



# Build Co-op Housing, Build a Better Future

2025 Federal Budget Recommendations

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Co-operative Housing  
Federation of Canada

## Introduction: Co-op Housing is a Proven Solution with a Ready Pipeline

For over five decades, housing co-operatives have built inclusive, resilient communities in Canada. Housing co-ops provide secure, affordable homes for households with a mix of incomes, where all member-households have a meaningful say in how their housing is managed.

Working with governments and partners, the co-op housing sector can build quickly by leveraging an existing pan-Canadian pipeline of co-op housing projects that are awaiting investment to get them over the finish line. This opportunity comes at a critical moment, [as market developers are pulling back](#)<sup>2</sup>, but new housing still needs to be built, and construction industry jobs protected as much as possible.

At a time when Canada faces a housing affordability crisis, Canadians are clear: [73 percent see co-op and non-profit housing as a viable solution, and 61 percent say increasing access should be a top federal priority.](#)<sup>1</sup>

As the national voice of co-op housing, the Co-operative Housing Federation of Canada (CHF Canada) recommends five high-impact actions that will create more co-op housing. This will have the dual impact of helping to alleviate the housing crisis, while also strengthening the Canadian economy by creating good jobs and bringing financial security to the many who are caught up in an expensive and insecure housing system.



# 1

## Recommendation 1: Accelerate the construction of ready-to-go co-op homes with a near-term recapitalization of key federal programs.

Co-op housing is a smart investment that delivers permanent affordability and housing security for low, moderate and middle-income Canadians.

In addition to the clear benefit for households, expanding co-op housing at scale will also strengthen local labour markets, build lasting infrastructure, [improve productivity and boost GDP](#).<sup>3</sup>

Growing co-op housing at scale requires dedicated federal investment to ensure projects are viable. In the recent period, this has largely come from the Co-operative Housing Development Program (CHDP), as well as the Affordable Housing Fund.

Launched in 2024, CHDP is the first federal program dedicated to building co-op housing in over 30 years. Co-operative homes supported through this program will soon be ready.

CHDP was launched at an opportune time, as the co-op housing sector had amassed significant development expertise over the prior decade, as it worked to respond to the high demand for co-op housing. Now, further catalyzed by CHDP, the sector is actively building. There are billions of dollars worth of shovel-ready projects that have been created, with land, partners, and community support secured. However, there are not enough CHDP funds to support all of these projects, but they require investment to be viable. Even as Build Canada Homes is being developed, letting these projects stall would be a costly missed opportunity, especially as we see private [developers pulling back](#).<sup>4</sup>

In order to capitalize on a large co-op housing pipeline, we need to recapitalize federal programs that work in the near-term, including CHDP and the Affordable Housing Fund, and subsequently prioritize co-op and non-profit housing development into Build Canada Homes.



## 2

### **Recommendation 2: Prioritize Co-operative and Non-Profit Housing in Build Canada Homes.**

The co-operative housing sector is ready and able to help the federal government meet its Build Canada Homes goals by quickly delivering affordable co-operative homes at scale for low-, moderate- and middle-income Canadians. To do so, we recommend that the design and mandate of Build Canada Homes:

- Prioritizes co-operative and non-profit housing, including a “For Indigenous, By Indigenous” mandate for a significant portion of this housing.
- Takes a portfolio-based approach that enables sector-led developments at scale, moving away from time and resource-intensive application-based programs.
- Appropriately balances risk and innovation.
- Cements a new partnership between the community housing sector and federal government with investment that aligns with need and desired outcomes.

## 3

### **Recommendation 3: Launch the Canada Rental Protection Fund, to protect renters by enabling co-op and non-profit housing providers to acquire properties.**

Preserving existing market rental housing which is relatively affordable is one of the most immediate and cost-effective ways to address Canada’s housing crisis. But with renovictions, demo-victions and property sales happening in communities across the country, the affordability of these homes – and even the homes themselves – are being lost. The best way to preserve these homes is to support housing co-ops and non-profits to acquire them. This will secure the homes of renters who would otherwise be at-risk, as well as preserve their affordability in perpetuity.

The federal government should launch the Canada Rental Protection Fund in Fall 2025, with a clear mandate to support co-op and non-profits to acquire at-risk rental properties. Alongside rapid implementation, getting the fund design right is essential. CHF Canada and other sector leaders have provided practical recommendations to ensure the fund is put to best and most rapid use, leveraging the expertise of the co-op and non-profit sectors, and their ability to support the local co-ops and non-profits who will be the eventual owners of these properties.



