

August 28, 2025

Honourable Gregor Robertson
Minister of Housing and Infrastructure and Minister responsible for Pacific Economic
Development Canada
Ottawa, ON
K1P 0B6
Sent by email

Dear Minister Robertson,

The Canada Green Building Council (CAGBC) is a national not-for-profit, industry-led organization representing a network of over 800 member companies across the entire green building value chain — from manufacturers and architects to developers, building owners, and investors.

Our efforts are dedicated to speeding up the shift to a low-carbon and resilient housing economy with scalable, practical, and financially feasible solutions for both new builds and retrofits. We are confident this can be achieved, having collaborated with Canada's leading sustainability developers and builders on practical solutions and having certified nearly 100,000 green housing units.

As your government advances substantial housing investments — including Build Canada Homes (BCH) — Canada has a unique opportunity to deliver homes that are built more quickly to higher quality. This involves integrating sustainability targets and objectives into all affordable housing programs offered by BCH to ensure that homes are resilient, healthy, cost-effective to operate, and aligned with Canada's climate goals.

Mandate anchored in affordability and sustainability

Affordability and sustainability must be indivisible priorities. While the first one ensures that the rents are not overburdened, the second protects low- and moderate-income families against energy pricing uncertainty.

CAGBC agrees with the statement from the market-sounding guide that the government can foster domestic innovation, lower environmental impact, and generate long-term economic and social benefits by focusing on the use of Canadian-made low-carbon materials and modern construction methods and technologies.

The risk of building only to code

Building to minimum code standards risks creating homes that are more costly to own and operate, less resilient to extreme weather, and more vulnerable to depreciation. Codes have not kept pace with innovation in the industry and changing environmental conditions.

Without performance-based sustainability requirements, today's new homes might need costly retrofits soon — making them more expensive than building high-quality, energy-efficient housing from the start.

In 2023, about 14% of Canadian households (18% among low-income households) faced difficulties maintaining safe and comfortable indoor temperatures due to rising energy costs, and 2% reported not heating or cooling their homes at all.

This impact is likely to increase as utility costs are expected to rise for homeowners, which can be mitigated by constructing and retrofitting homes to higher standards of energy efficiency.

Three essential components of sustainable rental housing

Sustainable homes are buildings that:

- Achieve higher energy and water efficiency performance, lowering utility costs and supporting long-term affordability.
- Enhance thermal comfort, promote occupant health and well-being, and increase resilience to extreme weather through improved ventilation and superior building envelopes.
- Reduce operational emissions and advocate for the construction with the use of low-carbon construction materials.

High-performing buildings consistently cut heating, cooling, and electricity costs, helping residents keep more of their income. They also shield tenants and owners from the “pay twice” problem, first by paying for initial construction and then for early retrofits when buildings do not meet future utility cost increases or local climate standards.

Overall, this integrated approach supports inclusive communities and aligns with Canada's broader climate and housing objectives.

Governance structure using current experience and future needs

Transitional governance to accelerate action

Given the urgency of Canada's housing and climate challenges, BCH could initially be housed under Canada Lands Company (CLC) as a dedicated division with its own mission, budget, and governance safeguards.

CLC has an established track record of collaborating with the development industry, municipal, and Indigenous governments across Canada to build quality buildings and resilient communities. This structure would enable BCH to report directly to the Minister of Housing, Infrastructure, and Communities, remain focused on sustainable, affordable housing, and facilitate a smooth transition to a stand-alone Crown corporation if needed, once enabling legislation is enacted.

Governance and allocation of responsibilities

To ensure BCH achieves both scale and quality in delivering affordable, sustainable housing, we recommend the following structure:

- Build Canada Homes (BCH): Deliver affordable, sustainable housing on federal lands at scale by collaborating with the home building industry, government agencies, not-for-profit organisations, or other entities with similar social goals. BCH should ensure federal priorities are met, set clear planning and development targets and objectives, and serve as a financier or co-financier for projects through innovative methods.
- CLC: Unlock and retain federal lands and underused or excess federal real property assets to prepare them for affordable, sustainable housing, building conversions, and

master planning. They should also dedicate a significant portion of federal lands to BCH-led projects and develop criteria for affordability and sustainability in collaboration with BCH.

- Housing, Infrastructure and Communities Canada (HICC): Provide policy leadership, oversight, and a coordination role with provinces, territories, municipalities, and Indigenous governments, ensuring federal support for affordability and sustainability outcomes.

This governance approach balances speed with clarity by utilising CLC's expertise and land pipeline to accelerate projects. It assigns BCH a clear oversight role to set objectives and targets for affordable, sustainable housing, while acting as a financier. HICC ensures policy coherence and accountability. The level of independence for BCH, whether as a separate crown corporation or a subsidiary of CLC, should be further studied to prevent the loss or duplication of critical expertise and to assure objectives are met.

BCH's mandate should be narrowly focused on housing delivery, with objectives supporting the development and building industry. The advancement of modular and prefabricated companies through grants, equity, or other means should be transferred to Innovation, Science and Economic Development Canada (ISED) and the Clean Growth Hub.

Innovation in prefabrication and modular construction will initially not advance at a speed to satisfy demand for housing. The industry will need to first build production, capacity and skills before construction can be scaled up using proven and new technologies.

A call to deliver verifiable outcomes

To maximize this generational housing investment, we urge your government to include measurable sustainability outcomes for BCH by implementing intensity targets in projects and financing programs.

Adding performance intensity targets for energy use, thermal energy, and greenhouse gas emissions (GHGs) leads to better buildings by ensuring greater accountability for outcomes. CAGBC is working with industry and government partners to provide a more detailed proposal in the coming weeks.

By incorporating sustainability into housing policy today and creating a governance framework that balances speed with accountability, we can deliver homes that are truly affordable over their lifetime while strengthening Canada's economy, reducing emissions, and protecting public investments.

We look forward to working with you and your department to ensure every Canadian has access to safe, healthy, sustainable housing built correctly from the start.

Sincerely,



Thomas Mueller
President and CEO