



# **A Roof Over Our Heads 2008**

**Affordable Housing and Homelessness  
Policy in Canada**

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**Canada***West*  
FOUNDATION

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## Executive Summary

**A**lthough Canada's housing market has performed very well since 2000, there have been growing problems with affordability, particularly for those at the lower end of the income spectrum. Several factors have combined to affect the supply of and demand for affordable housing. These include a rise in housing costs and the cost of living, government policy discouraging low-income rental development, a lack of new rental units being built, low rental vacancy rates, condominium conversions, and urban population growth.

Nearly one quarter of Canadian households are spending 30% or more of their gross income on housing. Over 13% are in "core housing need" and there is little doubt that affordability challenges have spurred considerable growth in Canada's homeless population.

When it comes to the relationship between government and private sector stakeholders, there is a history in Canada of undermining the effectiveness of market mechanisms. In the 1970s, the federal government brought in a number of reforms that made the tax treatment of rental properties less favourable for investors. As well, in an effort to fight inflation, many provincial jurisdictions opted for the short-term benefit of rent controls (a policy which still exists in many jurisdictions to this day). Although beneficial to renters in the short-term, rent controls reduce the supply of rental units by discouraging construction and hastening the conversion of existing units into condominiums. Government policy thus had the effect of discouraging the private development of rental units. Regulatory and tax reform have been suggested as ways to correct this.

After examining affordable housing and homelessness policies at all levels of Canadian government, this report draws several conclusions. Although a number of policies (such as rent supplements, social housing, and rehabilitation programs) have been adopted by virtually all Canadian jurisdictions, housing and homelessness policy in Canada is by no means uniform. The federal government has adopted a decentralized policy of offering funding for housing, and letting provinces decide how

best to spend the money. By negotiating social housing transfer agreements, offering money through affordable housing trusts, and allowing provinces control over the design and delivery of cost-shared housing initiatives, the federal government has given each province the opportunity to take a different approach to meet its own housing and homeless needs.

Although many see this as a "balkanization" of housing policy, this is not an inherently negative development. Financial resources, physical climate, provincial history, and the very existence of Canadian federalism all dictate considerable differences between (and even within) provinces. Differences in affordability, demographic trends, and housing markets require different policy responses. Therefore, provinces are better suited to respond to their own housing circumstances than the federal government. Policies for affordable housing should be built up from the local and provincial level, not down from the federal level.

Another area of concern highlighted by this report is the disconnect between affordable housing and homelessness policies in Canada. Despite numerous studies identifying a clear link between affordable housing and homelessness, most Canadian jurisdictions (with a few notable exceptions) treat these issues as distinct, often dealing with them through different ministerial departments.

Provinces need to recognize that homelessness is a provincial responsibility, and they should integrate their homelessness policy with their housing policy. British Columbia has already done this. Provinces would also do well to emulate best practices from elsewhere (notably some American cities) such as the "housing first" approach.

Policies aimed at affordable housing and homelessness are very important to the health and security of Canadians. While there is always a need for interprovincial coordination, cooperation, and learning, a "one-size-fits-all" approach should continue to be avoided. As we move forward, we need to identify best practices and respond to unique provincial housing circumstances.

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## 1. INTRODUCTION

In 2000, the Canada West Foundation published a report entitled *A Roof Over Our Heads: Affordable Housing and Urban Growth in Western Canada*. The report addressed the relationship between urban growth and affordable housing in four ways: it identified issues and trends related to affordable housing and urban growth; it presented an overview of Canadian policies; it presented a statistical analysis of the relationship between urban growth and housing affordability; and it identified key challenges faced by governments.

Eight years later, much has changed. Across the country, prices have risen considerably for homeowners and renters. Rental vacancy rates are low. Waiting lists for social housing have grown. The number of households deemed “affordable”—defined as 30% or less of gross household income spent on housing and utilities—has dropped in nearly every part of the country. Low-income renters continue to feel affordability issues most acutely.

At the same time, homelessness has become a serious problem in Canada’s cities. The affordable housing crunch has—along with other factors—forced thousands of Canadians onto the streets. In Calgary, for example, the total number of homeless people is estimated to have risen by over 700% in the last decade.

Realizing the profound social, health, and economic problems associated with homelessness and a lack of affordable housing, governments have responded in various ways. The federal, provincial, and territorial governments agreed to a \$2 billion cost-sharing framework on affordable housing in 2001, resulting in some 38,000 affordable housing units by March 2008. In 2006, the federal government allocated one-time funding of \$1.4 billion dollars to the provinces in three trust funds to address immediate affordable housing pressures. Federal funding for housing renovation programs for low-income people and a new Homelessness Partnering Strategy were announced in December 2006.

### BOX 1: METHOD

The information found in this report comes from a variety of sources. Federal, provincial, territorial and municipal policies were obtained from government documents, government websites, and discussions with public officials. Census data on affordability (using the 30% shelter-cost-to-income-ratio) and homeownership were found in Statistics Canada’s 2008 report, “Changing Patterns in Canadian Homeownership and Shelter Costs, 2006 Census” (Statistics Canada 2008a). Data on rental vacancy rates, average prices for two-bedroom apartments, housing starts, and housing stock were provided by the Canada Mortgage and Housing Corporation (2007, 2008a, 2008b, 2008c, 2008d, 2008e).

Financial figures for government expenditures were found in Statistics Canada, CANSIM Series 385-0001 and 385-0002 (Statistics Canada 2006). Because of differences in the way in which housing expenditures are reported by each jurisdiction, there may be discrepancies between the amount reported by government and those recorded by Statistics Canada. In order to maintain consistency and provide longitudinal spending figures, this report uses the Statistics Canada data when determining housing expenditures.

Under Statistics Canada’s Consolidated Government Revenue and Expenditures, “housing” refers to three sub-functions: Housing Operations, Housing Assistance, and Other Housing. Housing Operations refers to renovation or improvement of housing stock, operation and

maintenance costs of government-owned rental housing, general administration, research, and other activities related to housing. Housing Assistance entails government transfers to: a) individuals, groups, corporations and other governments to assist in building, renovating, or improving non-government housing stock; b) owners of rental accommodation to enable them to provide housing at less than market rates; and, c) individuals seeking homeownership. Finally, Other Housing refers to outlays that overlap or cannot be allocated to the other sub-functions.

Due to the different ways in which provinces report housing expenditure, homelessness funding and rental supplement programs are sometimes not included in housing expenditure. Because the consolidated data does not sufficiently factor out transfers to municipal governments, it is very difficult to measure the actual local housing expenditures that result from locally-raised revenue. For a helpful analysis of Statistics Canada’s consolidated data on housing revenue and expenditures, consult Statistics Canada (2006) and Pomeroy (2007). All municipal statistics from Statistics Canada and the Canada Mortgage and Housing Corporation use census metropolitan areas (CMAs) and census agglomerations (CAs). As such, there may be variation between statistics reported in this report, and statistics reported by each particular city.

As a final note, sections 2 and 3 build heavily on previous research done by the Canada West Foundation (Bruce and Plunkett 2000; Orr 2000; Wilkie 2007).

New homelessness strategies have also been developed at the provincial and municipal levels. In western Canada, where the problem is particularly acute, recent provincial budgets have poured considerable money into housing and homelessness. In September 2008, the Harper government announced a five-year extension of three federal programs: the Affordable Housing Initiative, the Residential Rehabilitation Assistance Program and the Homeless Partnering Strategy.

This report presents current information on affordable housing and homelessness, and builds on the original *A Roof Over Our Heads* in three ways: 1) it provides data detailing the affordable housing situation in Canada over the last eight years; 2) it provides a survey of federal, provincial, territorial, and select municipal policies with respect to affordable housing; and 3) it examines the relationship between affordable housing and homelessness.

The primary goal of this report is not to be prescriptive. Rather, its goal is to provide a detailed summary of the current context of affordable housing and homelessness in Canada. By studying the various policies throughout the country, this report hopes to identify trends, issues, and opportunities that can be utilized by policy-makers and governments alike.

## 2. WHAT IS AFFORDABLE HOUSING?

There are different ways to measure affordable housing. One generally accepted definition is provided by Maclennan and Williams: “‘Affordability’ is concerned with securing some standard of housing (or different standards) at a price or a rent which does not impose, in the eyes of some third party (usually government) an unreasonable burden on household incomes” (1990: 9).

Since 1986, Canadian governments have used the Canada Mortgage and Housing Corporation’s (CMHC) 30% shelter-cost-to-income ratio (STIR) to measure affordability. This measure assumes that households spending more than 30% of their gross, pre-tax household income on shelter costs are experiencing housing affordability problems. The ratio is used by the CMHC, Statistics Canada, and the US Department of Housing and Urban Development (Saskatchewan 2008: 9). Many provincial and territorial housing corporations use the rent-geared-to-income (RGI) measure to determine eligibility for affordable housing. Unlike the STIR measure, RGI only includes rent, excluding other household costs.

Ratio measures of affordability, like Canada’s 30% STIR measure, are contentious for several reasons. First, the measure is applied uniformly to all households of high and low income—whether a total household income is \$20,000 or \$2 million, if more than 30% is spent on housing, it is deemed unaffordable. Second,

the measure says nothing about households who choose to spend 30% of their income on housing, even if lower-cost housing is available. Finally, this measure often fails to account for regional variation in housing prices; \$600 a month will rent a far better apartment in Charlottetown than in Vancouver.

For these reasons, the Canada Mortgage and Housing Corporation (CMHC) often uses the concept of “core housing need” (CHN) to define social housing need. Core housing need measures three elements: affordability based on the 30% STIR measure, suitability based on acceptable bedroom size and person-to-room ratio, and adequacy based on the need of major repair. If a household falls below any one of these standards and would have to spend 30% of its gross income to find alternative local housing, it is in “core housing need.” Canadian analysts use both CHN and the STIR measure, although they adopt the STIR measure more frequently.

### BOX 2: DEFINING HOMELESSNESS

At a very basic level, homelessness is the absence of an acceptable place to live. For some, homelessness is temporary; for others, it is a long-term reality. Those who have been homeless for over a year are typically referred to as “chronically homeless.”

Affordable housing policies typically conceptualize homelessness in three ways. The “at risk homeless” are those who face circumstances that make it likely that they will become homeless (e.g., impending eviction, rising rents, low income, the need to flee an abusive partner, addiction, or unsafe housing conditions). The “hidden homeless” are those who cannot afford a place of their own and are housed privately by “couch surfing” with family or friends. The “absolute homeless” are those who have no shelter of their own, and live either outdoors or rely on social service agencies (such as shelters) for their housing (adapted from Wilkie and Berdahl 2007).

Most affordable housing policies are concerned with reducing the number of “at risk” homeless. However, more recent strategies, especially those using a “housing first” approach, focus resources on getting housing for the most problematic cases—the absolute homeless. In addition to decreasing the risk of homelessness for the “at risk” population, “housing first” strategies see adequate housing as a precursor for economic, social, and personal well-being. To recover from homelessness, shelter comes first. “Housing first” strategies therefore focus on “chronic cases” (Laird 2007a).



Households spending more than 30% of their income on shelter, particularly those in core housing need, are at an increased risk of becoming homeless. Although affordable housing and homelessness are often conceptually thought of as two different issues, more and more research posits a link between the two. Quite simply, the lack of affordable housing is increasingly seen as a root cause of homelessness, perhaps the leading root cause (Halifax Regional Municipality 2005; Laird 2007a; Calgary Committee to End Homelessness 2008). By reducing the number of households in core housing need or “unaffordable” housing, affordable housing can significantly reduce the number of “at risk” homeless, thereby driving down future numbers of “hidden” and “absolute” homeless (see Box 2).

### 3. HOUSING IN CANADA

Housing is a major part of the Canadian economy: it is estimated that housing-related spending in 2006 accounted for one-fifth of total economic activity in Canada (Canada Mortgage and Housing Corporation 2007: 39). On the surface, Canada’s housing market has performed well in recent years. Housing starts—the number of houses for which new construction begins during a year—have steadily increased over the past decade, due to low mortgage rates, high employment levels, rising incomes (particularly family income), and increasing consumer confidence (Canada Mortgage and Housing Corporation 2007: 38). Moreover, household growth (the growth in the absolute number of households) between 2001 and 2006 was a healthy 7.6% across the country, with a high of 13.8% in Alberta (see Figure 1).

Yet Canada’s booming housing market belies growing problems with affordability, particularly for those with low incomes. In spite of a relatively solid housing market, Canada has experienced both a growing demand for—and a scarcity of—affordable housing. As of the 2006 Census, nearly one quarter of Canadian households spent 30% or more of their gross income on housing.

Several factors have combined to influence the supply and demand of affordable housing. These include a rise in housing costs and the cost of living, government policy discouraging low-income rental development, a lack of new rental units being built, low rental vacancy rates, condominium conversions, and urban population growth. Not surprisingly, low-income renters are feeling the affordable housing squeeze most acutely.

**Rise of housing costs.** Census data indicate that the percentage of households spending 30% or more of their income on shelter has increased from 21% in 1981 to 24.9% in 2006. The 2006 number was up slightly from 2001, but below

**Figure 1: Household Growth in Canada, Provinces, and Territories, 2001-2006 (# of households)**

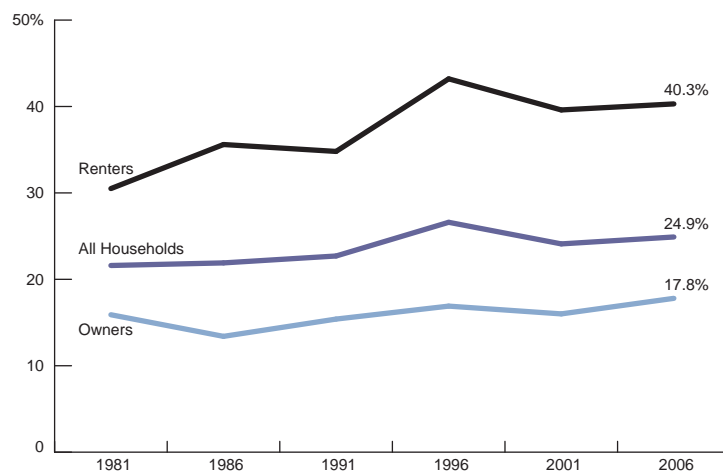
	2001	2006	Growth
Canada	11,562,975	12,437,470	+7.6%
Newfoundland and Labrador	189,045	197,185	+4.3%
Prince Edward Island	50,795	53,135	+4.6%
Nova Scotia	360,025	376,845	+4.7%
New Brunswick	283,820	295,960	+4.3%
Quebec	2,978,110	3,189,345	+7.1%
Ontario	4,219,410	4,555,025	+8.0%
Manitoba	432,550	448,780	+3.8%
Saskatchewan	379,675	387,145	+2.0%
Alberta	1,104,100	1,256,200	+13.8%
British Columbia	1,534,335	1,643,150	+7.1%
Yukon	11,365	12,610	+11.0%
Northwest Territories	12,565	14,235	+13.3%
Nunavut	7,175	7,855	+9.5%

Source: Canada Mortgage and Housing Corporation 2007, 2008d

the high of 26.6% in 1996. In its March 2008 affordability watch, RBC Economics claimed that housing affordability was “at its most unaffordable level since the housing bubble peaked in 1990” (2008:1).

