

Nation-building must include social infrastructure

Written submission for the pre-budget
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Submitted by:

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Maytree's recommendations

Strengthen income supports

Recommendation 1: Set a credible path to achieving Canada's 2030 poverty reduction target by making targeted income support investments.

Recommendation 2: Enhance and expand the Canada Housing Benefit.

Make housing more affordable

Recommendation 3: Recommit to advancing the right to adequate housing and properly embed this right across all housing policies.

Recommendation 4: Clarify the government's patchwork of housing policies and strategies and expand programs focused on people with low incomes.

Prioritize human rights implementation

Recommendation 5: Further the domestic implementation of Canada's international commitments to economic and social rights, working with other levels of government.

The situation

The human right to an adequate standard of living is increasingly out of reach

Despite Canada's commitment under [international law](#) to progressively realize the right to an adequate standard of living, more and more people cannot afford the necessities of a dignified life.

The latest [national data](#) shows that poverty is rising among almost every demographic group and in nearly every province and territory across Canada. Rates of food insecurity, core housing need, and homelessness are similarly on the rise.

If these trends continue, the government will not meet [its target](#) to cut poverty in half by 2030 compared to 2015. Even worse, we are worryingly close to backtracking on the 2020 poverty reduction target to reduce poverty by 20 per cent. The government's own National Advisory Council on Poverty has [raised the alarm](#) about this trend, and there is still no realistic policy prescription that would see Canada get back on course.

Economic growth is about investing in people as much as things

Fortunately, we know how to address poverty. Investments in a stronger income security system – whether through the Canada Child Benefit, Canada Emergency Response Benefit, or the Guaranteed Income Supplement – have proven to be effective every time at reducing the depth and breadth of poverty. New supports like the Canada Disability Benefit and the Canada Housing Benefit also have the potential to have this effect.

The income security system is an example of social infrastructure – the services and networks that support community development and well-being. Social infrastructure is just as important as physical infrastructure in building a stronger and more prosperous country. These evidence-based investments, not only in income support, but in health, education, community services, and more, have been shown to boost inclusive, long-term economic growth.

When these systems are weak, Canada’s most vulnerable end up falling even further behind. Maytree has [shown](#) repeatedly that the income supports provided to households with low incomes leave most living below the poverty line.

And it’s not just that these households are poor, it’s that they’re deeply poor. For instance, if you’re single and receiving social assistance in Canada, odds are you’re surviving on less than half the poverty line. To make matters worse, if this person is unhoused, they receive between 9 and 77 per cent less in social assistance benefits than someone who has housing.

These examples aren’t just gaps in the system, but policy choices.

Yet this government’s early emphasis on tax cuts that do not benefit those living in poverty, large infrastructure projects, and increased military spending – all funded through cuts to the “operating budget” – strongly suggest it intends to turn its back on this very social infrastructure that is key to growth.

If the government is indeed committed to thinking “[big](#)” and acting “[bigger](#)” by seeking out nation-building projects that boost Canada’s economy, it should set ambitious goals to build Canada from the bottom up. This means creating new strategies to strengthen income supports, address homelessness, and further implement Canada’s human rights commitments in its policies and programs.

It’s time to finally end poverty and its related challenges, and the recommendations set out in this submission will help us get there.

The way forward: Maytree's recommended approach

Strengthen the income security system

1. Set a credible path to achieving Canada's 2030 poverty reduction targets by making targeted income support investments.

Canada needs to revisit and strengthen its poverty reduction strategy if it hopes to achieve its 2030 poverty reduction target. Just as the National Housing Strategy was grounded in the human right to adequate housing, Canada's Poverty Reduction Strategy should be grounded in the human right to an adequate standard of living – a right Canada committed to nearly 50 years ago.

New efforts to strengthen Canada's income security system must form the backbone of our poverty reduction efforts. A new strategy should include specific investments, such as the following:

- **Invest in the Canada Disability Benefit (CDB) by raising the benefit amount, simplifying access, and expanding eligibility.** Even after the introduction of the new CDB, in every single province and territory, [unattached singles with disabilities have total welfare incomes that are inadequate](#) and often far below Canada's Official Poverty Line. [Maytree recommends](#) that the government increase the maximum benefit so that total welfare incomes are adequate, expand eligibility so that the benefit is accessible to all working-age people with disabilities who live below the poverty line, and simplify the application process so that all who qualify can access support.
- **Add a floor amount to the Canada Workers Benefit (CWB) and increase its maximum benefit.** Well over half of CWB beneficiaries are single unattached working-age adults, a group that faces both the highest rate and greatest depth of poverty in Canada. Maytree and Community Food Centres Canada [proposed to enhance the CWB](#) into the Canada Working-Age Supplement (CWAS) and lift over 1 million unattached singles out of deep poverty.
- **Better support all low-income people by enhancing the GST/HST credit, by, for example, replacing it with the proposed Groceries and Essentials Benefit.** The government allowed its temporary enhancements to the GST/HST credit to expire, even though the cost of living remains high. Maytree recommends returning to this approach through a permanent enhancement. For example, the government should consider implementing the proposed [Groceries and Essentials Benefit](#), as recommended by the Affordability

Action Council, which would provide an additional \$1,800 per adult and \$600 per child annually.

