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Advice to the Minister: **How a human rights-based approach can help solve the housing crisis**

Office of the Federal Housing Advocate

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Table of Contents

Overview	1
Considerations	2
Establishing targets to reflect need – A new housing continuum	2
Solutions.....	3
1. Recalibrate the National Housing Strategy to better align with the National Housing Strategy Act	3
2. Establish human rights-based targets, measurements and reporting.....	3
3. Ensure Build Canada Homes is mandated and equipped to support the building of non-market housing	4

Overview

Canada is at a critical turning point. Solving the housing crisis requires more than accelerating supply — it demands the right kind of housing, guided by clear definitions, measurable targets, and a strong commitment to human rights. A series of policy shifts over the past generation—including reduced federal investment in non-market housing, weakened affordability definitions, and increasing financialization, have contributed to growing homelessness, unaffordability, and housing insecurity across the country.

This advice to the Minister is timely for the federal government as it considers the next phase of the National Housing Strategy (NHS), which ends in 2027-28, and prepares to operationalize new policy tools like Build Canada Homes. The advice draws from the growing consensus among human rights practitioners, housing experts, and community voices and sets the stage for more detailed recommendations in an upcoming report for the Office of the Federal Housing Advocate by Dr. Carolyn Whitzman, a leading expert on rights-based housing policy in Canada.

Drawing from the Federal Housing Advocate's work to date, this advice urges the government to take bold and practical action to realign Canada's housing strategy with its human rights obligations. This means:

- **Recalibrating the National Housing Strategy, definitions, targets, and programs** to prioritize those most in need
- **Scaling non-market housing supply** as a cornerstone of federal leadership
- **Coordinating across all levels of government** to embed transparency, accountability, and equity
- **Mandating Build Canada Homes** as a rights-based policy and delivery tool
- **Centering lived experience** and engaging communities as active partners in housing solutions

Canada has the policy tools, public support, and legislative foundation to lead on housing rights. What's needed now is the political will to implement a more targeted, coordinated, and equitable approach — one that puts people at the centre and ensures no one is left behind.

Considerations

There has been widespread criticism of NHS programs which do not comply with the National Housing Strategy Act (NHTSA), do not use the Canada Mortgage and Housing Corporation (CMHC) definition of affordable housing in their programs and are not focused on the needs of those in greatest need.

- The Rapid Housing Initiative, focused on non-market, low-income affordability, has produced 57% of the total new homes delivered with only 7% of the total funds, suggesting that programs targeting Canadians most in need may be more effective in terms of overall housing supply, cost efficiency, and meeting rights-based targets.
- The NHS is not meeting targets because the programs had little to do with the targets, and because net loss of affordable housing continues under the NHS.
- At the current rate of building nonmarket housing affordable to very low- and low-income Canadians, it would take at least 1,000 years to end homelessness and housing need.

Establishing targets to reflect need – A new housing continuum

Rather than establishing targets based on the traditional seven “stages” of the housing continuum, it is strongly recommended that targets and programs be addressed to meet the needs of households based on income categories. Generally speaking, these can be separated in three main groups which reflect categories which people can move in and out of throughout their lives:

1. Very low income and low-income **deeply affordable housing**, including supportive housing, seniors housing, and student housing (0-50% of area median household income, about 20% of households) – enabled by grants and financing, generally provided by nonmarket organizations (community housing, including public and cooperative housing) and reforms to regulatory systems. Generally rental.
2. Moderate- and median-income **affordable housing** (51-120% of area median household income, about 40% of households), for singles, couples, and families – enabled by financing support to nonmarket providers and reforms to regulatory systems to assist market and nonmarket developers and providers. Can be rental or ownership.
3. **Higher income housing** (121+% of area median household income, about 40% of households), for singles, couples, and families – enabled by reforms to regulatory systems, but not generally enabled by financing support. Can be rental or ownership.

Solutions

1. Recalibrate the National Housing Strategy to better align with the National Housing Strategy Act

a. Prioritize non-market housing

To be compliant with the National Housing Strategy Act, the federal government must take the lead in the development of a long-term plan to end and prevent homelessness and housing need. Now is a perfect time to develop and deliver the next phase of a recalibrated National Housing Strategy 2.0. To address a 3 million home deficit for very low- and low-income households, the federal government must commit to a 20% target for all housing in Canada to be nonmarket by 2055. This will require 40% of all new housing to be nonmarket, as well as ambitious acquisitions and retrofit programs.

b. Ensure coordination and collaboration with all levels of government

The federal government must negotiate a new generation of **multilateral** and **bilateral agreements** with provinces and territories which establish human rights-based targets along with transparent reporting and accountability mechanisms. All governments should be working towards targets of 20% non-market housing. All governments should provide data on housing completions. All governments should emphasize mechanisms to retain affordable housing (acquisitions by non-market providers, rent regulation, eviction prevention, renovation) and prevent evictions into homelessness, as well as improving new housing completions. Annual federal targets for all provinces/ territories and municipalities/regions should be linked to federal infrastructure, social and health transfers.