Renters are far more likely to spend 30% or more of their income on shelter. In 2006, 40.3% of renters, compared with just 17.8% of owners, spent more than the 30% of household income on shelter (Statistics Canada 2008a). This should

**Figure 2: Percentage of Owner and Renter Households Spending 30% or More of Their Income on Shelter, Canada, 1981-2006**



Source: Statistics Canada 2008a

**Figure 3: Average Rent for a 2-Bedroom Apartment, 2000–2008**

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Canada	\$648	\$672	\$694	\$704	\$720	\$732	\$755	\$760	\$782
Newfoundland and Labrador	\$510	\$530	\$538	\$563	\$571	\$578	\$585	\$560	\$581
Prince Edward Island	\$538	\$561	\$566	\$585	\$603	\$612	\$631	\$640	\$653
Nova Scotia	\$621	\$645	\$669	\$684	\$711	\$726	\$760	\$757	\$789
New Brunswick	\$515	\$530	\$543	\$556	\$576	\$586	\$609	\$610	\$635
Quebec	\$495	\$513	\$531	\$553	\$572	\$591	\$607	\$603	\$615
Ontario	\$829	\$863	\$883	\$886	\$898	\$903	\$919	\$921	\$931
Manitoba	\$581	\$596	\$612	\$633	\$650	\$669	\$692	\$715	\$726
Saskatchewan	\$529	\$546	\$554	\$564	\$572	\$577	\$596	\$619	\$712
Alberta	\$651	\$701	\$734	\$745	\$754	\$765	\$866	\$932	\$1,049
British Columbia	\$753	\$772	\$795	\$806	\$821	\$844	\$885	\$893	\$921

\* The figures from 2000–2006 represent October rental prices, while the 2007 and 2008 figures represent April rental prices. Due to seasonal migration patterns, the April data are not the best indicators of a year-over-year change, and therefore conclusions from the change between 2006 and 2007 should be drawn with caution. The change between 2007 and 2008 is a more accurate account of year-over-year change. Source: Canada Mortgage and Housing Corporation 2007, 2008a

not come as a surprise, given that the average rent for a two-bedroom apartment has jumped considerably in recent years (see Figure 3).

Much of the rise in housing costs has been attributed to the Canadian housing boom. Particularly in western Canada, a sharp rise in local incomes and high in-migration pushed demand well above supply, resulting in a sharp increase in housing costs (Phillips, Hager, & North 2008: 2). Generous government mortgage rules—including 40-year mortgages and zero-down payment options—allowed people who traditionally would not have been able to afford a mortgage to enter into the housing market, driving up demand (Cryderman 2008b). As supply is beginning to catch up to demand, the housing boom is beginning to cool, and housing costs are expected to taper off (TD Economics 2008).

**Rise in the cost of living.** Another factor affecting affordability is the overall cost of living. As Figure 4 shows, recent increases in the cost of energy may reduce the amount of money Canadians have to spend on shelter.

**Government policy discouraging low-income rental development.** Government policy has affected the supply of affordable housing in three ways. The first was through funding cuts to government housing programs. Starting in the late 1980s, the federal government reduced support for government-owned social housing, subsidies to nonprofit organizations, and subsidies to private rental developers (TD Economics 2003: 9). As a result of deficit reduction strategies, very little new social housing was built from 1993 to 2003. Compared with approximately 20,000 units of social housing built annually in the 1980s, only 4,450 units were built between 1994 and 1998 (Laird 2007a: 14). Although government spending on housing

has increased significantly since 2003, earlier cuts to social housing have certainly had an impact on the supply of affordable housing.

Another way in which government (particularly federal government) policy affected supply was through market incentives to developers. In the 1970s, the federal government brought in a number of reforms, making tax treatment of rental properties less favourable for investors. Examples include the application of

the capital gains tax to rental properties and the elimination of tax deductions for the treatment of rental units (TD Economics 2003: 43). As well, in an effort to fight inflation, many provincial jurisdictions opted for the short-term benefit of rent controls (a policy still in place in many jurisdictions). Although beneficial to renters in the short-term, rent controls tend to “discourage new construction, and encourage demolitions and/or conversions of existing rental stock into owner-occupied units” (TD Economics 2003: 10; see also Strange 2003; Frontier Centre for Public Policy 2005).

These policies were compounded by the downloading of several provincial (non-housing related) services to municipalities in the 1990s. Because municipalities have limited tax-raising capacity, this downloading placed upward pressure on non-residential property taxes and development charges. In turn, developers turned toward more lucrative, higher-end market

**Figure 4: Canadian Consumer Price Index, Percentage Growth, June 2007–2008**

	% Change, June 2007–2008
Food	+2.8%
Shelter	+4.7%
Household operations and furnishings	+1.3%
Transportation	+5.5%
Energy	+18.0%
All items	+3.1%
All items excluding food and energy	+1.2%

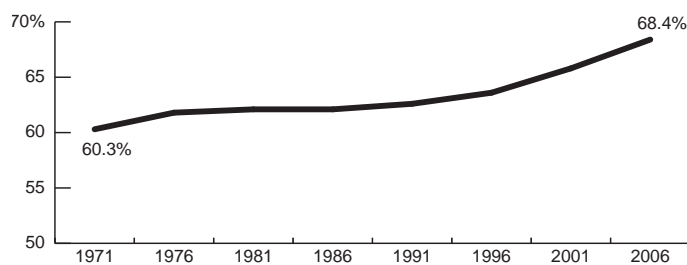
Source: Statistics Canada 2008b



**Figure 5: Occupied Housing Stock by Type and Tenure, Canada, 1991-2006**

1991				
Owned	Rented	Band	Total	% Rented
6,273,030	3,718,520	26,715	10,018,270	37.1%
1996				
Owned	Rented	Band	Total	% Rented
6,877,780	3,905,145	37,125	10,820,050	36.1%
2001				
Owned	Rented	Band	Total	% Rented
7,610,390	3,907,170	45,415	11,562,975	33.8%
2006				
Owned	Rented	Band	Total	% Rented
8,509,780	3,878,500	49,180	12,437,460	31.2%

Source: Canada Mortgage and Housing Corporation 2007, 2008d

**Figure 6: Homeownership Rates for all Households, Canada, 1971-2006**

Source: Statistics Canada 2008a

**Figure 7: Rental Vacancy Rates, 2000-2008**

	2000	2001	2002	2003	2004	2005	2006	2007	2008
Canada	2.2%	1.7%	2.1%	2.6%	2.9%	2.8%	2.7%	2.8%	2.6%
Newfoundland and Labrador	5.7%	3.2%	3.0%	3.3%	4.1%	4.6%	4.1%	4.2%	3.2%
Prince Edward Island	3.3%	2.7%	2.8%	3.7%	4.2%	4.4%	5.3%	5.7%	4.9%
Nova Scotia	4.2%	3.3%	3.0%	2.6%	3.0%	3.4%	3.3%	3.8%	3.4%
New Brunswick	3.1%	4.1%	4.2%	4.3%	5.3%	5.0%	6.0%	6.0%	5.3%
Quebec	2.2%	1.3%	1.2%	1.3%	1.7%	2.0%	2.5%	2.4%	2.5%
Ontario	1.6%	1.7%	2.7%	3.5%	4.1%	3.8%	3.4%	3.9%	3.1%
Manitoba	2.2%	1.4%	1.4%	1.6%	1.4%	1.9%	1.6%	1.4%	1.0%
Saskatchewan	2.2%	3.5%	3.9%	4.1%	5.3%	4.5%	3.3%	3.2%	1.2%
Alberta	1.3%	1.1%	2.3%	3.7%	4.6%	3.1%	0.9%	0.9%	2.9%
British Columbia	3.6%	2.6%	3.1%	3.1%	2.4%	1.9%	1.2%	1.2%	1.1%

See the note to Figure 3 for information on 2007/2008 data. Source: Canada Mortgage and Housing Corporation 2007, 2008a

segments, and away from low-income rentals (TD Economics 2003: 9).

**A lack of new market rental units being built.** Government policy thus had the dual effect of discouraging the private development of rental units while simultaneously ceasing to build public units. The predictable result has been a lack of new rental units, particularly units available to low-income households. Although 90,000 new rental units were built between 2001 and 2006 (including 27,000 specifically designed for affordable housing), Canada's rental stock actually experienced a small decline during this period, meaning that over 90,000 units were simultaneously removed through demolition, conversion to condominiums, or conversion to ownership (Federation of Canadian Municipalities 2008: 13-14). The percentage of occupied housing stock that is rented dropped from 37.1% in 1991 to 31.2% in 2006 (see Figure 5).

**Low rental vacancy rates.** This receding supply has been partially responsible for low rental vacancy rates, particularly in western Canadian cities. From April 2007 to 2008, the national vacancy rate dropped from 2.8% to 2.6% (Canada Mortgage and Housing Corporation 2008a). The problem is most acute in western cities, with vacancy rates particularly low in Victoria and Kelowna (0.3%), Vancouver (0.9%), and Saskatoon (0.9%). Low vacancy rates have been shown to cause rents to rise at the lower end of the market (TD Economics 2003: ii).

**Condominium conversions.** One effect of the disincentives against the development of rental housing (especially low-cost rental housing) has been the conversion of rental units into condominiums (see Figure 8). The number of condominium owners has risen substantially over the past twenty years, particularly in large urban centres. Nearly

11% of owner households owned condominiums in 2006, compared with just 4% in 1981 (Statistics Canada 2008a). Census metropolitan areas with the highest percentage of condominiums (Vancouver, Victoria, Abbotsford, Calgary) have recently experienced very low rental vacancy rates.

**Urban population growth.** In 2000, Bruce and Plunkett found that urban growth leads to a decrease in housing affordability, and that the problem is actually

**Figure 8: Percentage of Owner Households in Condominiums, Selected CMAs, 2001 and 2006**

	2001	2006	Difference (Percentage Points)
Canada	9.0%	10.9%	+1.9
Vancouver	27.7%	31.0%	+3.3
Abbotsford	23.7%	23.8%	+0.1
Victoria	19.1%	21.2%	+2.1
Kelowna	19.1%	21.1%	+2.0
Calgary	13.6%	18.0%	+4.4
Edmonton	12.7%	16.1%	+3.4
Saskatoon	9.9%	13.6%	+3.7
Toronto	16.1%	18.6%	+2.5
Montreal	10.0%	13.3%	+3.3

Source: Statistics Canada 2008a

more acute for homeowners (2000; Orr 2000). Recent data confirms that urban population growth lowers homeowner affordability. In five of seven of Canada's fastest growing Census Metropolitan Areas (CMAs)—Abbotsford, Kelowna, Victoria, Vancouver, and Calgary—the percentage of owners spending more than 30% on shelter exceeded the national average (see Vander Ploeg 2008 for information on Canada's fastest growing CMAs).

Bruce and Plunkett's findings suggested that urban growth would make housing less affordable for owners, but more affordable for renters. However, recent data suggest that urban growth can also cause affordability problems for renters. Although the percentage of owners experiencing affordability problems is accelerating at a much faster pace than renters (see Statistics Canada 2008e), a growing number of renters in most high-growth CMAs are experiencing affordability problems far

**Figure 9: Households Spending 30% or More on Shelter, Canada's Fastest Growing CMAs, 2006**

	2006		
	All	Owners	Renters
Canada	24.9%	17.8%	40.3%
Abbotsford	30.6%	26.1%	43.2%
Calgary	24.4%	19.2%	39.4%
Edmonton	22.8%	15.7%	38.8%
Kelowna	28.8%	22.8%	47.9%
Saskatoon	25.1%	15.0%	45.2%
Vancouver	32.9%	27.1%	43.8%
Victoria	29.1%	20.9%	43.8%

Source: Statistics Canada 2008e

beyond the national rate (see Figure 9). Urban growth, at least in some instances, seems to correlate with a decline in rental affordability as well.

**The income gap.** A final issue compounding housing affordability is the continued gap between high and low wage earners. In 2004, the lowest income quintile accounted for 81% of all urban households in core housing need, up from about 78% two years earlier (Canada Mortgage and Housing Corporation 2007: 19).

**The gap between owners and renters is also growing.** The median net worth—the value of assets minus debts—of renter households dropped between 1999 and 2005. The median worth of an owner household is \$327,000, over 23 times more than the median net worth of Canadian renter households (\$14,000). This led the CMHC to conclude that “[t]he growing disparity in the net worth of owners and renters is consistent with the increasing gap between their respective incomes” (Canada Mortgage and Housing Corporation 2007: 35). In addition, Canadians in the lowest income quintile are the most likely to be paying 30% or more of their gross household income on shelter (see Figure 10).

Although general affordability has diminished according to the STIR measure, the most recent CMHC data indicate that

**Figure 10: Cross-Sectional Estimates of People Living in Households Spending Above and Below 30% on Shelter by Income Quintile, 2004**

	Share within income quintile	Cumulative share spending 30% or more	Median Shelter cost	Median Household income
Bottom 20%				
30% or more	57.9%	57.4%	\$9,000	\$17,417
Less than 30%	42.1%	...	\$4,416	\$24,742
Second Quintile				
30% or more	23.5%	80.6%	\$15,983	\$39,887
Less than 30%	76.5%	...	\$6,720	\$41,625
Middle Quintile				
30% or more	12.7%	93.2%	\$23,233	\$62,323
Less than 30%	87.3%	...	\$9,426	\$62,949
Fourth Quintile				
30% or more	5.2%	98.3%	\$31,258	\$87,196
Less than 30%	94.8%	...	\$12,104	\$88,671
Top 20%				
30% or more	1.7%	100.0%	\$44,570	\$124,383
Less than 30%	98.3%	...	\$13,823	\$135,885

Source: Rea et al. 2008

households experiencing core housing need declined from 15.6% in 1996 to 13.6% in 2004 (Canada Mortgage and Housing Corporation 2007: 67-78, A-16). While the decline in core housing need is positive, a high percentage of those in core housing need are from the lowest income quintile (Canada Mortgage and Housing Corporation 2007: 77). And affordable housing does not have a uniform effect—seniors, immigrants, and lone parents are most likely to suffer from housing affordability problems (Canada Mortgage and Housing Corporation 2007; Statistics Canada 2008a; Walker 2008). Paying 30% of household income may represent a nuisance—or even a conscious choice based on convenience—to a family with a high income. However, growing affordability problems for Canada’s lowest earners can drastically increase the risk of homelessness—a phenomenon to which this report now turns.

## 4. HOMELESSNESS IN CANADA: A GROWING CRISIS

Recently, homelessness in Canada has been attracting considerable attention. In May 2006, the UN Committee on Economic, Social and Cultural Rights (UNCESR) characterized Canada’s growing homelessness problem as a “national emergency.” It called on government to “implement a national strategy for the reduction of homelessness that includes measurable goals and timetables” (United Nations 2006: 9), criticizing Canada’s inadequate social housing as a major cause of the problem. In 2007, western Canadians cited “addressing homelessness” as the fourth most important issue facing their municipalities (Berdahl 2007). More recently, in June 2008, the British Columbia Supreme Court heard the “tent city” case, in which a number of homeless individuals charged that a City of Victoria injunction preventing them from setting up tents on public property violated their right to “life, liberty, and security of the person” (the result was still pending as of August 2008).

While the National Homelessness Initiative estimated that 150,000 Canadians are now homeless, others estimate closer to double that number (Laird 2007a: 12). Because of the scarcity of data on homelessness before 1999, and the difficulty in enumerating the homeless, the exact figure remains elusive. Nonetheless, homeless counts in major Canadian municipalities, as well as numerous anecdotal accounts, confirm that homelessness is growing. As Section 8 shows, homeless counts for all major municipalities except Kelowna have demonstrated significant growth in the homeless population (and the Kelowna numbers are subject to some criticism).

