

BUDGET 2025 HIGHLIGHTS

Canadian Federal Budget

The Federal government's budget on November 4, 2025 introduces changes that may affect your individual and family finances.

Reflections since the last Budget*



Canadian Dollar
vs. the U.S. Dollar

71.14¢

November 4 2025

APRIL 16, 2024 BUDGET

72.35¢



S&P/TSX
Composite

29,819.49

November 4 2025

APRIL 16, 2024 BUDGET

21,642.87



Oil Price per barrel
in \$USD

\$60.36

November 4 2025

APRIL 16, 2024 BUDGET

\$85.28



Unemployment
Rate

7.10%

September 2025

APRIL 16, 2024 BUDGET

6.10%



Federal
Deficit

\$78.3 billion

November 4 2025

APRIL 16, 2024 BUDGET

\$40.0 billion

* PERIOD BETWEEN APRIL 16, 2024 AND NOVEMBER 4, 2025

Budget Highlights



GST Relief for First-Time Home Buyers

Canada is eliminating the GST on homes up to \$1 million and partially reducing it for homes between \$1 million and \$1.5 million.

Intent: Help first-time buyers achieve homeownership sooner and reduce financial barriers.



Top-Up Tax Credit

A temporary Top-Up Tax Credit preserves the full 15% value of non-refundable credits like tuition, medical, or disability amounts for Canadians with large claims under the new 14% rate, applying 2025–2030.

Intent: To prevent unintended tax increases.



One-Time Payment for Disability Tax Credit Costs

A one-time \$150 payment will help Canada Disability Benefit recipients cover the cost of obtaining or renewing their Disability Tax Credit certificate.

Intent: Reduce financial barriers and improve access to eligible benefits.



Supporting Youth Employment

Funding will support summer jobs, student work placements, and programs with mentorship and training for around 175,000 youth in 2026–27.

Intent: Help young Canadians gain experience, build skills, and overcome employment barriers.



Productivity Super-Deduction for Businesses

Businesses can immediately write off new manufacturing buildings, machinery, and productivity-enhancing assets, reducing taxes upfront and encouraging investment.

Intent: Boost productivity, support growth, and make Canadian businesses more globally competitive.



Enhanced SR&ED Tax Credits for Small Businesses

The refundable SR&ED credit for Canadian-controlled private corporations is increased, allowing up to \$6 million of R&D expenses to qualify.

Intent: Encourage research, foster innovation, and strengthen competitiveness for Canadian companies.

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More Budget Highlights



Protecting Canadians and Their Insurance

New rules ensure multinational insurers pay their fair share on business in Canada.

Intent: Protect policyholders and maintain a level playing field for domestic and international insurers.



Automatic Federal Benefits for Low-Income Canadians

Starting in 2026, taxes will be automatically filed for eligible low-income Canadians to ensure access to benefits like the GST/HST Credit, Canada Child Benefit, and Canada Workers Benefit.

Intent: Ensure those most in need receive benefits without barriers.



Support for Personal Support Workers

A temporary refundable tax credit of 5% of eligible earnings, up to \$1,100/year, will be available in provinces/territories not previously covered.

Intent: Recognize and support personal support workers providing vital care.



Canada Strong Pass Renewed

The Canada Strong Pass offers free or discounted access to national parks, museums, galleries, and VIA Rail. Budget 2025 provides \$116.3 million to renew the pass for the 2025–26 holiday season.

Intent: Encourage travel, support tourism, and help Canadians explore their country.



Home Accessibility and Medical Expense Credits

From 2026, the same expense cannot be claimed under both credits, though both still support renovations for safety, accessibility, or mobility.

Intent: Streamline tax benefits while supporting essential home improvements.



Easier Account Transfers, Fewer Fees

Transfer fees for investment and registered accounts at federally regulated banks will be eliminated, making it easier to move accounts and save on costs.

Intent: Increase flexibility and reduce administrative barriers for investors.



Luxury Tax and Underused Housing Tax (UHT) Removed

The luxury tax on planes and boats and the UHT are being eliminated, with savings redirected to improve tax compliance.

Intent: Simplify tax administration and reduce unnecessary compliance costs.

SOURCES:

Budget 2025: <https://budget.canada.ca/2025/home-accueil-en.html>

Crude Oil Prices: <https://ca.investing.com/commodities/crude-oil-historical-data>

US Exchange Rate: <https://www.bankofcanada.ca/rates/exchange/currency-converter/>

Unemployment Rate: <https://www150.statcan.gc.ca/n1/daily-quotidien/251010/dq251010a-eng.htm?indid=3587-2&indgeo=0>

S&P/TSX Composite: <https://www.spglobal.com/spdji/en/indices/equity/sp-tsx-composite-index/#overview>

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