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RESEARCH

Federal Budget 2026
Highlights

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MUNISCOPE

Contents

Budget 2026 Brief 3
Reference 6
Reactions 7
Provincial and Territorial Governments 7
Municipal Associations 8
Municipalities 9
Organizations 11
Media 15

Budget 2026 Brief

On November 5th, 2026, Finance Minister François-Philippe Champagne tabled the Government of Canada's 2026 budget titled *Masters of Our Destiny*. According to the budget, the federal deficit is projected to be $62.3 Billion in 2026-27, $62.5 Billion in 2027-28, and declining over the three years following. According to the Bank of Canada July 2026 Monetary Policy Report growth in gross domestic product (GDP) for 2026 is projected to be 0.5 percentage points lower than estimated in the April Report due to a weaker-than-expected start to the year. Including all levels of government, Canada's net debt-to-GDP ratio stands at 9.3%. Growth is expected to strengthen over the course of 2027 as exports recover and business investment rises. The Budget projects total new spending of $151.5 Billion over five years and new revenues and savings of $158.3 Billion.

Housing:
Ending Homelessness -11.2 Billion

Budget 2026 sets Canada on a path to end homelessness over the next decade through measures to provide help, housing and health to Canadians who are homeless. The Federal Government will work with provinces, municipalities and philanthropy to provide the help people need as they transition from experiencing homelessness and find a permanent home.

Budget 2026 proposes to provide $11.2 billion, over 4 years, starting in 2027-28, and $17.8 billion in future years.

- Budget 2026 proposes to provide $1.8 billion over four years, starting in 2027-28, and $3.2 billion in future years to establish a new Integrated Supports Fund, delivered through Build Canada Homes. The Fund would support projects that bring housing together with health, mental health, addictions, and social supports. The Fund would also help develop new transitional and supportive housing, adapt existing buildings, and mobilise public, private, and philanthropic capital behind an integrated housing and care model.
- Budget 2026 also proposes to provide an additional $3.6 billion over four years, starting in 2027-28, and $6.4 billion in future years, through Build Canada Homes to build new supportive and transitional housing across Canada. Federal funding will support capital costs, while provincial and territorial partners will be expected to fund ongoing operations and wraparound services, like job, training, income and health supports. This approach would help ensure that new housing is matched with the care and supports people need to remain housed.
- $2.1 billion over three years, beginning in 2028-29, and $4.4 billion in future years to Housing, Infrastructure and Communities Canada to renew the Reaching Home initiative and the Veterans Homelessness Program for an additional 10 years. This funding will maintain community-led prevention and homelessness services, including dedicated support for veterans experiencing homelessness. To maximise outcomes, Reaching Home will require rigorous reporting, including real-time data, as a condition for continued funding. More details on the enhanced initiative will be released early in the new year.

The government will work with the provinces and territories on other elements of their bilateral agreements, ahead of the Spring Economic Update 2027. This work will align these agreements with the goal of putting Canada on a path to end homelessness in 10 years, protect existing non-market housing stock, take into consideration the expanded role of Build Canada Homes, and make responsibilities clearer for delivering affordable housing and targeted affordability supports. As we increase capital investments, provinces and territories will be expected to strengthen funding for

operations, health care, and wraparound supports, and to demonstrate progress against shared outcomes (pg. 198-199).

- $1 Billion in new capital to build a new Centre for Mental Health and Addictions. Up to $800 million in capital will be provided to build 2,000 new transitional and permanent supportive housing units in the City of Winnipeg (pg. 200) .

Build Canada Homes

Budget 2026 will triple non-market housing construction in Canada over the next decade. Budget 2026 proposes to provide nearly $45 Billion on a cash basis as a next step in a housing strategy that acts across the housing continuum, anchored by three pillars:

- Putting Canada on a path to end homelessness within 10 years.
- Expanding the construction of affordable and non-market housing.
- Building a housing market that works for all

This strategy is founded on a renewed partnership. The federal government will put capital, land, financing, and development capacity on the table through Build Canada Homes, while provinces and territories will be expected to support services and operations, work with municipalities to remove barriers to housing (pg. 53).

Budget 2026 proposes to provide $1.5 billion over four years, starting in 2027-28, and $387.4 million in future years to prepare federal lands for housing by funding water, wastewater, roads, and other enabling infrastructure. This investment will help turn underused federal properties into complete communities and lower the cost of delivering affordable homes (pg. 202).