## 4

### **Recommendation 4: Invest in the Urban, Rural and Northern Indigenous Housing Strategy through the National Indigenous Collaborative Housing Inc.**

Housing is foundational to advancing reconciliation. CHF Canada continues to stand with Indigenous housing providers and their vision for Indigenous-led co-op and non-profit housing that meets the housing and cultural needs of Indigenous people in urban, rural and northern communities.

Budget 2022 committed \$300 million for the Urban, Rural and Northern Indigenous Housing Strategy, largely delivered through the National Indigenous Collaborative Housing Inc. (NICHI). But the additional \$4 billion over seven years

committed in Budget 2023 remains not fully allocated.

This should be provided to NICHI, for the development of For Indigenous, By Indigenous community housing. This will help address the disproportionate housing need experienced by Indigenous people across the country. When an Indigenous-led approach is used, the housing created will be culturally appropriate, designed to uphold the varying values, traditions, and governance approaches of Indigenous communities.

## 5

### **Recommendation 5: Ensure Stable, Inclusive Communities through Long-Term Rental Assistance.**

The Federal Community Housing Initiative is an existing federal program which provides funds to co-ops and non-profits based on the difference between the break-even housing charge and what low-income households living in those co-ops and non-profits can afford to pay. This modest program is what allows co-ops and non-profits to operate as mixed-income communities.

Compared to supporting those same households with rent supplements or portable benefits in the private rental market, rental assistance in co-op and non-profit housing is more cost effective, since the break-even housing charge is lower than private market rents. Most of these households would be at risk of homelessness in the absence of the support provided through the Federal Community Housing Initiative.

This is why CHF Canada welcomed the government's 2024 Fall Economic Statement commitment of \$362.6 million to extend the Federal Community Housing Initiative by five years, beyond 2028. This commitment

is essential and needs to be part of relevant budgetary appropriations.

However, many existing and new co-ops—including those built under the CHDP—remain ineligible for this funding. In some provinces, administrative downloading to provincial housing authorities has meant co-ops there are ineligible for rental assistance. The federal government should make the Federal Community Housing Initiative permanent in the long-term, extend it to new co-ops and work with provinces to ensure consistent rental assistance nationwide.

Rental assistance must evolve to reflect the federal government's investment in affordability. Long-term rental assistance will preserve affordability in housing that is already managed democratically and not subject to the speculative market.

# Conclusion

Scaling up co-op housing is a strategic investment in Canada's future and will support inclusive growth and economic resiliency. The co-op housing sector is ready and able to build lasting, affordable homes at the scale and speed that is needed.

Canada needs long-term, proven solutions. Co-op housing is built to last and delivers value generation after generation. Now is the time to build co-op housing for a better future.



## Endnotes

[1] Abacus Data, 73% of Canadians Say Non-Profit and Co-op Housing Can Help Solve the Housing Crisis, February 15, 2025, <https://abacusdata.ca/canadians-say-co-op-and-non-profit-housing-can-help-solve-the-housing-crisis/> .

[2] Rachele Younglai, "Residential Real Estate Developers Cut Jobs as Downturn Deepens", The Globe and Mail, July 11, 2025. <https://www.theglobeandmail.com/business/article-real-estate-jobs-downturn-homes-decline/>.

[3] Deloitte, The Impact of Community Housing on Productivity, report prepared for the Canadian Housing and Renewal Association and Housing Partnership Canada, released November 2023, accessed via CHRA [https://chra-achru.ca/wp-content/uploads/2023/11/Community-Housing-and-Productivity-Study\\_final.pdf](https://chra-achru.ca/wp-content/uploads/2023/11/Community-Housing-and-Productivity-Study_final.pdf)

[4] Rachele Younglai, "Residential Real Estate Developers Cut Jobs as Downturn Deepens", The Globe and Mail, July 11, 2025. <https://www.theglobeandmail.com/business/article-real-estate-jobs-downturn-homes-decline/>



## About CHF Canada

CHF Canada is the national voice of co-operative housing, representing 2,200 housing co-operatives, home to a quarter of a million people in every province and territory. Co-operative housing is a well-documented success story. For over 50 years, co-ops have provided good quality, affordable housing owned and managed by the community members who live there.

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