While the size of the homeless population has changed, so too has its nature: poverty and inability to afford housing have become the leading causes of homelessness, surpassing substance abuse and mental illness (Laird 2007a). Further, many homeless people are employed: the 2002 Calgary Homelessness Study found that 50% of people experiencing homelessness in Calgary had jobs (Calgary Committee to End Homelessness 2008: 19). The demography is also changing: almost one-third of Canada’s homeless are aged 16-24, and Greater Vancouver estimated that its senior homeless population tripled between 2002 and 2005. Aboriginals continue to be over-represented in homelessness street counts and shelter numbers (Laird 2007a: 4, 40).

In the past, researchers viewed homelessness and affordable housing as conceptually distinct. Mounting evidence indicates that this view can no longer be sustained. Recent studies of affordable housing and homelessness in Canada have suggested a direct link between the two, positing increased housing costs and the decline in rental availability as pushing individuals onto the streets (Laird 2007a; Calgary Committee to End Homelessness 2008: 22; Federation of Canadian Municipalities 2008; Saskatchewan 2008: 9). This is not to say that the appropriate policy responses to various affordability challenges and the range of homelessness issues are the same, but that there is value in seeing affordable housing and homelessness as linked in key ways.

This conclusion is difficult to dispute. Homeless individuals consistently cite inability to find adequate housing and lack of income as major reasons for being homeless (Halifax Regional Municipality 2005: ii; Laird 2007a). Following the stagnation of affordable rental housing, wait lists have skyrocketed across the country. Shelters often turn people away; in 2007, Canada had only 26,872 regularly available shelter beds, which equals just over one-sixth of the federal government’s estimate of the number homeless (Human Resources and Social Development Canada 2008). In the same year, Alberta had a mere 2,500 shelter spaces, despite the fact that Calgary alone had over 3,400 homeless individuals (Laird 2007b: 37; Calgary Committee to End Homelessness 2008). The Federation of Canadian Municipalities estimates that over 20,000 Canadians are “chronically homeless,” meaning that they have been homeless for over a year (Federation of Canadian Municipalities 2008: 12).

Homelessness is not just a social or a health concern, but also an economic issue. One commentary has suggested that homelessness costs Canadian taxpayers between \$4.5 and \$6 billion per year, “inclusive of health care, criminal justice, social services, and emergency shelter costs” (Laird 2007a: 87). Because homelessness is undoubtedly on the rise in Canada, many have called for a national strategy on affordable housing that is inclusive of homelessness (Laird 2007a; Federation of Canadian Municipalities 2008; Shapcott

2008a). Yet others contend that housing and homelessness are best dealt with through provincial strategies, and that a national “one-size-fits-all” policy is not necessarily desirable (Sancton 2008).

Given the above, current policies to address affordable housing and homelessness deserve scrutiny. Both affordable housing and homelessness are major policy concerns: what are Canadian governments doing about it?

## 5. FEDERAL GOVERNMENT

Although Canada’s Constitution is silent on housing, the social policy dimensions of housing are considered to be a provincial responsibility. Nonetheless, all three levels of government—federal, provincial, and municipal—are involved in housing to some degree. Historically, the federal government had responsibility for funding and developing affordable social housing. However, starting in the 1970s, provincial and municipal governments became more involved in the housing sector, particularly through cost-shared social housing initiatives.

In 1985, the federal government began to target households in core housing need, negotiating new cost-sharing agreements with the provinces and territories. This continued a policy of steady devolution to the provinces and municipalities. In 1994, the Government of Canada cancelled new social housing commitments off-reserve.

In 1996, while agreeing to honour its long-term funding commitments, the federal government began negotiating agreements with each province and territory to transfer the administration of social housing, with the exception of on-reserve Aboriginal housing. These agreements are intended to streamline administration of social housing to provide one-window delivery by the provinces and territories. Federal funding continues for the duration of original commitments, with expiration occurring in the 2030s. Provinces and territories assume CMHC’s responsibilities under agreements with third parties. Where agreements have been signed, the federal government has stepped out of direct administration of social housing. Quebec, Alberta, and Prince Edward Island still have yet to negotiate these agreements. Today, provincial governments, municipal governments, or agencies thereof operate most social housing units (for a background on Canadian affordable housing policy prior to 2000, see Orr 2000; Begin and Casavant 2001).

As the federal government stepped out of the owning and operation of social housing in the 1990s, its lack of a presence became noticeable. Despite providing room for provinces to act and spending roughly \$1.9 billion annually on maintaining housing units, the provinces did not significantly raise their

investment in housing. In part because of their own deficit reduction strategies, many provinces slashed funding for housing between 1993 and 2001 (TD Economics 2003: 9). Since government housing expenditures include shelter allowances, in many cases this meant a withdrawal from income assistance as well.

## Stepping Back into the Housing Sphere

The scale-back in housing services by the federal and provincial governments produced a strain on municipal governments, who have limited ability to raise revenue. Municipal leaders began making pleas for greater federal involvement, with the Federation of Canadian Municipalities declaring homelessness a “national disaster” in 1998 and calling for a national housing strategy in 1999 (Laird 2007a). Later that year, the federal government responded by creating the National Homelessness Initiative (NHI), a three-year program using community services to address immediate-term homelessness, heavily targeting large cities.

Also in 1999, the federal government doubled funding for the Residential Rehabilitation Assistance Program (RRAP, which has been in existence since 1973). RRAP funds are available for homeowners, persons with disabilities, landlords, seniors, and developers looking to convert non-residential buildings into affordable units.

Through an incremental step, the federal government began increasing funding for affordable housing—albeit preferring

**Figure 11: National Affordable Housing Summary**

Main federal housing authority	Canada Mortgage and Housing Corporation
Rental vacancy rate (April 2008)	2.6%
Average monthly rent, 2-bedroom apartment (April 2008)	\$782
Federal housing expenditures per capita (2007/08)	\$61
Percentage of households spending over 30% on shelter (2006 Census)	24.9%
Percentage of owners spending over 30% on shelter (2006 Census)	17.8%
Percentage of renters spending over 30% on shelter (2006 Census)	40.3%
Incidence of Core Housing Need (2004)	13.6%
Major housing initiatives	Affordable Housing Initiative Affordable Housing Trusts
Major homelessness strategy	Homelessness Partnering Strategy

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

a decentralized strategy, with programs being administered and delivered by provinces, municipalities, or their agencies. Federal funding for the NHI and RRAP was extended for three years in 2003, and again for two years in 2007. In September 2008, the Harper government announced that it would extend three federal programs: the Affordable Housing Initiative, the Residential Rehabilitation Assistance Program and the Homeless Partnering Strategy.

### The Affordable Housing Initiative

As affordability concerns grew, calls for a new social housing supply program continued. In November 2001, the federal, provincial, and territorial ministers responsible for housing agreed on a framework for bilateral agreements under the Affordable Housing Initiative (AHI). The AHI was designed to increase the supply of affordable housing across the country through the creation of 27,200 units renting or selling below median market prices. The federal government initially committed \$680 million, stipulating that the amount had to be matched by the provinces/territories, or from other parties (such as municipalities or the private sector). In 2003, the federal government added an additional \$320 million (also to be matched), bringing the project total up to \$2 billion. This second phase of the AHI was intended to provide affordable units to persons qualifying for the social housing waiting list.

Like the NHI, the AHI is heavily decentralized. The 2001 framework stated: "Each provincial or territorial housing agency has designed its own housing program and is responsible for program delivery, including the selection of housing projects that receive AHI funding" (Canada 2001). The CMHC indicates that over 38,000 units have either been announced or initiated as of March 31, 2008, representing a total of \$877 million in federal government funding.

Although the AHI represented a substantial re-entrance of the federal government into the housing sphere, it has been criticized. In its 2008 *National Housing Report Card*, the Wellesley Institute chided the federal government and the provinces, claiming that they had spent less money than promised (Shapcott 2008a). Others have criticized the program for having no vision or measurable target, for not reducing rents for those most in need, and for containing no predictability or sustainability (Federation of Canadian Municipalities 2008: 6; Walker 2008: 7).

In spite of the criticism, the Affordable Housing Initiative has resulted in over 38,000 affordable housing units being committed. Because the building and renting of these units takes time, its long-term influence on affordability is unclear. Nevertheless, the AHI continued two developments in

federal housing policy that remain firmly in place today: the recognition that the federal government has a role in funding affordable housing, and the commitment to letting the provinces develop and administer the housing themselves.

### The Affordable Housing Trusts

As Paul Martin's Liberal minority government faced a non-confidence motion in the summer of 2005, the Prime Minister agreed to Bill C-48 (the "NDP budget bill") in order to garner support from the New Democratic Party. The Bill included a provision "for affordable housing, including housing for Aboriginal Canadians, an amount not exceeding \$1.6 billion," but contained no details on how the money would be spent. However, after a non-confidence motion defeated the Liberals in late 2005, the Conservative Party won a minority government in the subsequent federal election. The 2006 Conservative budget followed through with Bill C-48, authorizing \$1.4 billion dollars to be spent on three "Affordable Housing Trusts" on a one-time basis to address immediate pressures. This funding was meant to support the construction of new affordable rental units, increase the supply of transitional and supportive housing, and enhance home ownership opportunities, according to provincial/territorial needs and priorities.

The Trust funding includes \$800 million for affordable housing allocated proportionally to the provinces and territories, \$300 million for northern housing allocated to the three territories, and \$300 million for off-reserve Aboriginal housing, allocated to the provinces in proportion to their off-reserve Aboriginal population. Funding was allocated over a 3-year period, and will end in March 2009. Some provinces have used the money to create substantial new housing programs and others have invested in existing programs.

### Other Recent Housing Initiatives

In December 2006, the federal government revamped the National Homelessness Initiative, renaming it the Homelessness Partnering Strategy (HPS). The NHI had been heavily criticized for having no strategy, not meeting targets, having too much bureaucratic red tape, and doing little to actually decrease the number of homeless in Canada (Sarlo 2004; Laird 2007a: 35). The HPS adopted a "housing first" approach, which views supportive housing as a precondition for treating the chronically homeless. The HPS was deemed as "welcome news to many frontline homeless services, shelters and supporters," (Laird 2007: 31), and has resulted in the addition of over 150 new shelters in Canada (HRSDC 2008). However, its funding level and main components remain similar, if not identical, to the NHI. Funding for CMHC's housing renovation programs (including RRAP) was extended for two years at the same time the HPS was introduced.

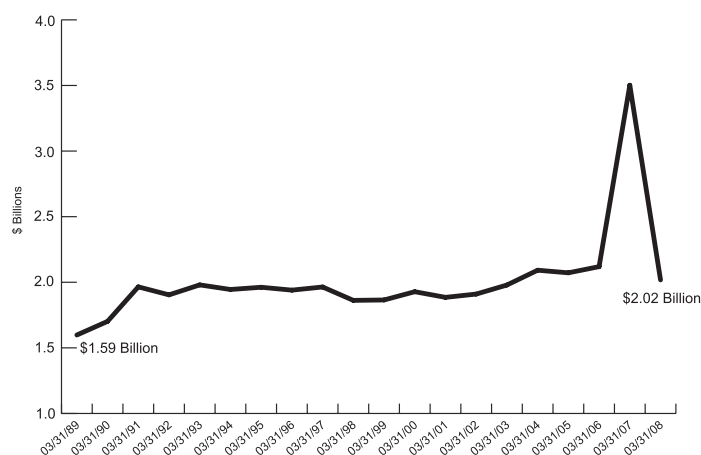


In 2007, the federal government created the First Nations Market Housing Fund, a \$300 million initiative making it easier for on-reserve Aboriginals to obtain loans in order to buy their own houses. The fund became functional in May 2008, and is expected to help build 25,000 homes over 10 years. This is in addition to the roughly \$1.7 billion that the federal government continues to spend annually on approximately 626,000 units of existing social housing—\$1.1 billion through the social housing transfer agreements, and \$600 million through previous agreements with those provinces yet to negotiate new agreements.

## Conclusion

After deciding to get out of housing in the mid-1990s, the federal government reversed course in the 21<sup>st</sup> century: the NHI (now HPS), RRAP, AHI, Affordable Housing Trusts, and First Nations Fund are all indicative of a federal government willing to play a role in housing. However, its role is increasingly that of a funder, not an administrator: the federal government provides money, and the services are delivered, administered, and in many ways determined at the provincial or local level. The Affordable Housing Trusts represent the pinnacle of this policy direction: the money was simply put in a trust, to be spent by the provinces on housing as they saw fit. The one outlier is homelessness policy, where the federal government provides the main source of funding for homeless programs directly to communities through the HPS.

**Figure 12: Federal Government Housing Expenditures, 1989–2008**

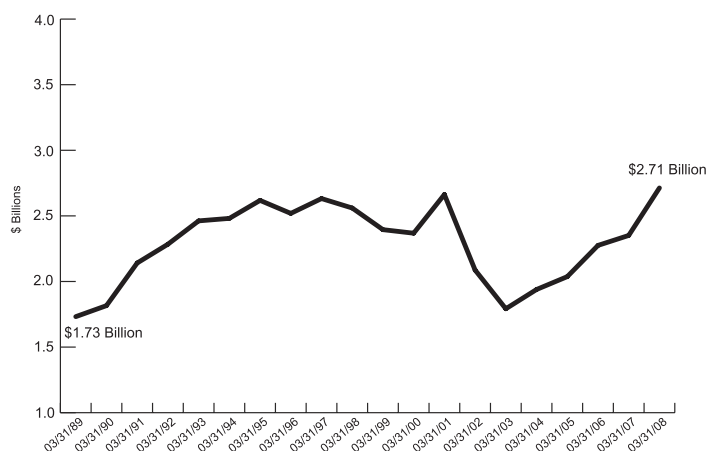


The figure for the fiscal year ending in March 2007 is abnormally high due to the one-time commitment of \$1.4 billion in the Affordable Housing Trust. Although this funding was phased over three years, it is recorded as a one-time payment.  
Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

## 6. PROVINCIAL GOVERNMENTS

As noted above, there is a general view that provinces have constitutional jurisdiction over the social policy aspects of housing in Canada. Total provincial housing expenditures reached \$2.71 billion in 2008 (see Figure 13). With the introduction of the federal Affordable Housing Initiative and the Affordable Housing Trusts, many provinces have begun taking a stronger role in the development of affordable housing over the last several years.

**Figure 13: Total Provincial Housing Expenditures, 1989–2008**



The sudden drop in provincial spending in the fiscal year ending March 2002 is largely because of Ontario's Local Service Realignment, which devolved housing expenditures to the municipalities. Pomeroy (2007) has illustrated that, when factoring in the local expenditures, the combined Ontario expenditures were approximately the same. Hence, the provincial housing expenditures from 2003 to 2008 should properly be viewed as an increase in overall spending, rather than a return to mid-1990s levels.  
Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

This section outlines how affordable housing and homelessness have affected the provinces and territories, and details the way in which those jurisdictions have sought to address the situation.