Budget 2026 proposes $100 million over three years, starting in 2027-28, toward a partnership with the Federation of Canadian Municipalities to support municipal e-permitting and the adoption of artificial intelligence, enabling more efficient and effective review and approval processes, to get homes built faster (pg. 203).

Budget 2026 also proposes $300 million over three years, starting in 2028- 29, and $200 million in future years, to Innovation, Science and Economic Development Canada for the Strategic Response Fund to build and expand industrial capacity to accelerate the adoption of modern methods of construction and help lower construction costs (pg. 203).

Budget 2026 proposes new targeted investments to improve the efficiency of the homebuilding sector, accelerate home construction, and increase housing supply, including: $67.7 million over four years, starting in 2027-28, and $101.2 million in future years to modernise housing data and establish common standards for modern methods of construction. The National Research Council of Canada will also provide more timely updates to the National Model Codes to support the faster adoption of innovative building methods (pg. 203).

Removal of GST for first time home buyers

First-time home buyers are saving up to $50,000 through the removal or reduction of the Goods and Services Tax (GST) on new homes (pg. 202).

Infrastructure:

- Starting in 2026-2027 the Budget commits $3 Billion annually through the Building Communities Strong Fund to speed up the construction of hospitals, recreation centres, post secondary education facilities, bridges, water and transit systems through 28 nation building projects across the country (pg. 205-206).
- $1.5 billion over nine years through the Build Communities Strong Fund to support the construction, expansion, retrofit, and rehabilitation of community recreational facilities and ice rinks across Canada. This includes $750 million for the ice rinks and $750 million in additional funding for other community recreational facilities. These investments will help extend the life of aging facilities and ensure communities have modern, welcoming places (pg. 227).

Climate:

- $50 billion in investments in a clean and affordable electricity grid to an investment in one million heat pumps that help Canadians lower their energy bills, to more than double public charging stations for EVs, to $400 million in support for industrial and manufacturing businesses to slash their energy costs and boost competitiveness (pg. 7).
- The National Heat Pump Rebate, announced on October 8, will help up to 820,000 households install a heat pump. This $2 billion investment will help save Canadian families more than $1 billion every year on their energy bills and reduce Canada's emissions by over 25 megatonnes, once fully implemented alongside additional measures that will support energy retrofits in a further 280,000 rental and multi-unit residential buildings (pg. 34 Budget in Brief).

First Nations Housing and Infrastructure: $32 Billion over 10 years

- First Nations Clean Water Act announced in June 2026, investing $4.6 billion over five years, starting in 2026-27, to improve water and wastewater infrastructure in First Nation Communities (pg. 237).
- To improve First Nations infrastructure on reserve, Budget 2026 announces the government's intention to launch a First Nations On-Reserve Infrastructure Program and proposes to support the new program with $18.5 billion over 10 years, starting in 2027-28. This funding will support the construction and maintenance of a broad range of assets, from roads and bridges to schools and health facilities, while extending investments in water and wastewater infrastructure for six years beyond funding announced in June 2026 (pg. 239).
- Budget 2026 proposes to provide $226.7 million over 10 years, starting in 2027-28, to the Atlantic First Nations Water Authority. This funding would support the Authority's efforts to maintain water and wastewater services in 13 First Nations communities in New Brunswick, Prince Edward Island, and Nova Scotia, and allow it to plan major capital projects that would expand services (pg. 239).
- Budget 2026 proposes to provide $11 billion over 10 years, starting in 2027-28. This funding will help communities manage and preserve 119,000 existing housing units through regular maintenance and repairs, construct more than 6,900 new homes, and renovate more than 10,900 existing homes over the next decade (pg. 239).
- To accelerate housing construction, Budget 2026 also proposes to provide an additional $1.7 billion over five years, starting in 2027-28, for housing in First Nations communities on reserve (pg. 239).

- $865.6 million in 2026-27 for the Emergency Management Assistance Program to respond to emergencies that occurred on reserve and an additional $446.2 million ongoing to support future response and recovery from emergencies.
- $7.8 million in ongoing funding to support First Nations with wildfire protection where First Nations community boundaries are next to wildland.
- $7 million in ongoing funding for the First Nations Fire Protection Strategy, which supports fire safety priorities identified by First Nations communities (pg. 281).

