



Aboriginal Housing Management Association

Over 30 years of Indigenous housing expertise

AHMA's Review & Analysis of BC Budget 2026

Background

BC Budget 2026 represents a shift in provincial policy priorities away from affordable housing after years of investment. The province intends to “re-pace” investment in housing by reducing community housing completions from 4,500 to 2,500 per year and by cancelling the 2025 Community Housing Fund (CHF) call for proposals. Additionally, other partners have reported that BC Housing has paused programs previously funded under the Belonging in BC (BiBC) Homelessness Plan. This includes the Supported Rent Supplement Program and some Phase Two Complex Care Sites.

Unlike past provincial budgets, this budget provided little to no reference to Indigenous needs, favouring more universal approaches. This effectively moves the province further away from its reconciliation agenda and the Declaration on the Rights of Indigenous Peoples.

Fiscal Considerations

The province is under fiscal pressure, due in part to declining revenues resulting from the cancellation of the provincial carbon tax and the ongoing trade war.

- Budget **deficit** set to widen to **\$13.3 billion** (2.9% of GDP)
- The debt-to-GDP ratio is expected to breach **30% in 2026/27**, before rising further in the coming years.
- **Taxpayer-supported debt increases:**
 - **Debt-to-GDP** rises from **~26 % to ~37 %**.

In response, the province has:

- Increased taxes from 5.06% to 5.6%, this will apply to the lowest tax bracket, which includes the first \$50,363 of taxable income.
- Stopped indexing personal income tax rates with inflation, which will increase revenues.

Based on current projections, the tax increase and de-indexation will not meaningfully improve deficit projections.



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What This Implies for AHMA: Fiscal Reality

The persistent and large deficits, along with growing debt and high debt-to-GDP, mean **the province is under fiscal constraint**. Even sustained baseline funding for major programs could face increased scrutiny. AHMA members should expect governments to lean on outcome-focused spending and tight performance measures.

The lack of spending on housing and homelessness suggests that the provincial government is relying on the federal government to make up the difference through Build Canada Homes, even though housing is a provincial responsibility.

New Funding Statements

Health Care: \$2.8 billion in new funding over three years to protect, strengthen and expand B.C.'s health care system, including \$131 million in mental health and addictions, which will provide intensive, specialized mental health and addictions services to individuals with concurrent challenges. This includes investments in Assertive Community treatment team and involuntary beds in Prince George, Maple Ridge and Surrey.

Child care: The Government is continuing its historic investments in child care with \$330 million over three years to support B.C. families with affordable childcare.

Children and Youth with Support Needs: \$475 million over three years for children and youth with support needs by providing direct funding to families, strengthening services, expanding choice, and improving coordination across health, education, and community systems.

Children and Youth in Care and Alternative Care: \$478 million to support children in government care or who are placed with a family member or someone with an established relationship. This funding supports foster care, Indigenous child and family services agencies, specialized homes and services, and the independent living program.

Public Safety: \$139 million over three years to provide more community-specific supports to respond to public safety concerns related to repeat, violent offenders and chronic property crime.

Community Living BC: \$252 million over three years to support growth and demand for clients served by Community Living BC.

What's Missing

This is the first provincial budget in over three years that does not include investments in homelessness supports and services. Of note, **the BiBC Homelessness Plan ended in 2025**.



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No new funding for affordable and supportive housing, instead existing funding will be re-paced to meet smaller annual targets, reducing community housing completions from 4,500 to 2,500 annually.

CHF 2025 Call for Proposal has been **cancelled**, after organizations submitted proposals and incurred pre-development costs.

At this time, it is **unclear if IHF projects** in pre-development have been **impacted**. Some members have received project cancellation letters. AHMA is awaiting further confirmation from BC Housing.

\$900 million of the existing **\$1.4 billion set aside for housing services** will be **re-allocated to support the demand for housing services and programs**.

BC Budget 2026 does not address any of the following requests submitted from AHMA:

- Address the \$11 million annual shortfall due to rising non-controllable costs, such as insurance, utilities and maintenance.
- Increase capacity for integrated and critical supports.
- \$250 million to address the backlog of unfunded capital renewal funding.

Analysis

CHF and IHF projects left unsupported: Delays or deferrals to CHF or IHF projects already underway are extremely harmful. Many housing providers, already operating on shoestring budgets, have made significant investments in land and pre-development costs that are now at risk. Municipalities are still expected to meet housing targets outlined in the *Housing Supply Act*, but there is limited funding available to achieve these targets.

AHMA will continue to work with BC Housing, the Ministry of Housing, and municipalities to ensure that existing member projects proceed. Additionally, we will refocus our efforts federally to support members in repurposing applications to Build Canada Homes and other sources of funding that emerge.

Base budgets: Uncontrollable costs have risen anywhere from 15 - 30% in the last 5 years as homelessness continues to increase, doubling in some communities. At the same time, AHMA members who are the Indigenous-led experts on the ground have not received base budget increases beyond 2% in over 5 years. This puts individuals, families, and entire communities at risk of increasing instability during a time when stability is more important than ever.



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AHMA has prioritized internal data collection to build an evidence-based case for additional funding to address uncontrollable costs.

Equity: The lack of equity-based decision-making continues. It is an indisputable fact that 40-80% of those experiencing homelessness are Indigenous. This indicates that 40-80% of prevention and supportive resourcing should be allocated to Indigenous-led organizations.

AHMA is currently working with BC Housing to undertake an equity analysis; this is in alignment with recommendations outlined in BC Housing's 2030 Strategic Plan. The objective of this analysis is to ensure that our current programs are funded and operate equitably across the sectors, and that AHMA members can secure resources necessary to meet the needs of community members experiencing homelessness and with complex mental health and substance use needs.

Economy: The needs of individuals with complex mental health and substance use issues that are unsupported and unhoused place additional strain on our health system. Investments in complex care or models that embed health and housing can help stabilize individuals and avoid unnecessary hospitalizations. Unfortunately, Budget 2026 has dialled back investments in preventative care that effectively integrates health and housing after years of investment.

With all AHMA-led Complex Care Housing sites operating at full capacity in 2026, **AHMA** will have access to program-level data and outcomes that can strengthen our economic arguments for more preventive models that better support Indigenous people.

Advocacy Moving Forward

1. Indigenous housing investments are continuing, but **not being expanded as a distinct provincial priority**. This is a **gap** that AHMA can seek to fill through a detailed review of ministry spending estimates and Ministers' mandate letters.
2. Framing housing investments as **cost-effective, system-integrated solutions** strengthens arguments in a constrained fiscal environment.
3. Strengthen AHMA's **federal advocacy** to release **Urban, Rural and Northern** funding to address the needs of URN Indigenous housing providers.
4. Ensure that **existing Indigenous-led housing investments are preserved** in the current fiscal context. This includes advocacy regarding the Urban Native Housing (UNH) Agreement Expiry.