2. Establish human rights-based targets, measurements and reporting

The federal government should use area income-based categories, already incorporated in mandatory municipal housing need assessments, to target those most in need of housing. Data should be provided on housing completions. The federal government must enable at least 100,000 deeply affordable homes per year to address growing homelessness, with the understanding that this number may need to be increased over time to meet this generational crisis.

Housing need measurements should be revised to include those who are homeless, in collective dwellings, and who are postsecondary students, and to include accessibility, location, and tenure security criteria. These targets should use consistent rights-compliant definitions of affordability (e.g. 30% of gross before tax household income OR 40% of net after tax household income), rather than proportion of median rent or home prices.

The National Housing Strategy requires a robust monitoring and accountability framework. The Triennial Reviews called for in Section 18 (1) of the NHSA did not result in transparent evaluation and course correction. Learning from this experience, the federal government should ensure an independent review of the National Housing Strategy every five years in line with the availability of census data to measure outcomes (i.e. 2028, 2033, 2038, 2043, 2048, 2053) and the government's capacity to ensure such reviews. The federal government should also release annual progress reports that outline home completions and their rents/housing charges/sales prices broken down by income category affordability, as well as further demographic information related to age, size of household, disability, gender as available.

3. Ensure Build Canada Homes is mandated and equipped to support the building of non-market housing

The mandate of Build Canada Homes must be framed to achieve the legislated aims of the NHSA as articulated in the legislation's Sections 4 and 5. This new agency must learn from the shortcoming of the first NHS and prioritize increasing the supply of non-market housing.

As outlined in the Overview, addressing Canada's housing crisis requires a generational effort to correct past policy failures — and that starts with delivering the right supply, using clear definitions and effective measurements to prioritize those in greatest need. The creation of Build Canada Homes presents a critical opportunity to operationalize the commitments of the National Housing Strategy Act and to shift the federal housing system toward the progressive realization of the right to housing.

This new institution must go beyond delivery — it must be mandated and equipped as a national policy tool with a clear public purpose: to expand and preserve non-market housing and to ensure that federal investments result in deep affordability, equity, and long-term accountability.

Principles to guide the mandate of Build Canada Homes

To fulfill this purpose, Build Canada Homes must be designed around the following rights-based and action-oriented principles:

1. Align with the National Housing Strategy Act

Ground all actions in the NHSA's legislated purpose: progressively realize the right to housing, prioritize the needs of marginalized groups, and foster meaningful engagement with rights holders and communities.

2. Deliver deeply affordable non-market supply

Establish a clear target to enable the construction or acquisition of at least 100,000 deeply affordable homes annually, with a pathway toward ensuring 20% of Canada's housing stock is non-market by 2055. This should include grants, financing, and land access for co-ops, non-profits, and public housing.

3. Preserve existing affordable housing

Implement a national acquisition strategy to prevent the net loss of affordable homes, including the transfer of at-risk rental units to non-market providers and tenants. Tie funding to tenant protections, affordability guarantees, and eviction prevention.

4. Support and scale the ecosystem

Create a national roster of pre-qualified non-market developers and aggregators, and fund partnerships between experienced developers and emerging community-led housing providers. Ensure capacity-building support reaches Indigenous, Black, racialized, and disability-led organizations.

5. Use income-based affordability standards

All housing supported by Build Canada Homes must meet consistent affordability definitions — such as 30% of gross income or 40% of net income — instead of market-based proxies. Homes should be categorized by income bands to ensure transparency and equity.

6. Leverage land, regulatory reform, and design innovation

Prioritize the use of public land, modular and rapid construction, and streamlined approvals for pre-approved designs to accelerate delivery timelines, especially in underserved regions.

7. Require transparent measurement and reporting

Build Canada Homes must publish annual, disaggregated progress reports, including completions by income band, unit size, tenure type, and priority population. These should be linked to updated housing need and rights-based outcome indicators.