### 6.1 BRITISH COLUMBIA

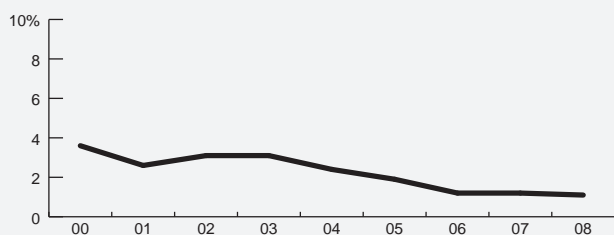
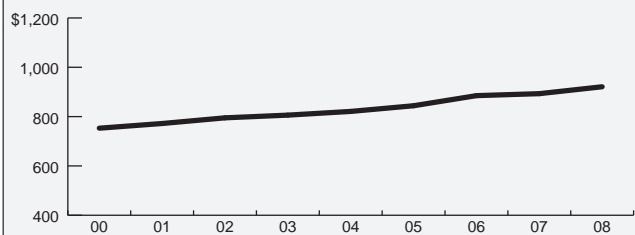
When it comes to affordable housing and homelessness, British Columbia is always at the forefront of Canadian discussion, and with good reason. In 2006, fully 29.1% of British Columbian households spent 30% or more on housing, up less than a percentage point from five years earlier, but still the highest in Canada. Some 22.8% of owners (also the highest in Canada) and 43.7% of renters spend beyond the 30% threshold.

More British Columbians are moving to homeownership: between 2001 and 2006, British Columbia went from a homeownership rate of 66.3% to 69.7%—at 3.4 percentage points, the biggest jump of any province (Statistics Canada 2008a). As of April 2008, BC had the second lowest rental vacancy rate (1.1%), with Victoria and Kelowna posting the lowest vacancy rates of any Canadian municipalities (Canada



**Figure 14: British Columbia Affordable Housing Summary**

Main provincial housing authority	BC Housing
Rental vacancy rate (April 2008)	1.1%
Average monthly rent, 2-bedroom apartment (April 2008)	\$921
Provincial housing expenditures per capita (2007/08)	\$48
Percentage of households spending over 30% on shelter (2006 Census)	29.1%
Percentage of owners spending over 30% on shelter (2006 Census)	22.8%
Percentage of renters spending over 30% on shelter (2006 Census)	43.7%
Incidence of Core Housing Need (2004)	15.7%
Rent Control	Yes
Major provincial housing initiatives	Housing Matters BC
Major provincial homelessness strategy	Provincial Homelessness Initiative

**Rental Vacancy Rates, British Columbia, 2000-2008****Average Rent for a 2-Bedroom Apartment, British Columbia, 2000-2008**

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

Mortgage and Housing Corporation 2008a). In response to growing prices, the British Columbia government instituted rent control in 2004. Currently, rent increases cannot exceed 3.8% per lease.

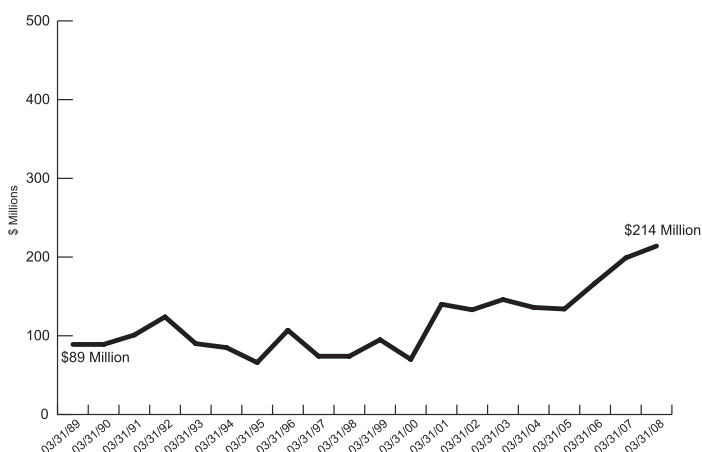
The factors that lead to homelessness have hit British Columbia especially hard. While BC Housing estimates that the province currently has between 4,500 and 5,500 homeless individuals, the opposition NDP has suggested the number is closer to 10,000. A report released by Simon Fraser University suggests there could be as many as 15,000 homeless British Columbians (Patterson and Somers 2007). Boomtowns such

as Abbotsford have been hit the hardest, while Vancouver's downtown eastside has become notorious for homeless problems.

BC Housing, a Crown agency of the British Columbia government, is responsible for the administration and delivery of housing programs in British Columbia. Of BC Housing's funding, 40% is allocated to nonprofit and co-operative housing providers, 48% to low-income families, Aboriginals, and seniors in social housing, and 12% to rent assistance (BC Housing 2008).

In October 2006, the province launched Housing Matters BC, a housing strategy that integrates housing and homelessness services. After signing the BC-Canada Social Housing Agreement in 2006 (much later than most other provinces), the province has poured considerable money into housing and homelessness projects. The 2007 budget allocated funding to a variety of housing initiatives, discussed below. It also increased shelter allowances for social assistance to keep pace with inflation, which had not been changed for over a decade (Laird 2007a: 71).

The British Columbian government has used the money from the Affordable Housing Initiative, Affordable Housing Trust, and Social Housing Agreement to fund a variety of new programs. The Provincial Housing Program (PHP) provides social housing units for seniors, people with disabilities, and low-income families. Through the Aboriginal Housing Fund, the province offered \$45 million over four years to upgrade 750 social housing units to supportive housing units, and spent \$50 million in federal dollars to fund up to 250 Provincial Homelessness Initiative units. SAFER (Shelter Aid for Elderly Renters) provides subsidies to over 11,000 seniors to assist with private market rent, and Independent Living BC has created a housing-for-health partnership with seniors.

**Figure 15: Provincial Housing Expenditures, British Columbia, 1989-2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

BC's Rental Assistance Program provides eligible low-income working families with cash assistance to help with their monthly rent. Between 2006 and 2008, the eligibility threshold moved from \$20,000 to \$35,000. In response to the 2004 Premier's Task Force on Homelessness, Mental Illness, and Addictions, the government launched the Provincial Homeless Initiative (PHI), using AHI money with the goal of building over 4,000 supportive units for the homeless. The PHI contains a specific Aboriginal outreach component.

British Columbia also provides a number of programs using grants and tax incentives. These include the First Time Home Buyers' Program (exempting a first-time homebuyer from property transfer tax), Home Owner Grants (a reduction of property taxes available to those who pay a minimum amount of property tax), the Housing Endowment Fund (providing funding for innovative housing projects), and the Property Tax Deferment Program (allowing homeowners to defer property taxes at a low interest rate until the dwelling is sold).

## 6.2 ALBERTA

Alberta is in the midst of a period of economic prosperity. At the same time, there has been a jump in homelessness and housing affordability problems. Until recently, there has been minimal government investment in housing and few rental units were being built. This has been compounded by rapid urban growth and inflation. The result has been record low vacancy rates, sky-high housing prices, and a surge in homelessness.

At 22.2%, the number of Albertans spending more than 30% of income on housing is below the national average (16.6% for owners, 37.2% for renters). Many Albertans have enjoyed a healthy increase in income: between 2001 and 2006, median annual household income grew by 21.8%, easily the highest of any province and fully 7% higher than the Canadian average (Statistics Canada 2008a).

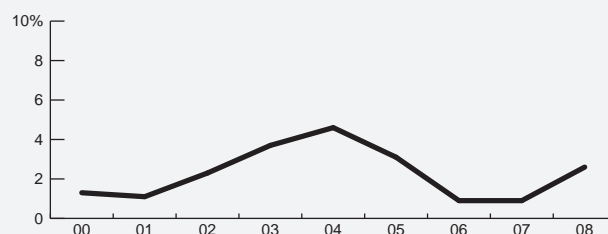
Yet these numbers obscure challenges faced by many low income Albertans. At over \$10,500, its median annual shelter cost was the highest of any province save Ontario. The average rent for a two-bedroom apartment was the highest in Canada at \$1,049 in April 2008. The economic boom and arrival of many newcomers looking for work has caused rental vacancy rates in the province to fluctuate from 1.1% in 2001 to 4.6% in 2004, down to 0.9% in 2006 and back up to 2.9% in 2008.

Between 2005 and 2006, the average rent for a two-bedroom apartment jumped from \$765 to \$866 (Canada Mortgage and Housing Corporation 2007: A-13). In 2006, rent increased by 19.5% in Calgary, and 9.9% in Edmonton. As housing prices and housing starts skyrocketed, rental stock suffered. Alberta's rental stock declined by 5,000 units between 1991 and 2001 and is only slightly larger in 2006 than it was in 1991.

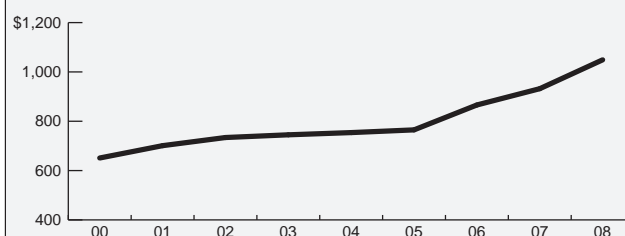
**Figure 16: Alberta Affordable Housing Summary**

Main provincial housing authority	Department of Housing and Urban Affairs
Rental vacancy rate (April 2008)	2.9%
Average monthly rent, 2-bedroom apartment (April 2008)	\$1,049
Provincial housing expenditures per capita (2007/08)	\$131
Percentage of households spending over 30% on shelter (2006 Census)	22.2%
Percentage of owners spending over 30% on shelter (2006 Census)	16.6%
Percentage of renters spending over 30% on shelter (2006 Census)	37.2%
Incidence of Core Housing Need (2004)	10.2%
Rent Control	No
Major provincial housing initiatives	Major spending increases starting in 2007/2008 following Affordable Housing Task Force
Major provincial homelessness strategy	Alberta Secretariat for Action on Homelessness

**Rental Vacancy Rates, Alberta, 2000-2008**



**Average Rent for a 2-Bedroom Apartment, Alberta, 2000-2008**



Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

Throughout the 1990s, provincial spending on housing dropped significantly as part of an effort to cut the provincial debt. From 2002 to 2007, the number of subsidized social housing units in Alberta remained constant; this coincided with a 10.4% increase in population since 2001. The results should come as no surprise: in 2006, 8,900 people were waiting for subsidizing housing (Alberta 2007: 8).

**Figure 17: Occupied Housing Stock by Type and Tenure, Alberta**

1991			
Owned	Rented	Total	% Rented
581,895	324,615	910,390	35.8%
1996			
Owned	Rented	Total	% Rented
664,165	310,300	979,175	31.8%
2001			
Owned	Rented	Total	% Rented
777,480	319,090	1,104,100	29.1%
2006			
Owned	Rented	Total	% Rented
917,905	330,275	1,256,195	26.5%

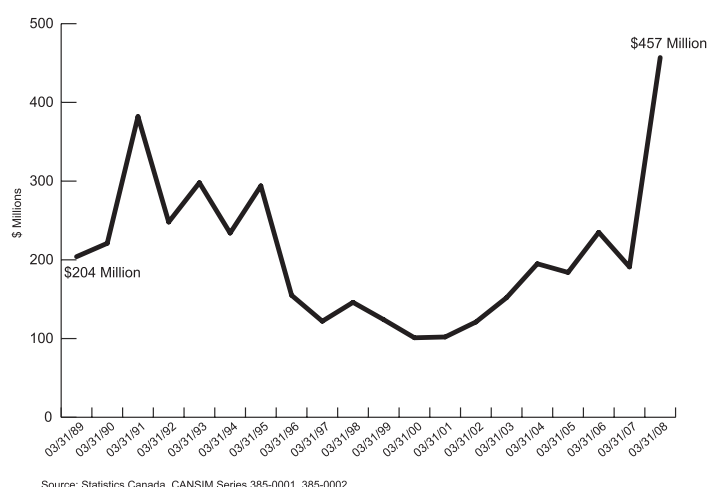
Source: Canada Mortgage and Housing Corporation 2007, 2008d

As Alberta's rental vacancy rate dropped, the number of homeless Albertans continued to rise. In response, Premier Stelmach appointed the Alberta Affordable Housing Task Force to investigate solutions for homelessness and affordable housing. The Task Force reported in early 2007, recommending an infusion of funding through a variety of immediate, short-term, and long-term measures. The Alberta government responded by implementing many of the task force's recommendations in the 2007 budget. New measures included the establishment of a Homeless and Eviction Prevention Fund, increased funding for homeless shelters, funding an Alberta Transitional Housing Initiative, and increasing funding for the Rent Supplement Program.

The 2007 and 2008 provincial budgets have seen a significant investment in both housing and homelessness programs. The government set a goal of funding 11,000 units over five years. Figure 18 shows a major increase in funding starting in 2007/08, more than doubling spending for housing. This spending is forecast to increase substantially in 2008/09.

Of the \$309 million available in capital funding for affordable housing in 2008, \$48 million was allocated to Calgary and \$34 million to Edmonton. This was in addition to \$45 million set aside for the municipality of Wood Buffalo, which has been experiencing acute housing problems. The government has also made use of federal trust funds to give money to off-reserve Aboriginal housing, and has allocated \$142 million to requests for proposals from nonprofit groups and developers.

Like British Columbia, the Alberta government has responded to affordable housing and homelessness by making use of federal transfers and investing significant dollars into the

**Figure 18: Provincial Housing Expenditures, Alberta, 1989–2008**

development of social housing. Also like British Columbia, it has made efforts to stop the rise of homelessness (through the Eviction Prevention Fund) and adopted a “housing first” strategy aimed at supportive housing for the homeless. The government has also established the Alberta Secretariat for Action on Homelessness, with the mandate of developing a ten-year plan to end homelessness. Further, the department of Housing and Urban Affairs is producing updates to measure success in terms of assisted Albertans.

Although government spending on housing has jumped considerably in the last two years, it was largely in response to—rather than in anticipation of—a growing problem that some saw as inevitable (Laird 2007a: 55). Like British Columbia, Alberta is a paradigm for what went wrong with affordable housing and homelessness in Canada: decreasing or stagnant government investment in housing, coupled with urban population growth, sky-high housing prices, and low rental development. This created a squeeze that hit those at the bottom of the income ladder hardest. As the housing boom slows, both provinces will be hoping their new policies make the intended difference.

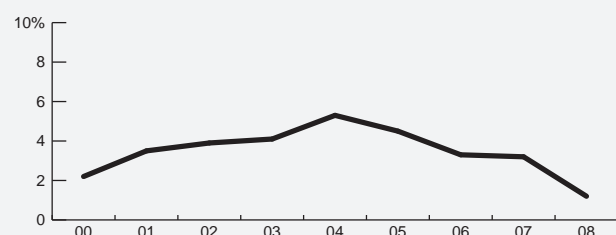
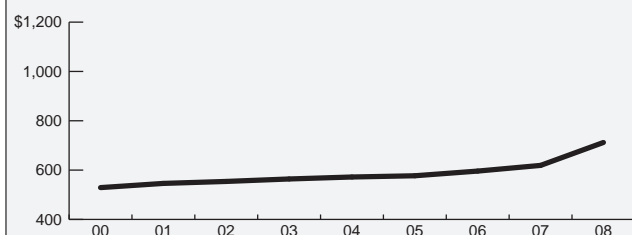
## 6.3 SASKATCHEWAN

Saskatchewan, it has been said, is poised to become the “next Alberta” (RBC Economics 2008). With a resource boom underway, Saskatchewan is on the cusp of a period of economic prosperity and sustained urban growth.