Reference

Government of Canada. *Masters of our destiny. 2026*. https://budget.canada.ca/2026/report-rapport/toc-tdm-en.html

Government of Canada. *Budget in Brief*. 2026. https://budget.canada.ca/2026/report-rapport/pdf/budget-2026-in-brief.pdf

Reactions

Provincial and Territorial Governments

PT Governments	Reactions
British Columbia CTV News	• British Columbia's incoming Conservative premier Lorne Doerkson is all-in on the budget tabled by Prime Minister Mark Carney's Liberal government. • Doerkson says the document is an "encouraging and ambitious statement" about Canada's economic future and recognizes B.C.'s "tremendous opportunity" in transportation and resources. • Doerkson says he hopes the majority of the funding will flow to his province, where forestry is a "key generator" for the provincial economy.
Alberta	• President of Treasury Board and Minister of Finance Jason Nixon - "Our initial assessment is that after a decade of destructive governance in Ottawa, our work to repair Alberta's relationship with the federal government over the past year is paying off. This federal government is finally moving closer to what Alberta has tirelessly advocated for: a stronger economy and a competitive energy sector that underpins prosperity for all Canadians. • "We're pleased to see three Alberta projects recognized as major projects, including the Pacific Link pipeline. • "Alberta is the economic engine of this country and a strong Alberta means a stronger Canada. We stand ready to continue working with Ottawa to deliver lasting economic strength for all Canadians.
Manitoba	•
Ontario Toronto Star	• Ontario Finance Minister Peter Bethlenfalvy, who had mostly praise for the budget, expressed concern about health funding.
Québec	• Le ministre des Finances et ministre responsable des Infrastructures, M. Nicolas Marceau, déplore l'absence de mesures pour soutenir les priorités du Québec et l'absence d'un plan de retour à l'équilibre budgétaire dans le budget fédéral déposé aujourd'hui. • La confirmation de l'entrée en vigueur de la mégadéduction, annoncée unilatéralement par Ottawa, complexifie le retour à l'équilibre budgétaire dans un contexte où le gouvernement actuel remet de l'ordre dans les finances publiques. Si le gouvernement du Québec procédait à l'harmonisation avec cette mesure fédérale, celle-ci entraînerait un important manque à gagner pour les finances publiques québécoises.

New Brunswick	•
Nova Scotia	• We want to congratulate Prime Minister Carney on the introduction of his first budget. Nova Scotia sees this as a budget that aims to improve productivity and make our economy more innovative. • The Province is pleased to see the mention of Wind West and its potential benefits, and we look forward to its inclusion in the next round of approved major projects. • The Government of Canada has promised more money for healthcare infrastructure, housing and development, and has extended some investment tax credits. The budget also provides support for trade and to key sectors of importance for the province of Nova Scotia: defence, critical minerals, energy and fisheries.
Northwest Territories	Premier Simpson • "This is a historic day for the Northwest Territories. I want to thank Prime Minister Carney, Finance Minister Champagne and the federal government for recognizing the importance of investing in the North. • "Northerners have called for the Mackenzie Valley Highway for decades. This commitment has the potential to connect communities, make resupply more reliable, improve access to services and emergency response, and create opportunities for northern businesses and workers. It can also strengthen Canada's presence in the Arctic and open access to the North's mineral potential. • "I also welcome the proposed renewal of funding for Jordan's Principle. But the budget does not announce the changes needed to address the barriers facing NWT schools and education bodies. We will continue working with Canada to find a solution so First Nations children can access the supports they need, wherever they live.

Municipal Associations

Municipal Associations	Reactions
FCM	• "This budget enables the kind of decisive action on homelessness that municipalities have long called for, and the federal government deserves credit for that leadership," said FCM President Tim Tierney. "The test now will be turning that commitment into safe homes and lasting support for people. Municipalities are ready to do our part. Provinces and territories must step up with the operating funding as well as health and social supports essential to success." • FCM also welcomes the federal government's ambition to triple the pace of non-market housing starts in Canada over the next decade, including through a new $13 billion investment in Build Canada Homes. • "We've seen progress where infrastructure funding reaches communities directly," added Tierney. "Now we need to build on

	what works to get committed funding into local projects faster. This means scaling investment directly into communities that are ready to deliver and finding a way to get the projects moving in the other streams of the Building Communities Strong Fund where funding is not getting out the door.