2. Enhance and expand the Canada Housing Benefit.

While developing deeply affordable non-market housing is essential, it won't address the urgent needs of those struggling today. Only income security programs can help families pay this month's rent when jobs are out of reach or wages aren't enough.

The Canada Housing Benefit (CHB) helps many people with low incomes gain access to, or remain in, the rental market by providing them with direct financial support. However, the current design of the CHB makes the benefit unpredictable, inequitable, and inadequate. A much greater investment is needed to increase support and extend the benefit to those who need it. The CHB is also set to expire in 2029, well before we will have addressed Canada's chronic lack of affordable units and the potential impact of "[filtering](#)" can be felt by people with low incomes. Even [CMHC has stated](#) that supply initiatives alone will not address the urgent affordability challenges faced by low- to middle-income renters.

Maytree recommends that the government work with provinces and territories to immediately enhance the CHB. It should also immediately [explore options](#) for a new permanent, entitlement-based housing benefit for low-income renters that is integrated with the rest of the income security system.

Make housing more affordable

3. Recommit to advancing the right to adequate housing and properly embed this right across all housing policies.

The [National Housing Strategy Act, 2019](#) (NHSA) declares that it is the housing policy of the federal government to "...recognize that the right to adequate housing is a fundamental human right affirmed in international law." The NHSA also commits the government to further the progressive realization of this right – meaning that it must use its maximum available resources, including legislative and regulatory means, to help people realize this right.

The NHSA not only enshrines the right to adequate housing in domestic law. It also states that the Minister of Housing and Infrastructure must develop and maintain a national housing strategy that, among other things:

- Establishes national goals relating to housing and homelessness and identifies related priorities, initiatives, timelines, and desired outcomes; and
- Focuses on improving housing outcomes for people in greatest need.

While Maytree is pleased to see the newly elected government's continued emphasis on addressing the housing crisis, it has yet to articulate how it intends to centre the right to adequate housing in its agenda, as required by legislation.

Maytree recommends that the government establish an explicit process and timeline to embed a human rights-based approach across its housing policies and programs. Such an approach would include a commitment and a plan to end homelessness, prioritize those in greatest housing need, introduce clear targets and metrics for progress, and ensure the voices of people with lived experience guide policy and program development.

4. Clarify the government's patchwork of housing policies and strategies and expand programs focused on people with low incomes.

Over the past few years, the federal government has made a growing number of layered housing commitments. These include those that are part of the National Housing Strategy, Canada's Housing Plan, and the new Building Canada Strong Plan.

Maytree has welcomed those commitments that help make housing more affordable to people with low incomes. These include:

- Reaching Home for people experiencing homelessness;
- The Renters' Bill of Rights, which aims to better protect tenants;
- The Rapid Housing Sub-Stream under the Affordable Housing Fund, which supports both emergency and long-term deeply affordable housing; and
- The Public Lands for Homes Plan, which uses public land for housing

We also look forward to seeing the implementation of the government's new commitment to directly build more affordable housing at scale.

However, it's not clear how these different programs will come together under one strategy, or if previous programs will continue.

Maytree recommends that the government clarify its overall housing policy strategy, including the timelines and funding commitments for each program. We also ask that the government expand existing programs that support people in deepest housing need, such as Reaching Home and the Rapid Housing funding sub-stream.

Prioritize human rights implementation

5. Further the domestic implementation of Canada's international commitments to economic and social rights, working with other levels of government.

In the wake of Canada's fourth Universal Periodic Review (UPR) at the UN, Canada's federal, provincial, and territorial governments committed to make information about the implementation of UPR recommendations accessible to the public. This is an important commitment, as Canada has so far neglected to build the necessary legal foundations and government structures to institutionalize economic and social rights and provide accountability to rights holders.

To that end, Maytree calls on Heritage Canada to produce a comprehensive report on how the federal government intends to implement each UPR recommendation within its jurisdiction and how it will work with provinces and territories to encourage them to do the same. To ensure public accountability, Heritage Canada should also accelerate plans to adopt the UN's National Recommendations Tracking Database.

Maytree is pleased to have the opportunity to provide input in advance of the 2025 federal budget. We welcome any feedback on our recommendations.