Indeed, housing trends in Saskatchewan today look strikingly similar to those of Alberta from a few years ago. The average resale home price rose by 42% between September 2006 and September 2007 (in Saskatoon, 50%). Saskatchewan saw a 62% increase in housing starts last year, and is one of only three provinces forecasting a rise in housing starts next year,

**Figure 19: Saskatchewan Affordable Housing Summary**

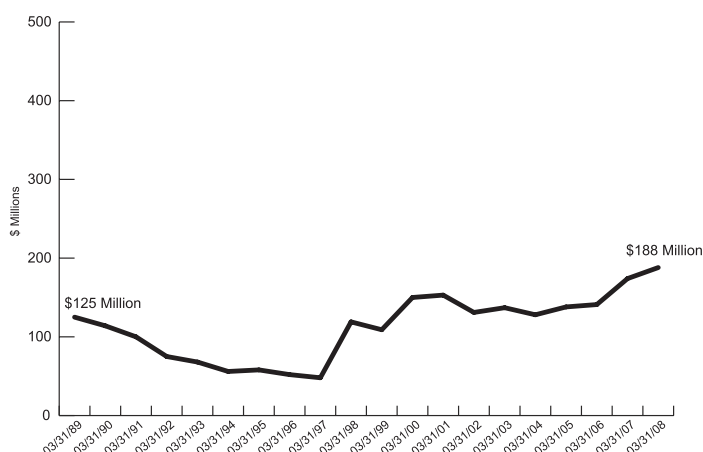
Main provincial housing authority	SK Housing Authority
Rental vacancy rate (April 2008)	1.2%
Average monthly rent, 2-bedroom apartment (April 2008)	\$712
Provincial housing expenditures per capita (2007/08)	\$187
Percentage of households spending over 30% on shelter (2006 Census)	20.4%
Percentage of owners spending over 30% on shelter (2006 Census)	13.1%
Percentage of renters spending over 30% on shelter (2006 Census)	39.8%
Incidence of Core Housing Need (2004)	9.3%
Rent Control	No
Major provincial housing initiatives	HomeFirst; Task Force on Housing Affordability
Major provincial homelessness strategy	N/A

**Rental Vacancy Rates, Saskatchewan, 2000-2008****Average Rent for a 2-Bedroom Apartment, Saskatchewan, 2000-2008**

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

along with Ontario and Newfoundland and Labrador (Canada Mortgage and Housing Corporation 2008e). As Canada's housing boom comes to an end, Saskatchewan is the only province expected to buck the trend (TD Economics 2008: 1).

As in Alberta, rental development in Saskatchewan has stagnated. The number of private-market rental units in Saskatchewan municipalities decreased by nearly 10% in the years between 1995 and 2003 (Saskatchewan 2004: 6). During the past decade, both Regina and Saskatoon saw the number of apartment units for rent decline (Saskatchewan 2008: 7). Predictably, this has resulted in a sharp downturn in rental

**Figure 20: Provincial Housing Expenditures, Saskatchewan, 1989-2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

vacancy rates. From 2007 to 2008, Saskatchewan's rental vacancy rate declined from 3.2% to 1.2%. In Saskatoon, this was down to 0.9%. In the same period, the average rate for a two-bedroom apartment jumped 15%, from \$619 to \$712—the highest percentage increase in the country.

The 2006 Census shows that affordable housing is not as problematic in Saskatchewan as in Alberta or British Columbia. At 20.4%, the percentage of households spending more than 30% of their income on rent was more than four percentage points below the national average. Corresponding numbers for owners and renters were 13.1% and 39.8%, also below average. However, over 10% of households in Saskatchewan reported that their dwelling was in need of major repairs, above the national average of 7.5% (Statistics Canada 2008a: 33).

Unlike British Columbia and Alberta, Saskatchewan began a considerable investment in affordable housing before being faced with a housing and homelessness crisis. In 2004, the Saskatchewan government announced HomeFirst, a comprehensive program focused on affordable housing. HomeFirst is divided into three main areas: rental development, repairs and renovations, and housing development. Provincial and federal programs are delivered through the Saskatchewan Housing Corporation.

For renters, Saskatchewan offers two government-assisted rental programs: Social and Affordable Rental Housing. Social housing is provided to low-income households in core housing need based on the rent-geared-to-income (RGI) principle. The Affordable Housing Program is designed to respond to moderate-income households whose housing needs are not met by private rental markets. Affordable housing rents are set at the low end of local private market rents.

Through the Northern Rental Option, the government offers forgivable loans to rental developers, municipalities, and

nonprofit organizations in order to facilitate the development of rental housing in Northern Saskatchewan. The Ministry of Social Services also provides two housing benefits to low-income persons: the basic shelter allowance, which is part of the Social Assistance Program (SAP); and the Rental Housing Supplement Program, which provides assistance to lower-income families with children and people with disabilities who may or may not be the SAP recipients.

The Encouraging Community Housing Options (ECHO) and HomeFirst Rental Development Program provide funding to private corporations, First Nations organizations developing housing off-reserve, co-operatives, municipalities, and nonprofit organizations to assist in the development of rental housing for low-income families. In addition to a variety of joint-funded repair programs through the federal RRAP, Saskatchewan also promotes the creation of secondary suites, offering forgivable loans to landlords or owners looking to create secondary suites. In order to encourage homeownership, the HomeFirst Homeownership and Remote Housing Programs provide funding to low-income and northern families looking to buy or build a house.

In June 2008, the government-commissioned Task Force on Housing Affordability released its report. The Task Force recognized that Saskatchewan's economic boom will coincide with increased demand for housing, particularly in municipalities. It anticipated that barriers caused by taxation and rising construction costs would stymie rental development. Citing booming housing prices, a high number of anticipated housing starts, and record low vacancy rates in the province, the report made 36 recommendations, many of which were designed to increase the supply of housing.

The government quickly responded to the task force, indicating that the recommendations would be met. On June 23, it announced several new initiatives stemming from the recommendations on immediate measures including: increasing shelter rates for low-income renters through the Saskatchewan Assistance Program (SAP), Transitional Employment Allowance (TEA), and Saskatchewan Rental Housing Supplement (SRHS); automatically adjusting those rates twice a year to be consistent with average market rental rates; increasing the Provincial Training Allowance (PTA) for students; expanding the Saskatoon and Regina boundaries to include the Statistics Canada CMAs; increasing the senior income thresholds by up to 19%; increasing per diem rates paid to emergency shelter operations; and introducing changes to the *Saskatchewan Housing Corporation Act* to include stakeholders on the board (Saskatchewan 2008b).

After adopting these recommendations, Saskatchewan will provide a case study for affordable housing in Canada. Unlike Canada's two westernmost governments, Saskatchewan has not fully experienced its economic boom or the housing affordability issues that come with it. Whereas Alberta and British Columbia responded to growing problems, Saskatchewan is in many ways acting in anticipation of them. If Saskatchewan is able to successfully invest in affordable housing, stimulate rental development, and keep homeless numbers down, it will be far better placed to deal with its newfound economic prosperity.

## 6.4 MANITOBA

Like the other western provinces, Manitoba has made recent changes to its affordable housing and homelessness policies. Yet problems with affordability are distinct from its western partners. From 2001 to 2006, Manitoba was one of the few provinces in which the proportion of households spending 30% or more on housing actually decreased, from 19.4% to 18.6%—the lowest of any province, and over ten percentage points below British Columbia. Like other provinces, this proportion is significantly higher among renters: 35.5% of renters spend more than 30%, compared with 11.5% of homeowners (Statistics Canada 2008a: 32-33).

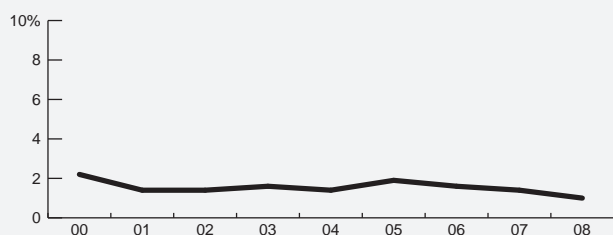
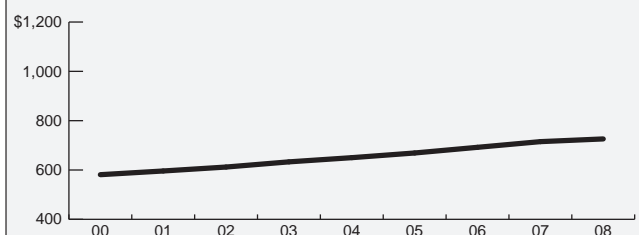
Rental stock experienced a decline of over 4,000 units from 1991-2006 (see Figure 22). As a result of diminished rental stock, Manitoba has consistently posted one of the lowest rental vacancy rates in Canada, staying below 2% since 2000, and posting Canada's lowest rental vacancy rate in April 2008 (see Figure 21). In addition to depleting rental stock, Manitoba also faces the problem of maintaining dilapidated stock: in 2006, over 10% of households reported their dwelling was in major need of repairs. Due to rent controls, the low vacancy rate has not resulted in significantly higher rental housing prices: from April 2007 to 2008, the average rate for a two-bedroom apartment rose 3.1%, below the Canadian average (Canada Mortgage and Housing Corporation 2008a).

Homelessness has become a growing concern in Manitoba, particularly in Winnipeg (see Section 8.9). The Winnipeg Housing and Homelessness Initiative is a partnership between the City of Winnipeg, the federal government, and the provincial government dedicated to addressing homelessness and revitalizing Winnipeg's older neighbourhoods.

Manitoba offers subsidized rental accommodations through the Manitoba Housing Authority (MHA). This housing is delivered both by the MHA and by nonprofit organizations, and contains specialized housing for rural families and

**Figure 21: Manitoba Affordable Housing Summary**

Main provincial housing authority	Manitoba Housing Authority
Rental vacancy rate (April 2008)	1.0%
Average monthly rent, 2-bedroom apartment (April 2008)	\$726
Provincial housing expenditures per capita (2007/08)	\$75
Percentage of households spending over 30% on shelter (2006 Census)	18.6%
Percentage of owners spending over 30% on shelter (2006 Census)	11.5%
Percentage of renters spending over 30% on shelter (2006 Census)	35.5%
Incidence of Core Housing Need (2004)	9.9%
Rent Control	Yes
Major provincial housing initiatives	Housing First
Major provincial homelessness strategy	Project: A Roof Over Each Bed

**Rental Vacancy Rates, Manitoba, 2000-2008****Average Rent for a 2-Bedroom Apartment, Manitoba, 2000-2008**

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

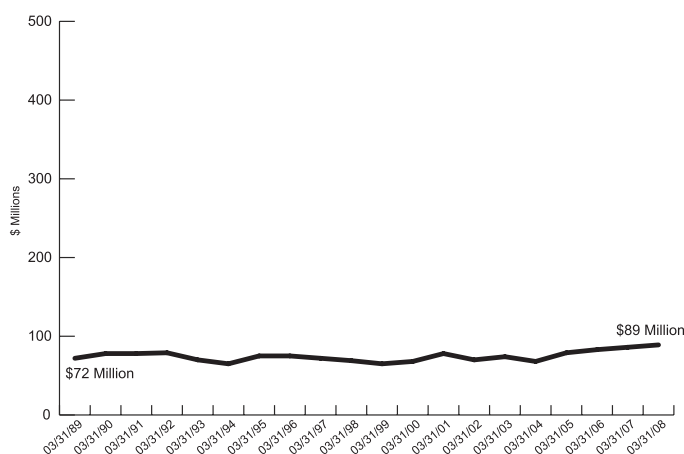
Aboriginals. There is also a rent supplement program, whereby the government subsidizes the difference between the market rental rate charged by the landlord and the rent-geared-to-income rate paid by the renter.

Manitoba also offers income assistance to low-income renters. In 2007, the government announced the \$7.8 million Manitoba Shelter Benefit, a benefit available to low-income families, seniors, and persons with a disabilities. The program was extended in 2008. Though only making minor increases in provincial funding over the last several years, the Government of Manitoba has used the federal government's Affordable

**Figure 22: Occupied Housing Stock by Type and Tenure, Manitoba**

1991			
Owned	Rented	Total	% Rented
266,545	131,965	405,120	33.1%
1996			
Owned	Rented	Total	% Rented
278,385	131,680	419,385	32.1%
2001			
Owned	Rented	Total	% Rented
293,300	128,930	432,550	30.5%
2006			
Owned	Rented	Total	% Rented
309,300	127,895	448,780	29.3%

Source: Canada Mortgage and Housing Corporation 2007, 2008d

**Figure 23: Provincial Housing Expenditures, Manitoba, 1989-2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

Housing Trust and Aboriginal Housing Trust to develop its own affordable housing initiative. Through the Affordable Housing Initiative (AHI), Manitoba and the federal government have joint-funded a New Rental Supply Program designed to develop new rental stock, a Homebuyer Down Payment Assistance Program, and a New Homeownership Supply Program designed to help homebuilders.

In 2007, Manitoba unveiled Housing First, a four-pillar strategy. The first pillar of the strategy, HOMEWorks! is a three-year, \$104.5 million affordable housing fund with five priorities: inner city revitalization, urban Aboriginals, seniors, northern Manitobans, and the homeless. HOMEWorks! contains funds for Aboriginal off-reserve housing, home ownership assistance, and several low-income housing projects. The second pillar, Foundations, involves the renovation of social housing units and the conversion of supportive housing units. The third



pillar, Project: A Roof Over Each Bed, dedicates \$3.9 million in emergency and transition shelter for the homeless, integrating homelessness into the government's housing portfolio. Finally, the Basic Renovation pillar contributes \$4 million to the federal government's RRAP program in Manitoba.

Another component of Manitoba's Housing First strategy is the transformation of the way in which housing is delivered in Manitoba. The Building Foundations Action Plan involves the merging of the Manitoba Housing and Renewal Corporation (MHRC) and the Manitoba Housing Authority (MHA), whose roles in funding and administering housing were previously separate. As part of a ten-point strategy to improve affordable housing in Manitoba, the government is also developing a ten-year Housing Strategy for Manitoba in consultation with the University of Winnipeg's Institute of Urban Studies. The study, which will set out long-term housing goals, is to be concluded by the end of March 2009.

## 6.5 ONTARIO

Ontario has also been grappling with affordability concerns in recent years. 27.7% of Ontario residents spent 30% or more of their income on shelter in 2006 (20.8% of owners, 44.6% of renters), up from 25.3% five years earlier. Owners and renters had the highest annual median spending on housing of any province in Canada. While median household income in Ontario rose nearly 13% from 2001 to 2006, median annual shelter costs rose over 18.3% (Statistics Canada 2008a).

Like other provinces, Ontario residents have significantly moved toward home ownership in recent years: in 2006, 71% of Ontario households were owners, up 3.2% from five years earlier. Meanwhile, the rental vacancy rate in Ontario is currently 3.1%, half a percentage point above the national average. Yet the rental vacancy rate is by no means uniform in Ontario Census Metropolitan Areas (CMAs)—it runs from as low as 0.7% in Sudbury and 2.8% in Toronto to as high as 13.2% in Windsor (Statistics Canada 2008a; CMHC 2008a).

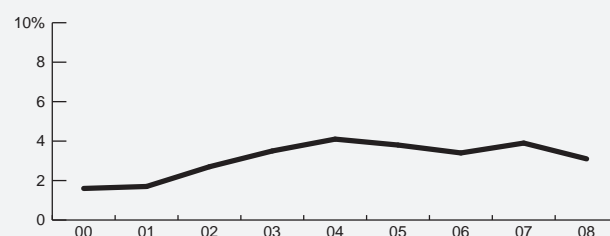
Ontario represents a very interesting case study for affordable housing in Canada. In 2001, as part of the Local Services Realignment, all responsibility for social housing was devolved from the provincial government to the municipalities in return for increased property tax room. Housing linked with support services remained a provincial responsibility. Although major affordable housing deals such as the AHI are negotiated between the provincial and federal housing ministers, municipalities fund and deliver the social housing aspects.