Union des municipalités du Québec (UMQ)	• L'UMQ salue particulièrement les investissements de plus de 11 milliards de dollars visant à répondre à la crise de l'itinérance.
	• L'UMQ souligne également les mesures suivantes :
	  ○ 1,5 milliard de dollars sur neuf ans pour les patinoires et les installations de loisirs;
	  ○ 500 millions de dollars sur six ans pour le secteur forestier;
	  ○ 134 millions de dollars sur quatre ans pour les médias locaux.

Fédération québécoise des municipalités (FQM)	• La (FQM) souligne l'absence de nouveaux investissements pour soutenir les infrastructures municipales essentielles. Alors que le déficit de maintien d'actif représente un défi majeur pour les collectivités, les municipalités ne peuvent assumer seules les coûts considérables liés à l'entretien et à la mise à niveau de leurs infrastructures.
Saskatchewan Urban Municipalities Association (SUMA)	• SUMA is satisfied overall with the Government of Canada's 2026-27 Budget. The Federal Government's priorities for the next fiscal year align with much of our advocacy work, showing promise for continued growth and investment in Saskatchewan's urban municipalities. • SUMA is pleased to see $1.5 billion over nine years through the Build Communities Strong Fund to expand, retrofit, and rehabilitate recreational facilities and ice rinks across Canada. We are encouraged by the Federal Government's recognition of the value of recreational infrastructure for local communities. Saskatchewan's urban municipalities—towns, villages, resort villages, cities, and northern municipalities—are responsible for building and operating these facilities, which improve quality of life for residents and those in surrounding areas.

Municipalities

Municipalities	Reactions
Big Cities Mayors Caucus Facebook	• Mayor Josh Morgan, Chair, Big City Mayors Caucus - Big City Mayors' Caucus (BCMC) welcomes the strong federal leadership on combatting homelessness in Budget 2026. • Cities across the country are all grappling with a sharp increase in homelessness, and they're implementing solutions that are ready to scale. Significant new investment in supportive and transitional housing in Budget 2026 will make a real difference in our cities.

	• Mayors are ready to do our part, and provincial governments must now step up with funding for the health and social supports that are essential to helping people achieve long-term housing stability.
Calgary CBC	• Mayor Jeromy Farkas "To see the only mention of the City of Calgary, whatsoever, to be maybe a million or two million dollar project, an expansion to an already existing community association facility [is] quite disappointing, especially when we consider that we're facing a near-$50 billion infrastructure deficit over the next 10 years,"
Banff Rocky Mountain Outlook	• "Right now the tone in the Town of Banff is one of worry and concern for our friends and our neighbours and our colleagues who work for Parks Canada who are stressed because they could have potentially been advised that their job could be changing or they may lose their job in general," she said. • "Then to learn that the Canada Strong Pass is coming back, which allows for free access to the world, is really frustrating. It feels really tone deaf to what's happening here. There are families that are worried about how they're still going to make it in this town if someone in the family loses their job," she added. • "Then to allow free access when you think about how that revenue from entry fees could be used to help keep people's jobs is extremely frustrating."
Kitchener ON	• Mayor Berry Vrbanovic - Housing is central to a more affordable future. Today's budget reflects a shared commitment to accelerating homebuilding and lowering costs, to make housing more accessible to everyone in our community. • New federal support for municipal e-permitting and technology-enabled approvals is also encouraging. Kitchener's experience shows that modern processes and responsible stewardship can deliver meaningful results and we are ready to share what we have learned. • We also applaud the federal government's 10-year $29-billion commitment towards supportive housing and services for people and communities, which was also announced in today's budget. We recognize the difference an investment of this scale can make and will require orders of governments and communities to work together to get it right. • We're pleased to see new investment through the Build Communities Strong Fund. Here in Kitchener, this partnership is helping us grow with purpose and create welcoming places where residents can connect, stay active and take part in community life.
Ottawa CBC News	• Mayor Mark Sutcliffe – Is excited in seeing funding to end homelessness, looking forward to partnering with the federal government to end homelessness. • With respect to transit the city will continue to work other levels of government to advance those priorities • Supports the funding for museums as those are huge tourist attractions which is great for Ottawa's economy and the defense industry which Ottawa is well positioned to capitalize on.

