



BULLETIN – November 5, 2025

CIQS FEDERAL BUDGET BRIEF 2025

Following two very successful CIQS Advocacy Days this Fall, one in Ottawa and one at the Alberta Legislature, the much-anticipated Fall Federal Budget 2025 was released on November 4th. As expected, the budget emphasizes large-scale infrastructure projects and major public investments, placing \$115 billion in new federal infrastructure spending at its core.

This underscores the importance of the **CIQS advocacy message: the expertise of Professional Quantity Surveyors (PQS) and Construction Estimator Certified (CEC) professionals is a critical investment in Canada's future.** By ensuring that federal infrastructure projects are managed with financial rigour and foresight, PQS and CEC professionals not only save taxpayer dollars but also build lasting community assets and strengthen the Canadian economy, one project at a time. CIQS will continue to deliver this message as the post budget process unfolds.

Budget 2025 outlines \$89.7 billion in new spending over five years, offset by approximately \$56 billion in savings from public service reductions and program cuts. Minister Francois-Philippe Champagne added that the budget could spur \$1 trillion in total investment. The 2025-26 deficit is projected at \$78.3 billion, falling to \$56.6 billion by 2029-30.

According to Minister Champagne's Office, a fall budget will “provide greater certainty and predictability allowing projects to begin as soon as construction season starts.” A Spring Economic Statement will now complement the new cycle, giving departments, industry, and stakeholder partners more time to plan and implement federal investments efficiently and with improved oversight.

The government is also introducing a new Capital Budgeting Framework, a notable change to fiscal reporting. For the first time, the federal budget will formally distinguish between day-to-day operational spending and long-term capital investments. Capital spending is any federal expenditure that contributes to public or private sector capital formation. The Finance Minister said this will “prioritize investments that generate long-term benefits for Canadians.” To back this up, Ottawa is creating the Major Projects Office to fast track big, nation-building projects. It will work with the Canada Infrastructure Bank, which is getting a big bump in funding from \$35B to \$45B, to move major projects forward across the country.

A centrepiece of Budget 2025 is the new *\$50 billion “Build Communities Strong Fund”*, a 10-year local infrastructure program focused on housing, transportation, and health infrastructure like hospitals. The fund will consolidate and streamline existing programs, such as the Canada Public Transit Fund, to accelerate municipal and provincial project delivery. To spur on private sector investment the government has announced a new Productivity Super-Deduction allowing businesses to immediately write off 100% of investments in machinery, clean energy equipment and manufacturing technology acquired before 2030. This measure will phase out over the period of 2030-2033.

The Official Opposition, led by Pierre Poilievre, has called the government's approach “reckless borrowing under the guise of growth” and warned of rising debt servicing costs and declining investor confidence. The Conservatives have confirmed they will oppose the budget, citing deficit levels that surpass those under former Prime Minister Trudeau accusing the government of abandoning fiscal discipline.

The government is facing significant challenges in securing support for the budget in a minority Parliament. The Bloc Québécois has tabled a list of demands the government has rejected. The New Democratic Party has ruled out supporting what it describes as an austerity budget. Minister Champagne has signaled a return to pre-pandemic public service staffing levels, confirming cuts across departments as an area of direct concern for the NDP. All parties have begun accusing one another of engineering a Christmas election. Given the timing of the budget, defeat would trigger an election during Christmas.

Other Key Items in the Budget:

- Budget 2025 announces the government's intention for the Major Projects Office to help structure and coordinate financing from the private sector, provincial and territorial partners, and the federal government, including through the Canada Infrastructure Bank, Canada Growth Fund, and the Canada Indigenous Loan Guarantee Corporation.
- Budget 2025 announces the government's intention to amend the Canada Infrastructure Bank Act to increase the Canada Infrastructure Bank's statutory capital envelope from \$35 billion to \$45 billion and to enable the Canada Infrastructure Bank to make investments in any nation-building projects that have been referred to the Major Projects Office, regardless of sector or asset class, as long as they fall within the Bank's legal mandate. This will unlock more projects with the partnership of private investment.
- Budget 2025 also proposes to provide \$55.2 million over four years, starting in 2026-27, with \$72.5 million in remaining amortisation, and \$15.7 million ongoing thereafter, to Transport Canada to support safety related infrastructure projects and upgrades, including those that support dual-use priorities, at local and regional airports. Funding will be delivered through the Airports Capital Assistance Program and will also support a priority project to extend the runway at the Transport Canada-owned Îles de-la-Madeleine Airport.
- Budget 2025 announces the government's intention to launch a new *Build Communities Strong Fund*, to be administered by Housing, Infrastructure and Communities Canada, and proposes to provide \$51.0 billion over 10 years, starting in 2026-27, and \$3.0 billion per year ongoing in new and existing funding for this initiative, including through funding to provincial and territorial government, and through them to municipalities, to support a wide range of infrastructure projects and help our local communities build Canada strong.
- Budget 2025 proposes to provide \$98.2 million over five years, starting in 2026-27, and \$9.8 million ongoing to Public Services and Procurement Canada and \$7.7 million over three years, starting in 2026-27, to the Treasury Board Secretariat to support the implementation of the new Buy Canadian Policy.
- Budget 2025 proposes to provide \$5.0 billion over seven years, starting in 2025-26, to Transport Canada to create the Trade Diversification Corridors Fund. By investing in the infrastructure that moves our products to global markets, this fund will strengthen supply chains, unlock new export opportunities, and build a more resilient, diversified economy. The Fund will support projects of all scales, including digital infrastructure, to improve the ability of our imports and exports to travel efficiently across the country and to and from the rest of the world. For example, the government will consider investments in key projects in the Great Lakes-St. Lawrence Region, at ports in northeastern Québec like enhancing the Port of Saguenay's capacity to build a second wharf, rail lines in Alberta, port and rail infrastructure on the West Coast, and more.
- Budget 2025 proposes to provide \$1 billion over four years, starting in 2025-26, to Transport Canada to create the Arctic Infrastructure Fund, which will invest in major transportation projects in the North with

dual use applications for civilian and military use, including airports, seaports, all-season roads, and highways.

- To facilitate the Arctic Infrastructure Fund’s support for northern projects, Budget 2025 also proposes to provide \$25.5 million over four years, starting in 2025-26, to Crown-Indigenous Relations and Northern Affairs Canada, and \$41.7 million over four years, starting in 2025-26, to Canadian Northern Economic Development Agency, to help accelerate regulatory processes in Canada’s North—including consultation with Indigenous governments and organisations, and local northern communities.
- As announced on October 27, 2025, Budget 2025 proposes to provide \$75 million over three years, starting in 2026-27, to Employment and Social Development Canada to expand the Union Training and Innovation Program, which supports union-based apprenticeship training in the Red Seals trades.
- Budget 2025 proposes to provide \$81.8 billion over five years on a cash basis, starting in 2025-26, to rebuild, rearm, and reinvest in the Canadian Armed Forces (CAF). This includes over \$9 billion in 2025-26 that was announced by the Prime Minister in June 2025. Key investments include:
 - \$19.0 billion over five years to repair and sustain CAF capabilities and invest in defence infrastructure, including expanding ammunition and training infrastructure.

Budget 2025 Questions or Comments

Contact

Sheila Lennon, CAE

Chief Executive Officer, CIQS

Email: ceo@ciqs.org.