The policy of downloading to the municipalities was controversial, and many called for housing to be uploaded back to the province (TD Economics 2003; Shapcott 2008a).

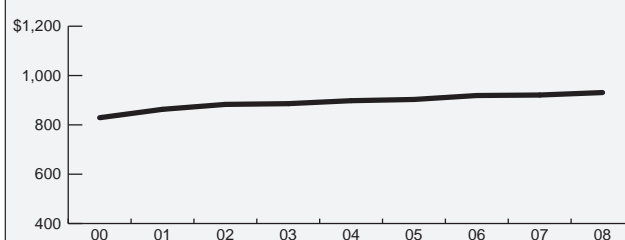
**Figure 24: Ontario Affordable Housing Summary**

Main provincial housing authority	Department of Municipal Affairs and Housing (most housing services have been downloaded to municipalities through Local Services Realignment)
Rental vacancy rate (April 2008)	3.1%
Average monthly rent, 2-bedroom apartment (April 2008)	\$931
Provincial housing expenditures per capita (2007/08)	\$56
Percentage of households spending over 30% on shelter (2006 Census)	27.7%
Percentage of owners spending over 30% on shelter (2006 Census)	20.8%
Percentage of renters spending over 30% on shelter (2006 Census)	44.6%
Incidence of Core Housing Need (2004)	16.0%
Rent Control	Yes
Major provincial housing initiatives	Local Services Realignment—most housing programs are a municipal responsibility
Major provincial homelessness strategy	Consolidated Homelessness Prevention Program

**Rental Vacancy Rates, Ontario, 2000–2008**

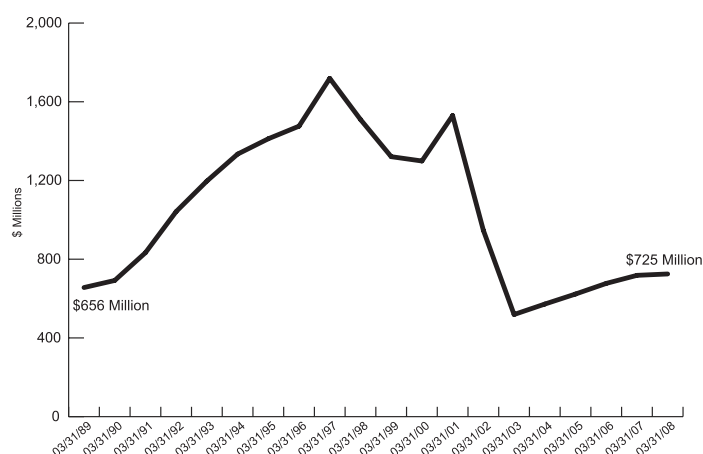


**Average Rent for a 2-Bedroom Apartment, Ontario, 2000–2008**



Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

As one commentary noted, “In areas where there are income-distributive aspects and/or where targeted recipients tend to be highly mobile—certainly the case with affordable housing—programs may be more effectively run under the auspices of provincial governments” (TD Economics 2003: 38). In the 2007 budget, the Ontario government partially reversed the policy, uploading the responsibility for the cost of housing

**Figure 25: Provincial Housing Expenditures, Ontario, 1989–2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

and other social programs back to the provincial government—but only for the municipalities in the “905 belt.” In the words of one commentator, “the partial uploading remains just that—partial” (Shapcott 2008c). Toronto and other municipalities still have responsibility for housing costs. Therefore, while Figure 25 ostensibly represents a substantial decrease in provincial funding for housing, much of this has been picked up by municipalities.

Recent affordable housing initiatives such as the AHI have received federal and provincial funding but remain primarily delivered by municipalities. The provincial government has developed three new initiatives starting in 2007, in large part due to federal funding through the AHI and Affordable Housing Trusts. The Delivering Opportunities for Renters (DOOR) is a one-time unconditional grant of \$127.1 million to municipalities for the creation and rehabilitation of rental housing. Rental Opportunity for Ontario Families (ROOF), a five-year program which began in January 2008, offers monthly housing allowances of up to \$100 for low-income families. Both programs are funded through the Affordable Housing Trust.

The third initiative offers \$80 million in funding through the Aboriginal Off-Reserve Housing Trust to create 1,100 off-reserve housing units for Aboriginal families. Through AHI funding, Ontario has committed to providing over 14,400 affordable housing units. They have also used the initiative to offer over 4,500 housing allowances. Ontario also invests \$50 million annually to the Strong Communities Rent Supplement Program. In March 2008, the provincial government announced \$100 million in funding for municipalities to repair existing social housing.

As part of Ontario’s homelessness strategy, Ontario has also invested \$23.8 million since 2004 for tenants facing eviction through the Ontario Rent Bank Program. Thus far, over 8,000 Ontarians have received assistance to avoid eviction. In the

2008 budget, the government provided \$100 million and expanded its OSIFA Loan Program—an alternative mechanism to help public sector clients renew infrastructure—to social housing providers. It also proposed a property tax grant of approximately \$1 billion over five years for moderate and low-income senior homeowners.

Through the Residential Tenancies Act (RTA) of 2007, Ontario made its controversial rent controls—which some have blamed for the affordable housing problems in Ontario—more stringent. The current Rent Increase Guideline (the maximum percentage by which rent can be annually increased) is 1.4%. Landlords may apply to the Landlord and Tenant Board (LTB) for above-guideline rent increases for capital work done on their buildings, extraordinary increases in utility costs, and increased security services.

Since the Local Services Realignment began in 2001, Ontario has experienced a significant decline in affordability, and a significant growth in its homeless population. In order to address the growing homelessness problem, Ontario created the Consolidated Homelessness Prevention Program (CHPP) through the Ministry of Community and Social Services in 2005. The Program consolidates several programs such as community partnerships, supportive housing, and hostel redirection. The CHPP is funded by the province and delivered by municipalities.

## 6.6 QUEBEC

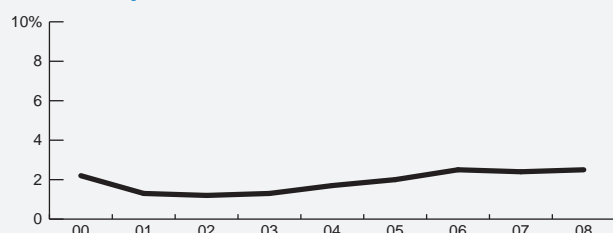
In Quebec, housing affordability has traditionally been less of a concern than in other provinces, as the province has invested heavily in social housing. As such, Quebec continues to experience better affordability than the rest of Canada. Between 2001 and 2006, the proportion of residents spending 30% or more on rent declined from 23.3% to 22.5%, below the national average of 24.5%. The rate for owners (13.9%) and renters (35.6%) were also both below the national average. Between 2002 and 2004, Quebec’s incidence of core housing need dropped from 11.6% to 10.8%, below the Canadian average of 13.6% (Canada Mortgage and Housing Corporation 2007).

Quebec has also traditionally had the lowest rate of homeownership among the Canadian provinces, and at 60.1% in 2006, this remains the case (although the rate is increasing). Quebec has also consistently had the highest volume of rental starts in the country (Federation of Canadian Municipalities 2008: 16). Between 2007 and 2008, the rental vacancy rate rose from 2.4% to 2.5%, making Quebec only one of two provinces (the other being Alberta) in which the rental vacancy rate went up. While lower than the national rate, it is well above the period from 2001–2004, in which the rate stayed below 2%. The average rate for a two-bedroom apartment in Quebec is \$615 per month, well below the national average of \$782. Quebec

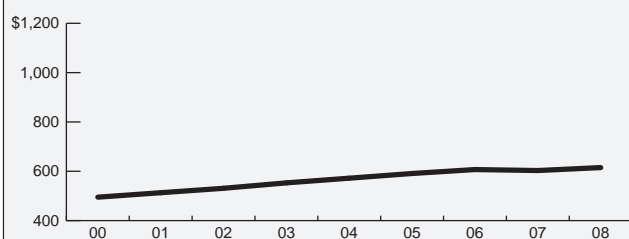
Figure 26: Quebec Affordable Housing Summary

Main provincial housing authority	Société d'habitation du Québec
Rental vacancy rate (April 2008)	2.5%
Average monthly rent, 2-bedroom apartment (April 2008)	\$615
Provincial housing expenditures per capita (2007/08)	\$58
Percentage of households spending over 30% on shelter (2006 Census)	22.5%
Percentage of owners spending over 30% on shelter (2006 Census)	13.9%
Percentage of renters spending over 30% on shelter (2006 Census)	35.6%
Incidence of Core Housing Need (2004)	10.8%
Rent Control	Yes (through dispute tribunal)
Major provincial housing initiatives	AccèsLogis Québec; Logement abordable
Major provincial homelessness strategy	N/A

Rental Vacancy Rates, Quebec, 2000-2008



Average Rent for a 2-Bedroom Apartment, Quebec, 2000-2008

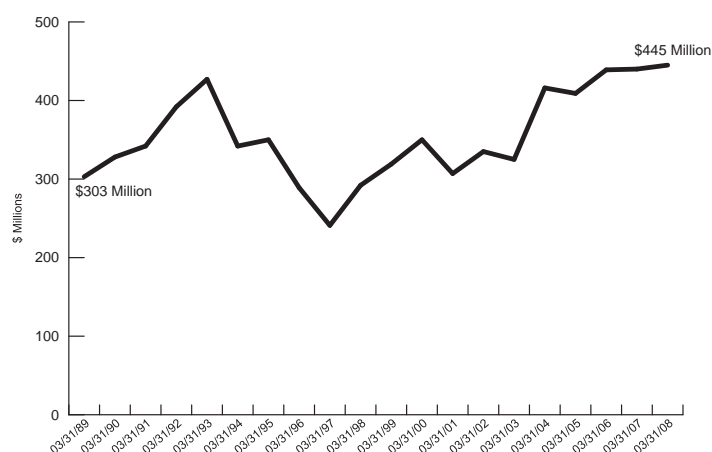


Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

also has very stringent rent controls in place. Many landlords claim these controls do not sufficiently cover inflation, and are to blame for dilapidated rental stock (CBC 2007).

Through the Société d'habitation du Québec (SHQ), the government of Quebec continues to invest considerably in housing. The SHQ is responsible for the largest social housing inventory in Quebec, and has four main areas of responsibility: affordable housing, home improvement, research and development, and support for the housing industry. In Montreal and Québec City, the SHQ downloads

Figure 27: Provincial Housing Expenditures, Quebec, 1989-2008



Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

housing responsibility to municipal housing agencies. It also downloads significant responsibility to the Kativik Regional Government in Quebec's Nunavik region.

Quebec has a variety of housing programs, and its spending on housing has increased (see Figure 27). Before the AHl, the Quebec Government implemented AccèsLogis Québec (AQ) in 1997, a financial assistance program that coordinates public, private, and community resources to build low- and moderate-income housing. As of 2008, AQ has created over 12,000 affordable units. Federal AHl and renovation program funding is also used for certain components of AQ.

Through the AHl, a new program called Logement abordable was also implemented, building on largely the same framework as AQ. Quebec divided its AHl investment into the Social and Community Component, the Private Component, the Kativik component, and the Northern Quebec component. As of April 2008, these four components led to the creation or renovation of over 9,000 units. Logement abordable has targeted building 24,000 units, of which roughly 3,300 will be in the private sector.

Quebec has invested heavily in both private and public rental housing. Most public low-rental housing is owned by the Quebec government and managed by municipal housing bureaus, while private low-income housing is owned by housing co-operatives and non-profit organizations. Off-reserve low-income housing for Aboriginals is partially funded by the government, but owned and administered by two Aboriginal organizations: Corporation Habitat Métis du Nord and the Waskahegan Corporation. Through the RénoVillage program, Quebec also offers financial assistance to rural low-income owners whose households require major repair. The Special Community and Social Initiatives in Low Rental Housing provide funding for community programs, led mostly by nonprofit organizations.

In addition to social housing, Quebec also offers other forms of financial compensation. The Shelter Allowance Program offers up to \$80 per month to renters. The Rent Supplement assists low-income, senior, and disabled individuals through payments to landlords. Quebec has also recently created a refundable tax credit for home support. In 2008, the Quebec government announced a transitional financial compensation program designed to compensate seniors who faced a potential reduction in this tax credit.

## 6.7 NEW BRUNSWICK

In the Atlantic provinces, the issue of affordable housing is very different from the rest of the country. The Atlantic provinces ranked first, second, third, and fifth in terms of homeownership rates. One reason is that over 40% of Atlantic households are located in rural areas, more than double the Canadian average of 20%. The percentage of households spending more than 30% of household income on shelter was lower in all four Atlantic provinces than the national average, and this percentage shrunk in three of the four provinces (Statistics Canada 2008a: 30-31). Generally, housing stock in Atlantic Canada is older, and there is a greater need for renovation than new construction. Perhaps with the exception of Halifax, homelessness has not become as pressing as in other parts of the country. In contrast to the rest of Canada, no Atlantic province has developed a task force or major policy overhaul for affordable housing in recent years.

However, Atlantic Canadians are less wealthy than the rest of Canadians. Data from the 2006 Census indicated that the four Atlantic provinces had the lowest median earnings and lowest family income—even after accounting for government transfers (Statistics Canada 2008d: 14, 31). As energy prices and the general cost of living continue to rise, the effect could hit Atlantic Canadian households—many of whom rely on home heating fuel for energy needs—the hardest. Although all Atlantic provinces have a lower proportion of households spending 30% or more of their income on rent, 3 of the 4 provinces have a higher proportion of renters spending more than 30% of their income on rent compared with the national average.

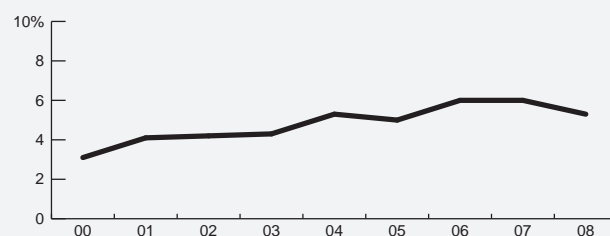
In New Brunswick, 19% of households spent more than 30% of income on rent (12.6% of owners and 39.2% of renters). Over three-quarters of New Brunswick households own their home, and this number has risen slightly since 2001. As of April 2008, the rental vacancy rate was 5.3%, well above the Canadian average but lower than the year before. The average rent for a two-bedroom apartment was \$635, the third lowest in the country (Canada Mortgage and Housing Corporation 2008a).

The New Brunswick Department of Social Development's housing policies are divided into three main categories: rental assistance, rental repair and construction, and homeownership. All programs are targeted at low-income households.