Montréal Montreal Gazette	• Montreal Mayor Soraya Martinez Ferrada also welcomed the federal money to deal with homelessness, saying it represents "hope" for dealing with the problem. "This is a humanitarian crisis for cities across the country," the mayor said. "I am hopeful that this shared political will is going to move us forward more quickly."
Ville de Québec	• « Je suis enchanté par l'engagement de Mark Carney de mettre fin à l'itinérance dans les dix prochaines années. L'ambition et les investissements annoncés dans le budget fédéral aujourd'hui sont historiques »
Winnipeg City News	• Mayor Scott Gillingham welcomed the funding announcement for the city where about 2,000 people are estimated to be living on the streets. • "This is a once-in-a-generation investment in Winnipeg and a huge step forward in addressing some of the biggest challenges facing our city," he said. • "We have a tremendous opportunity to make lasting progress on homelessness, mental health, and addictions in Winnipeg."
Halifax Regional Municipality	• Mayor Fillmore – "I welcome the additional $13 billion for Build Canada Homes and new funding to prepare federal lands for housing. The planned redevelopment of Shannon Park in Dartmouth is an important opportunity to turn underused land into much-needed homes. • Investments in housing and municipal infrastructure are not separate from Canada's defense ambitions - they are essential to making those ambitions possible. That's why I'm also encouraged by the Budget's plans to make housing construction and municipal approvals more efficient through the use of artificial intelligence. Practical measures include supporting modern construction methods and helping municipalities modernize permitting to reduce costs, cut delays, and get more homes built faster.

Organizations

Organizations	Reactions
Chambre de commerce du Montréal métropolitain (CCMM)	• La Chambre de commerce du Montréal métropolitain accueille favorablement les nouvelles mesures économiques annoncées dans le budget présenté aujourd'hui par le ministre des Finances et du Revenu national, M. François-Philippe Champagne. Elle salue l'approche du gouvernement qui mise sur de nouveaux leviers pour stimuler l'économie par l'investissement privé, ainsi que les engagements visant à alléger et simplifier le cadre fiscal des entreprises.

Le Front d'action populaire en réaménagement urbain (FRAPRU)	• « Comment peut-on sérieusement parler d'être maître chez nous, comme le fait le gouvernement Carney, alors qu'il présente un budget qui ne permet pas réellement de s'attaquer à la crise du logement cher qui, elle, prive des centaines de milliers de personnes et de familles d'un chez-soi adéquat qu'elles sont en mesure de se payer? ».
Canadian Housing and Renewal Association	• "Today's reinvestment is a welcome signal that the government understands non-market housing is part of building a stronger economy," said Ray Sullivan, Executive Director of CHRA. "Our members have the expertise and the projects ready to go. We aren't going to solve this challenge one home at a time – we need to invest in a system that creates affordable non-market housing, including an Indigenous-led plan for Indigenous housing." • The Canadian Housing and Renewal Association (CHRA) welcomes Budget 2026's long-term commitment to non-market housing. Budget 2026 includes $32 billion in new investments through Build Canada Homes over the next decade, bringing total investments in the new crown corporation to $45 billion. $11 billion of this capital will be dedicated specifically to building new supportive and transitional housing. However, CHRA is concerned that Budget 2026 makes no specific mention of urban, rural, and northern Indigenous housing.
Canadian Alliance to End Homelessness	• The Canadian Alliance to End Homelessness (CAEH) welcomes the 2026 federal budget announced today. Setting Canada on a path to ending homelessness in the next 10 years and investing heavily in the construction of affordable and supportive housing demonstrates unparalleled ambition and leadership from the federal government. • "The federal leadership we saw today is the essential first step in ending homelessness. The critical next step is aligning all provinces, territories and cities around this shared national ambition," said Tim Richter, President & CEO of CAEH. • "Today, the Government of Canada set the tone. To end homelessness, all levels of government need to be aligned around this strong national ambition. This budget calls provinces, territories and cities to the table to develop a comprehensive, integrated strategy to mobilize this historic investment in affordable housing to effectively end homelessness. They must heed the call and respond. Communities across Canada are already showing how it's done. By coming together, we will end homelessness," said Richter.
Canadian Climate Institute	• Dale Beugin, Executive Vice President - "The budget reiterates the government's commitment to net zero and defines a new framework for delivering on that goal; tracking progress will be critical." • "The budget rightfully centres clean electricity and electrification as enablers of economic growth, affordability, and net zero." • "Budget 2026 also recognizes that electrification and energy efficiency are essential complements to expanding clean electricity." • "The budget also makes some important steps forward on sustainable finance to catalyze private investment."

