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# **AFFORDABILITY FOR SASKATCHEWAN FIRST-TIME BUYERS**

2026 Pre-Budget Submission to the Government of Saskatchewan



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### About Mortgage Professionals Canada

Mortgage Professionals Canada is Canada's largest network of non-profit mortgage industry association, representing over 15,000 mortgage brokers and agents, as well as banks, lenders, insurers, and service providers. We are proud to be the industry that provides Canadians with choice when making the most important financial decision of their lives and helps people achieve the dream of homeownership.



First-time buyers face increasing financial pressure in a challenging housing market. CMHC reports that they take longer to save for a down payment, are more likely to put down less than 20%, and identify rising prices, upfront taxes and fees, and high interest rates as major barriers to homeownership.<sup>i</sup>

They are also younger—typically between 25 and 34—and more than 70% of them rented before buying their first home.<sup>ii</sup> Without the advantage of equity that repeat buyers rely on, first-time buyers are disproportionately impacted.

In Saskatchewan, the provincial benchmark price average at \$370,000, up 7% year-over-year. In Saskatoon, prices average at \$430,000, while inventory levels remain more than 40% below historical averages.<sup>iii</sup>

The Government of Saskatchewan took an important step in its 2025 Budget by enhancing the First-Time Home Buyers' Tax Credit, demonstrating a commitment to affordability. However, this measure does not address the upfront costs that remain a barrier for new buyers. More targeted action is needed to ensure younger families can enter the market.

### Recommendation 1: Exempt PST on Mortgage Insurance Premiums for First-Time Buyers

When homebuyers put less than 20% down, they must purchase mortgage default insurance. While this insurance protects lenders, the borrower pays the cost, and the PST on the premium must be paid upfront before possession. On a \$400,000 home with a 5-15% down payment, the 6% PST on the mortgage insurance premium adds about \$571 to \$912 in additional upfront costs.<sup>iv</sup> Removing this tax would reduce financial pressure at closing and make homeownership more attainable for first-time buyers.



Saskatchewan, Ontario, and Quebec are currently the only provinces that apply provincial sales tax to mortgage insurance premiums. Manitoba eliminated its tax on these premiums in 2020, demonstrating a clear precedent for reform.

The fiscal impact is modest: about 59% of first-time buyer requires mortgage loan insurance. With an estimate of 8,865 first-time buyer in Saskatchewan in 2024, and about 5,230 first-time buyers requiring insurance, the maximum annual revenue lost to government would be \$3 million to \$4.7 million.<sup>v</sup>

*(The fiscal impact is calculated using figures from CMHC's 2024 Mortgage Consumer Survey and reflect national averages; actual Saskatchewan-specific numbers may vary. The cost ranges presented are intended as estimates to guide policy consideration and highlight the scale of potential impact.)*

### **Recommendation 2: Exempt First-Time Buyers from the Title Transfer Fee**

Saskatchewan charges a Title Transfer Fee of 0.4% of a property's value, adding \$1,600 upfront cost to a \$400,000 home. This is additional burden for first-time buyers already facing steep costs. Providing a rebate or exemption for first-time buyers would deliver direct, immediate relief at closing, reduce the amount buyers must save, and help more young families access homeownership.

### **Recommendation 3: Enhance Saskatchewan's PST Rebate on New Homes**

The 2025 Provincial Budget made the 42% PST rebate on new home construction permanent—an important step. However, even after the rebate, a buyer on a \$400,000 new home still pays about \$14,000 in PST. First-time buyers, who cannot rely on equity from a previous home, feel this cost most acutely.

Enhancing the rebate would support affordability and stimulate the building sector. According to the Saskatoon & Regina Home Builders' Association, it is estimated that for every \$1 in PST rebate creates \$25 in GDP and \$10 in labour income.<sup>vi</sup>

Other jurisdictions are taking action. The federal government has proposed eliminating the HST for first-time buyers on new homes up to \$1 million. Ontario has matched this by proposing to eliminate the provincial portion of the HST. In Ontario, for example, these measures would deliver up to \$130,000 in savings a first-time buyer.

Options to consider below:

1. Fully exempt first-time buyers
2. Reducing PST from 6% to 4%
3. Increasing the rebate percentage

### **Additional Recommendations**



Mortgage Professionals Canada is committed to improving fairness in the housing market by reducing mortgage fraud and advancing collaborative housing solutions. **We respectfully request that the Government of Saskatchewan encourage the federal government to advance the following priorities, and to reflect supportive language in the upcoming provincial budget.**

### **Recommendation 1: Support a Digital Income Verification Tool**

Mortgage fraud is rising—up nearly 30% from pre-pandemic levels—driving up home prices, eroding confidence in the system, and giving dishonest buyers an unfair advantage. More than 90% of fraud cases involve falsified financial documents. A secure, CRA-enabled income verification tool would provide lenders and brokers the ability to validate income directly through tax data, making the process safer, more accurate, and less vulnerable to fraud.

Regulators across Canada—including the Mortgage Broker Regulators' Council of Canada, provincial regulators, and OSFI—support this solution. Canadians do too: Pollara's July 2025 survey shows that 58% see mortgage fraud as a major issue, 64% say it drives up housing prices, and 78% believe it gives dishonest buyers an unfair edge.<sup>vii</sup>

International models exist. The UK's Mortgage Verification Scheme has shown how securely verifying income through tax data can prevent fraud while protecting privacy. A Canadian version could validate key tax line items (e.g., Line 15000—total income) with client consent and limited access windows.

Although the federal government committed to this tool in the 2024 Fall Economic Statement, progress has stalled.

MPC asks the Government of Saskatchewan to urge the federal government to set a clear timeline and prioritize implementation of this initiative.

### **Recommendation 2: Establish a Permanent Housing Roundtable**

Canada's housing challenges require coordinated action. MPC, alongside partners such as the Canadian Real Estate Association and the Canadian Bankers Association, is calling for a permanent housing roundtable that brings together federal and provincial governments, municipalities, industry, and civil society.

A structured, recurring forum would help align policy on key areas such as land use, skilled labour shortages, immigration, supply constraints, and pathways to homeownership. It would signal a shared commitment to coordinated, results-driven solutions.

MPC encourages the Government of Saskatchewan to advocate for the creation of this roundtable at the federal level.

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<sup>i</sup><https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/housing-research/surveys/mortgage-consumer-surveys/2024-mortgage-consumer-survey>



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*ibid.*

<sup>iii</sup> <https://saskatchewanrealtorsassociation.ca/articles/market-watch-september-2025>

<sup>iv</sup> <https://www.ratehub.ca/cmhc-mortgage-insurance>; CMHC insurance premium is \$15,200 for 5% down and \$9,520 for 15% down.

<sup>v</sup> [CMHC data](#) shows that about 55% of homebuyers were first-time buyers. With 16,119 home sales in Saskatchewan in 2024 (SK Realtors Association data), this means an estimated 8,865 were first-time buyers. Of those, about 59% require mortgage insurance. Using the estimated PST costs (\$571-\$912 per buyer), the total annual PST paid by first-time buyers ranges from roughly \$3 - \$4.7 million.

<sup>vi</sup> <https://saskatoonhomebuilders.com/isl/uploads/2023/02/QA-on-conclusion-of-PST-Rebate49.pdf>

<sup>vii</sup> <https://www.canadianmortgagetrends.com/2025/09/most-canadians-say-mortgage-fraud-stacks-the-deck-against-honest-buyers/>