



URBAN
DEVELOPMENT
INSTITUTE

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March 25, 2026

The Right Honourable Mark Carney, P.C., M.P.
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

Re: Expansion of the Goods & Services Tax (GST) Rebate for British Columbia

Dear Prime Minister:

The Urban Development Institute (UDI) represents the building and development industry in British Columbia. Our members are very supportive of the recent [announcement](#) to expand the Harmonized Sales Tax (HST) rebate/partial rebate in Ontario for all purchasers (not just first-time buyers) of new homes up to \$1.85 million for one year. UDI has requested similar measures regarding the GST and asks that the approach with the HST in Ontario be expanded to British Columbia, which also has a stalled housing market.

Our members are facing the worst housing market in four decades. This is largely due to a cost-of-delivery crisis. Purchasers and renters have “*hit a wall*” in terms of what they can afford to pay for housing, as our members can no longer deliver new housing at a price that British Columbians can afford. This is in large part due to taxes/fees and requirements from all levels of government. Unsurprisingly, market activity is declining:

- In April 2025, there were approximately 2,179 completed and unsold condominium units across the region. Since that time, inventory has continued to climb. As noted in Rennie Marketing’s 2026 outlook, “*the number of newly-completed and unsold condominiums added to the market will outpace the absorption of existing completed and unsold inventory. We expect the total number of completed and unsold condos will grow to 3,650 by the end of 2026.*”
- According to [CMHC](#), “*...In 2024, condominium apartment unit cancellations were 5- and 10- fold higher than they were in 2022 in Toronto and Vancouver, respectively;*”
- Avison Young [shared](#) that 22% of land sales over \$5 million in Q1 2025 were court-ordered, more than double the rate from the same period last year; and
- “*The BC Financial Services Authority ... is monitoring the challenging environment impacting the development industry as a consequence of economic uncertainty and rising construction costs.*”¹

This is contributing to a slowdown in new housing starts. In fact, CMHC estimates that *“... Ontario and British Columbia will see sharp declines in housing starts, with modest recovery by 2028.”* This is already impacting employment. Statistics Canada’s February employment figures [show](#) *“... B.C.’s construction sector lost 6,900 jobs in February, while the number of positions in real estate, finance, insurance, rental and leasing declined by 5,400.”*

British Columbia’s housing sector needs help, and the HST expansion announced in Ontario is what is needed. We agree with our colleague, David Wilkes, President of the Building Industry and Land Development Association in Toronto, the expanded HST rebate is a *“game changer.”* The Ontario Government estimates *“The measure could stimulate an additional 8,000 Ontario housing starts and support up to 21,000 jobs, which could boost Ontario real GDP growth by \$2.7 billion.”*

Our members ask that the Federal Government rebate/partially rebate the GST for all purchasers of new housing in British Columbia for homes up to \$1.85 million as was done in Ontario with the HST. In addition, we recommend that the Federal Government work with B.C.’s Government to provide further savings on Provincial taxes on housing to fully leverage an expanded GST rebate.

This would allow our members to begin launching new housing projects, generate jobs, and increase investment in the housing sector. This is critical since CMHC has also noted that *“Cities like Toronto and Vancouver face thinning pipelines...”* and *“The key concern is whether today’s slowdown will lead to future shortages when delayed demand resurges.”*

UDI and its member are encouraged by the actions of your Government and Ontario’s to support the housing sector when it is most needed and the assistance it provides Canadians to buy new homes, which have been out of reach for too many families. We hope similar measures will be announced soon for British Columbia.

Yours Sincerely,



Michael Drummond
Interim President & CEO, Urban Development Institute – Pacific Region

CC: The Honourable François-Philippe Champagne, Minister of Finance and National Revenue

The Honourable David Eby, Premier of British Columbia