	• "Budget 2026 misses an opportunity to broadly advance climate preparedness."
Canadian Chamber of Commerce	• "We welcome the Productivity Mega Deduction, expanded SR&ED support, the Canada Growth Incentive, and commitments to simplifying the tax system for individuals and business owners. In the Budget, the government acknowledges the tax system is not working for business. On behalf of our members, especially SMEs who are buried in the daily complexity of Canada's tax system, the Canadian Chamber will work tirelessly to improve the system. This can't just be a reform of user experience. • The other half of the equation is fiscal discipline. We are concerned that public debt charges are the fastest growing component of federal spending, and over time this will seriously limit what capacity the government has for services and new initiatives. With a projected $62.3-billion deficit and increasing borrowing costs, Ottawa must remain committed to its economic growth strategy as a way to mitigate this risk. If we can't, this will become a fiscal shackle."
Public Service Alliance of Canada	• Budget 2026 promises a lot for people in Canada, but the government keeps cutting the public service workers who would deliver them. • This budget pushes more privatization and mass introduction of artificial intelligence into departments across government. That takes resources and dedicated people away from public services in order to put money in the pockets of profit-driven companies.
Canadian Centre for Policy Alternatives	• This is a budget for corporate Canada—and specifically for its oil and gas companies, which have made money hand over fist on high gas prices. There were several notable changes in income transfer programs that will move the needle a bit—temporarily—on poverty rates. When it comes to housing, this budget has a strong focus on homelessness and sets a target to eliminate homelessness entirely in 10 years. It's great that a measurable target like this is being set, but this government has a poor track record on hitting social targets like this. It will miss the poverty reduction goal of 50 per cent by 2030. There is new money behind this initiative though. The budget renews two well-received programs, the reaching home and the veterans homeless program. It also introduces new programs, as well with wraparound services and mental health and addictions treatment.
Canadian Taxpayers Federation	• The Canadian Taxpayers Federation is criticizing Prime Minister Mark Carney for increasing spending $14 billion overbudget and providing no plan to stop borrowing money in Budget 2026. • "Budget 2026 shows government debt continues to spiral out of control because government spending continues to spiral out of control," said Franco Terrazzano, CTF Federal Director. "Carney is spending $14 billion more than he said he would and taxpayers are losing more than $1 billion every week paying interest charges on the debt."

	• The government is borrowing more than $60 billion this year, according to Budget 2026. The debt will reach $1.37 trillion by the end of the year. The budget has no plan to stop borrowing money.
Canadian Federation of Independent Entreprise / Fédération canadienne de l'entreprise indépendante	• "While there is a reannounced Mega Deduction and a focus on mega projects, small business owners will find the 2026 budget mega disappointing," said Dan Kelly, CFIB president. "If you are a small business owner struggling to keep your business going in the face of rapidly rising costs and a trade war, the budget will provide you with no help whatsoever." • "Small business owners are looking for tax reductions and tariff relief, and the budget provides neither. I find it appalling that, a year and a half into the trade war, the government hasn't even bothered to fix the failing tariff relief measures. The budget speech says government will be at the side of Canadian businesses for as long as it takes. Sadly, this remains untrue as small firms with less than $1 million in sales do not qualify for any of the existing tariff support programs, despite Canada having collected more than $14 billion in counter-tariff revenue," Kelly added. • On the positive side, the budget focuses on the expanded Mega Deduction and enhances Small Business Rollovers, both of which are good measures to help with small business investments. There are also several tax simplification measures that build on earlier announcements to reduce the red tape burden by $2 for every $1 of new regulatory costs. • The new Canadian Growth Incentive (CGI) contains a promising $15 million capital gains exemption, which if properly designed, could be a significant catalyst for investments in small businesses. • "The CGI has a lot of potential to help address the decline in business starts that Canada has been facing in recent years," Kelly said. "But, as usual, Ottawa has decided to limit the initiative by adding a bunch of complicated rules which result in excluding about half of the businesses that could otherwise use it. It makes absolutely no sense that a family farm, a hotel, restaurant, forestry or fishing business, engineering firm or arts/entertainment business would be excluded. CFIB strongly supports the spirit of this proposal, but will immediately lobby to simplify it by including all sectors covered by the Lifetime Capital Gains Exemption."
Building Industry and Land Development Association (BILD)	• The 2026 fall federal budget, Masters of our destiny, contains a number of specific measures that will address housing affordability including funding to invest in accelerating municipal approvals and changing mortgage rules for newly built homes. The budget also lays out a roadmap for future work to invest in municipal infrastructure and the construction of new housing. • "Residential construction in Canada has tremendous multiplier impacts for the national economy, as 100 per cent of the labour is Canadian through well-paying skilled trade jobs, and nearly 90 per cent of the input materials are sourced from Canadian manufacturers and suppliers," said Dave Wilkes, President and CEO, BILD. "With housing markets cooler across the country, it is