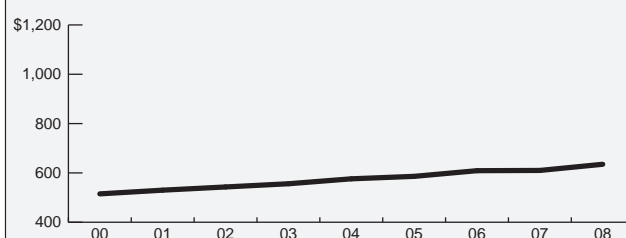
**Figure 28: New Brunswick Affordable Housing Summary**

Main provincial housing authority	Department of Social Development
Rental vacancy rate (April 2008)	5.3%
Average monthly rent, 2-bedroom apartment (April 2008)	\$635
Provincial housing expenditures per capita (2007/08)	\$96
Percentage of households spending over 30% on shelter (2006 Census)	19.0%
Percentage of owners spending over 30% on shelter (2006 Census)	12.6%
Percentage of renters spending over 30% on shelter (2006 Census)	39.2%
Incidence of Core Housing Need (2004)	8.1%
Rent Control	No
Major provincial housing initiatives	Energy Efficiency Retrofit Program for Low-Income Households
Major provincial homelessness strategy	N/A

**Rental Vacancy Rates, New Brunswick, 2000-2008**

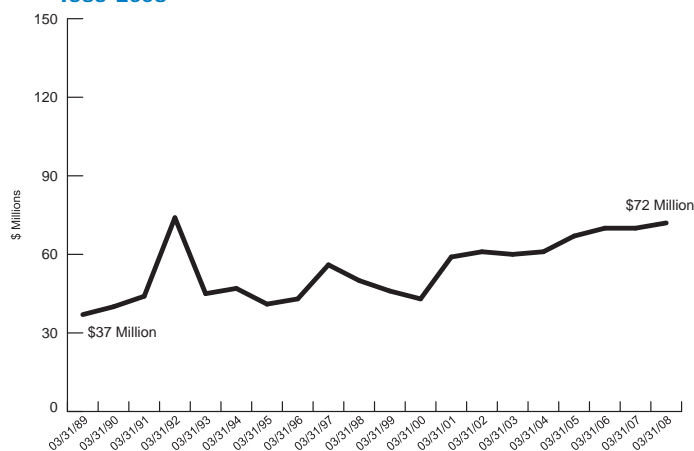


**Average Rent for a 2-Bedroom Apartment, New Brunswick, 2000-2008**



Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

For rental assistance, New Brunswick offers both social housing and a Rent Supplement Program. The Rural and Native/Basic Shelter Rental Program offers similar payments to off-reserve Aboriginal and rural renters. The Non-Profit Housing Program provides funds to nonprofit organizations that specialize in affordable housing. Most of these programs receive federal funding under the Canada-New Brunswick Social Housing Agreement.

**Figure 29: Provincial Housing Expenditures, New Brunswick, 1989-2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

New Brunswick also funds rental repair and construction programs, many of which are jointly funded with the federal government. The Rental, Rooming House, and Rental Conversion programs offer forgivable loans to landlords and owners for repairing stock. In addition, New Brunswick's Affordable Housing Program offers forgivable loans to private, nonprofit, and co-operative groups wishing to repair, rehabilitate, and convert rental housing. The goal is to stimulate and maintain rental stock.

New Brunswick also offers several programs for homeowners. The Federal/Provincial Repair Program provides a forgivable loan for low-income homeowners wishing to make major repairs or modifications necessary for disability accessibility. The Home Completion Loan Program offers a repayable loan to low- and medium-income families looking to complete construction on a home for which construction has already begun. The Home Ownership Program offers a repayable loan for low-income individuals or families who are looking to buy or build their first home.

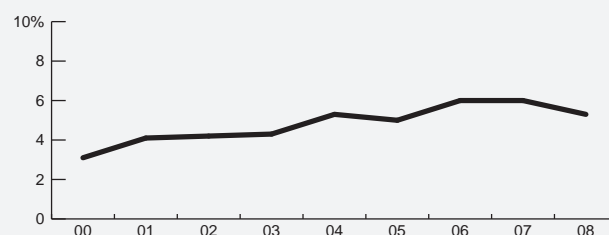
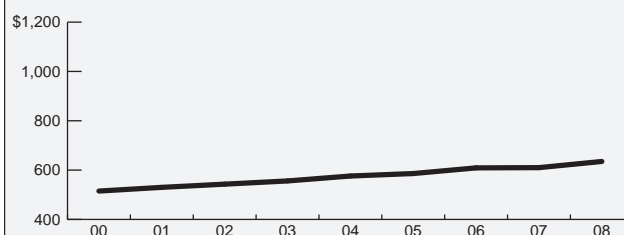
Through Efficiency New Brunswick (ENB) and the Department of Social Development, the province has created the Energy Efficiency Retrofit Program for Low-Income Households. The program provides financial assistance to improve energy efficiency for low-income households. Through this program, the government offers non-repayable grants and loans of up to \$4,500 to homeowners and landlords to assist with energy efficiency measures, such as the installation of new heating systems, ventilation systems, and insulation.

## 6.8 NOVA SCOTIA

Nova Scotia ranks fifth in terms of percentage of homeowners, at 72% (behind Alberta and the other three Atlantic provinces). Nova Scotia has the highest median annual household

**Figure 30: Nova Scotia Affordable Housing Summary**

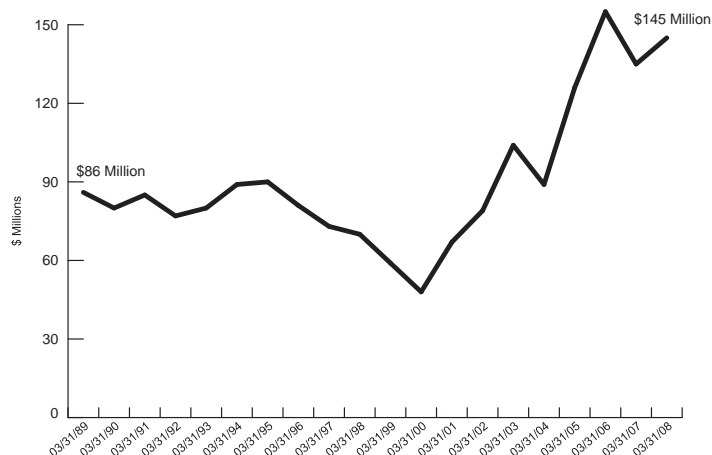
Main provincial housing authority	Nova Scotia Housing and Development Corporation
Rental vacancy rate (April 2008)	3.4%
Average monthly rent, 2-bedroom apartment (April 2008)	\$739
Provincial housing expenditures per capita (2007/08)	\$155
Percentage of households spending over 30% on shelter (2006 Census)	22.6%
Percentage of owners spending over 30% on shelter (2006 Census)	13.9%
Percentage of renters spending over 30% on shelter (2006 Census)	45.1%
Incidence of Core Housing Need (2004)	13.5%
Rent Control	No
Major provincial housing initiatives	New Rental Housing Initiative
Major provincial homelessness strategy	Homelessness in HRM 2005 Study

**Rental Vacancy Rates, Nova Scotia, 2000-2008****Average Rent for a 2-Bedroom Apartment, Nova Scotia, 2000-2008**

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

income of all Atlantic provinces, and the highest proportion of Atlantic households (22.6%) who spend more than 30% of their income on rent. As of the 2006 Census, 13.5% of owners and 45.1% of renters spent over 30% or more of their income on shelter. The rate for renters was the highest of any province or territory in the country (although down slightly from 2001, when it was 45.5%). The rental vacancy rate has remained between 3% and 4% in recent years, most recently dropping to 3.4%. The average rent for a two-bedroom apartment in Nova Scotia was \$789 in 2008 (up 27% since 2000), slightly



**Figure 31: Provincial Housing Expenditures, Nova Scotia, 1989-2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

above the Canadian average and well above the average in the other Atlantic provinces.

Through the Nova Scotia Housing and Development Corporation (NSHDC) and the federal AHI, Nova Scotia has three programs aimed at affordable housing developers. New Rental Housing targets rental developers in the nonprofit and private sector, offering financial assistance in exchange for an agreement that new housing will remain affordable for at least ten years. Rental Housing Preservation converts non-residential buildings into affordable housing units, and is mostly administered by the NSHDC. Finally, New Home Ownership offers ten-year forgivable loans to low- and moderate-income households looking to build a new home.

The NSDHC also manages a number of other cost-shared and provincial housing programs aimed at renters. Through Family Rental Housing and Seniors Rental Housing, the NSHDC owns over 12,000 subsidized rental units for seniors and families. This housing receives funding under the Canada-Nova Scotia Social Housing Agreement. In addition to the Rent Supplement Program, a rent subsidy paid to landlords, the Parent Apartment Program promotes renovations to accommodate seniors. The Property Tax Rebate Program offers a rebate on property taxes for seniors who receive the Guaranteed Income Supplement. The Lone Parent Student Affordable Rental Housing Program offers assistance to single-parent student tenants.

For homeowners, the Family Modest Housing Program offers repayable loans to low and moderate-income families looking to buy or build a home, while the Small Loans Assistance Program offers loans for home repairs.

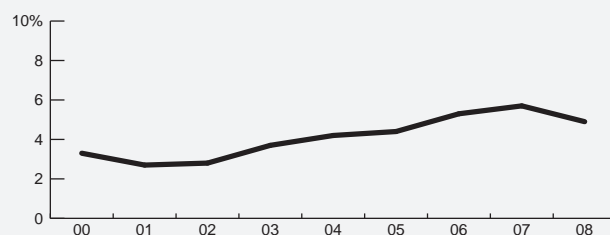
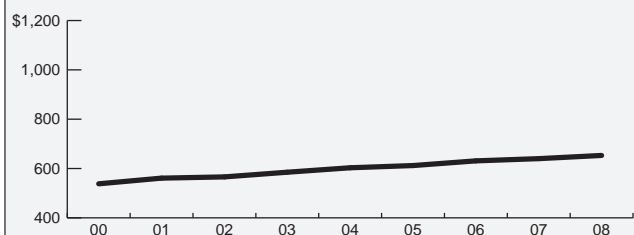
Through the AHI, the government of Nova Scotia funded four programs: the New Rental Housing Initiative, Rental Housing Preservation Program, New Home Purchase Program, and the

Home Ownership Preservation Program. The later stages of the agreement targeted urban areas and people on social waiting lists. Interestingly, the Nova Scotia government has allocated all \$7.8 million dollars from the off-reserve Aboriginal Housing Trust directly to various Aboriginal organizations. Since signing the AHI, Nova Scotia has invested considerably more government funds in housing (see Figure 31).

## 6.9 PRINCE EDWARD ISLAND

**Figure 32: Prince Edward Island Affordable Housing Summary**

Main provincial housing authority	Department of Social Services and Seniors
Rental vacancy rate (April 2008)	4.9%
Average monthly rent, 2-bedroom apartment (April 2008)	\$653
Provincial housing expenditures per capita (2007/08)	\$50
Percentage of households spending over 30% on shelter (2006 Census)	21.3%
Percentage of owners spending over 30% on shelter (2006 Census)	14.1%
Percentage of renters spending over 30% on shelter (2006 Census)	41.7%
Incidence of Core Housing Need (2004)	11.7%
Rent Control	Yes
Major provincial housing initiatives	Seniors Home Emergency Program
Major provincial homelessness strategy	N/A

**Rental Vacancy Rates, PEI, 2000-2008****Average Rent for a 2-Bedroom Apartment, PEI, 2000-2008**

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g



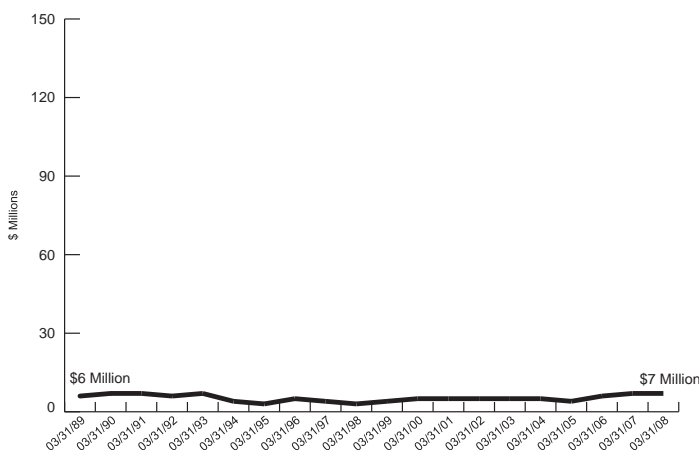
In Prince Edward Island, less than half of all households are located in urban areas, compared to a Canadian average of over 81%. Over 75% of PEI residents own their home, the third highest ratio in the country.

Although perhaps not to the same extent as the other provinces, Prince Edward Island does face affordability issues. For example, between 2001 and 2006, median annual shelter costs rose by 23.3% in PEI (the highest percentage of any province), while median household income rose by only 15.6%. While the number of total households (21.3%) and owner households (14.1%) spending more than 30% of income on shelter is below the national average, the number of renters spending more than 30% (41.7%) is higher than the national average. However, at 11.7%, the percentage of the PEI population in core housing need in 2004 was well below the national average (Statistics Canada 2008a, CMHC 2007a: 71).

Under the Prince Edward Island Housing Corporation and the Ministry of Social Services and Seniors, the government owns and operates over 1,600 rental housing units for families and seniors, cost-shared with the federal government. Through the AHI, PEI has committed or announced 120 new units of social housing. This number is well below the 600 families who were on the housing support wait list in 2003.

There have been some recent funding announcements for affordable housing in Prince Edward Island. In 2007, the government re-established the Seniors Home Emergency Program, which provides 50% of repair costs up to \$1,500 for non-cosmetic improvements for seniors' homes. The program was reinstated at a cost of \$350,000. The 2007 budget also invested an additional \$527,000 for social assistance, for the sole purpose of helping with rising shelter costs.

**Figure 33: Provincial Housing Expenditures, PEI, 1989–2008**



Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

## 6.10 NEWFOUNDLAND AND LABRADOR

Data for Newfoundland and Labrador suggest that affordable housing has improved in recent years. From 2001 to 2006, the percentage of households spending 30% or more on shelter actually declined, from 19.5% to 18.9%, the second lowest rate of any province in Canada. While the percentage of homeowners spending more than 30% on shelter (12.4%) is well below the Canadian average, the percentage of Newfoundland and Labrador renters spending more than 30% of household income on rent (42.8%) is actually above the Canadian average, suggesting affordability concerns are particularly sensitive for renters (Statistics Canada 2008a: 37).

The rental vacancy rate, which was as high as 15.4% in 1997, has experienced a noticeable drop in recent years. Between 2007 and 2008, the rental vacancy rate in Newfoundland and Labrador dropped substantially, from 4.2% to 3.2%. However, the increase in average rent for a two-bedroom apartment, at \$581/month, remained the lowest of any province in the country. This rate has remained remarkably stable over the last decade (Canada Mortgage and Housing Corporation 2007: A12, 2008a). The province does not have rent controls.

Affordability does not seem to be a major concern for homeowners. Newfoundland and Labrador has the highest rate of homeownership in Canada (78.7%), as well as the lowest percentage of owner households with a mortgage—44.8%, compared to a national average of 57.9% (Statistics Canada 2008: 37).

