal as the first step in housing benefit reform.

What about people in subsidized housing or who own their home?

Low-income people who own their homes or live in subsidized housing need help too. More work is needed to identify the best tools and options to offer this support. At least to start, our proposal is that only people paying market rent (from a for-profit or not-for-profit landlord) would receive the Canada Renters Credit.

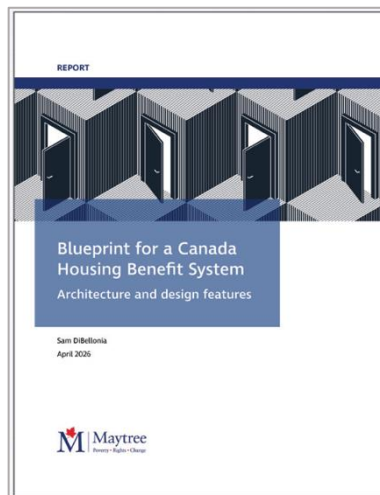
Further reading



Proposal for a Canada Renters Credit: A new tool to complement and reform the Canada Housing Benefit (2026)

The brief proposes the creation of a federal refundable tax credit for renters, the Canada Renters Credit, and immediate next steps for the future of the Canada Housing Benefit.

Read the full brief here: <https://maytree.com/publications/proposal-for-a-canada-renters-credit/>



Blueprint for a new Canada Housing Benefit System: Architecture and design features (2026)

The report proposes the architecture and design needed to transform housing benefits in Canada into a simple, adequate, and integrated system of support for renters with low incomes.

Read the full report here: <https://maytree.com/publications/blueprint-for-a-canada-housing-benefit-system-architecture-and-design-features/>



Thank you!