	tempting to think that the housing crisis is behind us. However, addressing the underlying structural challenges that exist in attracting capital to invest in infrastructure and housing is a vital step to bringing long-term stability to the housing market. Now is the time to work on collaborative solutions to create the conditions for long-term affordability and stability in Canada's housing market."
Conference Board of Canada	• Budget 2026 reinforces the Federal Government's plan to move away from operating spending and toward a whole-of-government effort to get things built. The result is a budget in which stronger-than-expected revenues relative to the Spring Economic Update (SEU) are met with more spending. At the same time, the government is ahead of its plan in reducing its operating deficit, which is now projected to reach balance in 2026–27, even as the capital deficit widens. However, the distinction between operating and capital spending does not change the bottom line, as the overall deficit remains steep at $62.3 billion in 2026–27, modestly below the $65.3 billion projected in the spring. Deficits projected through the planning horizon are also largely unchanged, settling at $52.9 billion in 2030–31.

Media

Media	Reactions
La Presse	• Plus d'investissements, plus d'entrepreneuriat, plus d'innovation. À la bonne heure ! Le gouvernement veut jouer un rôle de catalyseur pour stimuler l'économie et améliorer le niveau de vie des Canadiens. • Mais pour atteindre leur objectif, les libéraux vont augmenter les emprunts à la vitesse grand V, un risque dont on mesure mal l'ampleur.
La Presse	• Face aux droits de douane de Donald Trump, le gouvernement Carney a choisi dès le départ d'être très interventionniste, pour rendre l'économie canadienne plus productive et moins dépendante de son voisin américain. Au diable les dépenses, tant que c'est structurant pour l'économie. • C'est la bonne approche, même si elle coûte cher.
Le Journal de Québec/Montréal	• Mark Carney transforme le Canada et son économie. Dans le passé, j'ai dénoncé des budgets se limitant à des mesurettes pour plaire à chacun, mais qui n'avaient aucun caractère structurant. Ce n'est pas le style Mark Carney. Il opère des transformations. De l'économie, de l'armée, de l'exploitation des ressources. • Sa mégadéduction représente peut-être le geste le plus important d'Ottawa depuis longtemps. Le Canada est à risque de s'appauvrir

	dû à un retard chronique de productivité. Il fallait une mesure aussi radicale pour pousser nos entreprises à investir dans les équipements, l'IA et l'innovation dans une période de grande incertitude. Stratégique.
The Toronto Star	• Mark Carney's government is leaning on themes of culture and identity with Budget 2026, hoping that it tells a story of Canadian pride and patriotism at this moment in the country's history.
The Globe and Mail	• Beyond the quest for supercharged economic growth, a budget must stay attached to its fiscal anchors. The Carney government is being widely criticized for having tied itself to the soft anchor of a declining deficit-to-GDP ratio, and the mushy anchor of a balanced "operating" budget, not including capital spending. • The government got a small fiscal gift this year, with the economy performing slightly better than expected; it arranged to spend it. The habit of recent years has been to promise deficit reduction tomorrow, but not just yet. The habit has not been kicked.
The Globe and Mail	• So, farewell then, federal budget. Not only a mainstay of economic policy-making, you were a critical element of democratic accountability for many decades, the day each year when the federal government levelled with Canadians about how much it intended to spend, how much to tax, and how much to borrow on their behalf. • True, the figures had grown murkier with each passing year, as successive finance ministers discovered the delights of fiscal time travel (shuffling spending forward and back from the year in which it occurred), or moved from cash to accrual accounting, or excluded or included the costs of tax credits in calculations of spending and revenues.

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