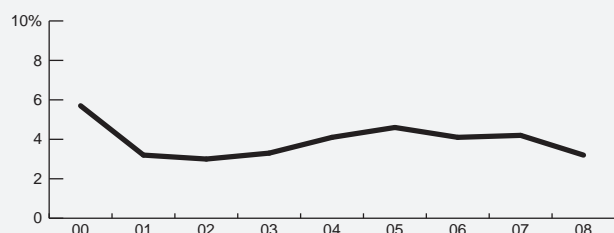
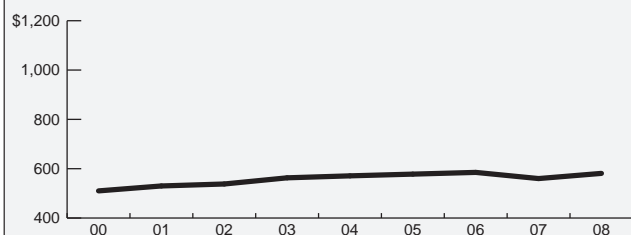
As Newfoundland and Labrador moves out of deficit and into the status of a “have” province for the first time since joining Confederation, the provincial government has begun a number of poverty-reduction initiatives. In June 2006, the government released an Action Plan to Reduce Poverty, with the ambitious goal of achieving the lowest poverty rate in Canada by 2010 (Newfoundland and Labrador 2006). Several of the goals relate to housing and income assistance. One goal that has been lauded is the indexing of welfare, shelter, and social assistance to inflation (Laird 2007a: 83).

With the money from the Affordable Housing Initiative, Newfoundland and Labrador focused equally on rental housing and assisting affordable homeownership. It invested most of its Affordable Housing Trust money on developing accessible, supportive, and senior housing units in rural areas (Newfoundland and Labrador 2007). Over the past two years, the province has invested substantially in affordable housing, with annual housing expenditures jumping from \$43 to \$70 million annually (see Figure 35).

Through the Newfoundland and Labrador Housing Corporation (NLHC), the government offers three main housing programs:

**Figure 34: Newfoundland and Labrador Affordable Housing Summary**

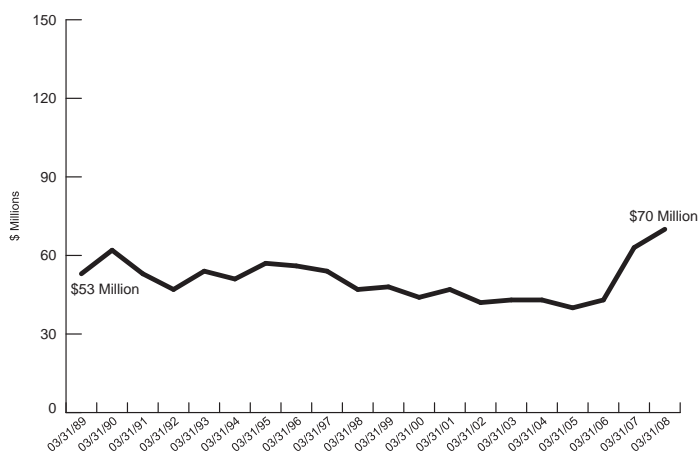
Main provincial housing authority	Newfoundland and Labrador Housing Corporation
Rental vacancy rate (April 2008)	3.2%
Average monthly rent, 2-bedroom apartment (April 2008)	\$581
Provincial housing expenditures per capita (2007/08)	\$138
Percentage of households spending over 30% on shelter (2006 Census)	18.9%
Percentage of owners spending over 30% on shelter (2006 Census)	12.4%
Percentage of renters spending over 30% on shelter (2006 Census)	42.8%
Incidence of Core Housing Need (2004)	17.6%
Rent Control	No
Major provincial housing initiatives	Modernization and Improvement Program
Major provincial homelessness strategy	Action Plan to Reduce Poverty

**Rental Vacancy Rates, Newfoundland and Labrador, 2000-2008****Average Rent for a 2-Bedroom Apartment, Newfoundland and Labrador, 2000-2008**

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

the Provincial Home Repair Program (PHRP), the Rental Housing Program, and the Rent Supplement Program. All three have been aided substantially in recent years by provincial and federal initiatives.

The PHRP is a cost-shared federal-provincial program assisting low-income households in need of critical home repair, in the form of both government grants and repayable loans. In 2007, the government doubled its contribution to the PHRP from

**Figure 35: Provincial Housing Expenditures, Newfoundland and Labrador, 1989-2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

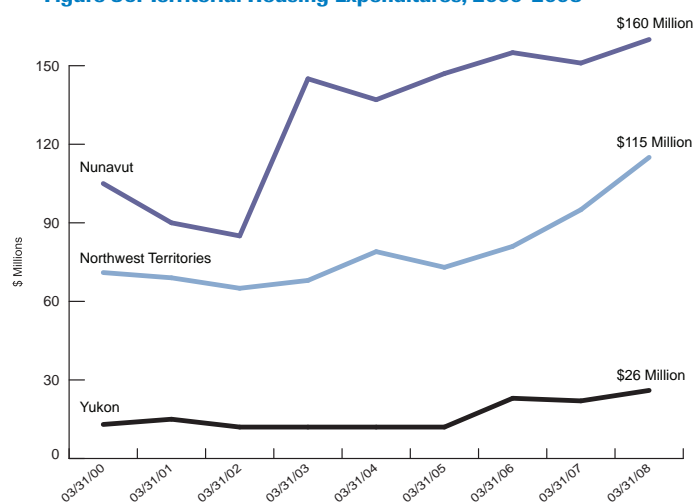
\$24 to \$48 million annually, in order to address the then 4,000 applicants on the wait list.

Newfoundland and Labrador's Rental Housing Program offers government-owned social housing to low-income households. The AHI has helped to create or repair over 700 units. In order to modernize and improve social housing stock, the government more than doubled funding to the Modernization and Improvement Program in 2007, to \$27.5 million. Like many other provinces, Newfoundland and Labrador also offers a Rent Supplement Program. In 2007, the government began calculating the rent of employed tenants to reflect net rather than gross earnings, cutting rental charges by roughly \$50 per month for 1,200 households (Newfoundland and Labrador 2007). This was expanded in 2008 to include tenants of nonprofit affordable housing. The government also recently lowered the rent-geared-to-income (RGI) ratio requirement from 30% down to 25%.

Newfoundland and Labrador offers a number of smaller assistance programs as well. The Home Heating Rebate offers between \$100 and \$400 annually to help with heat costs for low-income homeowners. The Education Incentive Program offers \$25 per month for each person in high school or above. The Rent Reduction Initiative offers up to \$50 per month to employed Rental Housing Program tenants. Finally, through the Victims of Family Violence Policy, the government offers housing and social work assistance to victims of family violence.

## 7. TERRITORIAL PROGRAMS AND POLICIES

The geographical dispersion of Canada's territories, coupled with much higher-than-average heating costs, makes the housing situation in the territories very different from the rest of

**Figure 36: Territorial Housing Expenditures, 2000–2008**

Source: Statistics Canada, CANSIM Series 385-0001, 385-0002

Canada. This difference is readily apparent in both data and policies related to housing and homelessness in Canada's North. The homeownership rate is considerably lower in the territories than in the rest of Canada: 63.8% for the Yukon Territory, 52.9% for the Northwest Territories (NWT), and a mere 22.7% for Nunavut. While the rate of ownership in the country as a whole increased by 2.6% between 2001 and 2006, it rose by only 0.8% in the Yukon, and dropped in the other two territories (Statistics Canada 2008a: 35–36).

Overcrowding and the need for major repairs affect the territories to a far greater extent than elsewhere in Canada. In 2006, 14.9% of Yukon residents, 17.6% of Northwest Territories residents, and 20.2% of Nunavut residents reported that their household was in need of major repairs, compared with just 7.5% for Canada as a whole. The differences in overcrowding (having less than one room per person) were also more acute. Compared with just over 1% in the provinces, 18% of households in Nunavut and 4.6% in the Northwest Territories reported overcrowding. Yukon was closer to the national average, at 1.5%.

Capacity development is also severely limited in the territories. Because rural and remote communities experience difficulties accessing a qualified labour pool, work crews are often imported into the community. Due to harsh climate, a smaller population base, the lack of road and rail access, limited private market activity, and the high cost of labour and materials, northern households are far more dependent upon government subsidies (for example, 57% of households in Nunavut reported receiving government housing subsidies in 2006.) The number of households spending 30% or more of total household income (which includes subsidies) was much lower in the territories than the rest of Canada. In the Yukon, the percentage was 18.3%; in the Northwest Territories, 14.6%; and in Nunavut, 9.6%.

This is in large part due to the growth in median household income throughout the region. All three territories reported median annual household income above the national average, and the growth in annual household income exceeded the growth in shelter costs by some margin between 2001 and 2006. This is in stark contrast with the rest of Canada, where the percentage growth in household spending exceeded the percentage income growth in every single province (Statistics Canada 2008a: 35). Furthermore, the amount the territorial governments spend per capita on housing is considerably higher than in the other provinces (see Figure 37).

The above data suggest a vastly different housing landscape in the North. Coupled with the addition of \$300 million for the federal government's 2006 Northern Housing Trust, the numbers look positive. But various qualitative reports and government studies produce a picture that is far bleaker.

**Figure 37: Provincial and Federal Per Capita Spending on Housing, 2007/2008**

	Population January 2008	Spending (dollars)	Per person (dollars)
British Columbia	4,413,973	\$214,000,000	\$48
Alberta	3,497,881	\$457,000,000	\$131
Saskatchewan	1,006,644	\$188,000,000	\$187
Manitoba	1,193,566	\$89,000,000	\$75
Ontario	12,861,940	\$725,000,000	\$56
Quebec	7,730,612	\$445,000,000	\$58
New Brunswick	751,250	\$72,000,000	\$96
Nova Scotia	935,573	\$145,000,000	\$155
PEI	139,089	\$7,000,000	\$50
Newfoundland	508,099	\$70,000,000	\$138
Nunavut	31,142	\$160,000,000	\$5,138
Northwest Territories	42,594	\$115,000,000	\$2,700
Yukon	31,247	\$26,000,000	\$832
Federal Government	33,143,610	\$2,018,000,000	\$61

Source: Statistics Canada 2008f, 2008g. Calculations by author.

## 7.1 NUNAVUT

Nunavut's 2004 ten-year housing plan cited overcrowding and need of repair as major debilitating conditions, particularly for Inuit: 38.7% of Nunavut's Inuit were in core housing need, while 54% lived in overcrowded conditions. The report stated, "The Inuit of Nunavut are locked in a housing crisis that is worsening daily as the population booms and existing

**Figure 38: Nunavut Affordable Housing Summary**

Main territorial housing authority	Nunavut Housing Corporation
Territorial housing expenditures per capita (2007/08)	\$5,138
Percentage of households spending over 30% on shelter (2006 Census)	9.6%
Percentage of owners spending over 30% on shelter (2006 Census)	12.6%
Percentage of renters spending over 30% on shelter (2006 Census)	8.7%
Incidence of Core Housing Need (2001)	38.8% (2004 data not available)
Rent Control	No
Major territorial housing initiatives	Ten-Year Housing Plan
Major territorial homelessness strategy	N/A

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

housing stock ages” (Nunavut 2004: i). It called for a ten-year, \$1.9 billion partnership between federal, territorial, and Inuit stakeholders in order to build 5,730 new units. The report also claimed that 3,000 public housing units were needed immediately, just to bring Nunavut on par with the rest of the country (14). According to a recent Auditor General’s Report, 1,200 people were on the waiting list for public housing units (Canada 2008).

Through the Nunavut Housing Corporation, Nunavut offers three forms of housing: Homeownership (a combination of funding programs designed to encourage residents to buy), Staff Housing (subsidized rental housing to government employees), and Public Housing. Homeownership programs include forgivable loans, material assistance, and low-interest loans.

The Nunavut government has recently extended funding for new housing programs. In 2006, they introduced the Material Assistance Program (MAP), which provides individuals with freight costs and materials for housing in high water communities. The 2008 budget allocated \$1.1 million to the Nunavut Housing Corporation for new housing stock and homeownership programs. Given the sparse population and limited tax-raising abilities, however, it will be virtually impossible for the territorial government to meet its ten-year goal without continued federal support. The Northern Housing Trust, which gave \$200 million to Nunavut, represents just over 10% of the \$1.9 billion identified by the ten-year plan.

## 7.2 NORTHWEST TERRITORIES

In 2004, the Northwest Territories’ Assembly passed a motion for a 10% increase in the reduction in core housing need, calling on the federal government for assistance. The

territorial government has also invested considerably in housing and homelessness in recent years. Funding in the Northwest Territories has increased considerably (see Figure 37). The 2007 budget boasted increased funding for general spending programs by \$94 million over three years.

Roughly 53% of housing in the Northwest Territories is private market housing, and the remaining 47% is subsidized public housing. Government-subsidized public housing is delivered by 23 community-based Local Housing Organizations (LHOs) under agreement with the Northwest Territories Housing Corporation, a Crown agency. A 2008 Report by the Auditor General found that the Corporation had difficulty collecting mortgage payments through its homeownership program, and recommended better monitoring of the LHOs. The government subsequently endorsed the recommendations.

In 2007, the territorial government launched Housing Choices, a new program structure that simplified housing services into four housing programs: Providing Assistance for Territorial Homeownership (PATH), which offers forgivable loans to new homeowners; Contributing Assistance for Repairs and Enhancements (CARE), which assists existing homeowners make major repairs through forgivable loans; Homeowner Entry Level Program (HELP), which provides assistance to first-time homebuyers not able to secure mortgage financing by providing a lease on a government-owner home; and Solutions to Education People (STEP), an education and counseling service consisting of courses designed for would-be homeowners.

A recent 2005 report on homelessness in the NWT found that there were more than 100 homeless in the territory at any given time. The report recommended new support programs for the homeless, including mental health and addictions challenges,

**Figure 39: Northwest Territories Affordable Housing Summary**

Main territorial housing authority	Northwest Territories Housing Corporation
Territorial housing expenditures per capita (2007/08)	\$2,700
Percentage of households spending over 30% on shelter (2006 Census)	14.6%
Percentage of owners spending over 30% on shelter (2006 Census)	9.9%
Percentage of renters spending over 30% on shelter (2006 Census)	20.0%
Incidence of Core Housing Need (2001)	17.4% (2004 data not available)
Rent Control	No
Major territorial housing initiatives	Housing Choices
Major territorial homelessness strategy	\$695 million to combat homelessness in 2007 budget

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

supporting childcare programs at transitional housing, and improving the understanding of public housing eligibility. In response, the 2007 budget included funding to combat homelessness. Funding for homelessness projects in small communities is awarded to two types of projects: emergency shelter options and homelessness support projects.

### 7.3 YUKON TERRITORY

The Yukon Housing Corporation (YHC) delivers a variety of housing programs, services, and incentives. Its Home Ownership Programs include mortgage financing assistance, construction finance for homebuilders, mobile home purchase assistance, and a “Green Mortgage” (reduced interest rate mortgage financing for environmentally-friendly homes). The YHC also offers a variety of home repair and upgrade programs, such as the Home Repair Program and Mobile Home Upgrade Program (low-interest financing for home improvement projects), the Rental Suite and Rental Unit Rehabilitation Programs (low-interest financing for rental upgrades), and Residential Energy Management (low-interest financing for homeowners moving from electrical to non-electrical heating).

The YHC administers three distinct social housing programs: private nonprofit housing; public housing; and a rent supplement program. Rural seniors and victims of violence are given priority in receiving social housing. The government has also added several initiatives recently, increasing funding considerably over the past few years (see Figure 37). In 2006 the Yukon Forum, a meeting between the Yukon Government and First Nations governments, agreed to allocate \$32.5 million of the Northern Housing Trust to Yukon First Nation governments, with the remaining \$17.5 million to the Yukon government (Yukon 2006).

In 2008 the government announced that it was creating a housing complex of up to 30 units to address housing needs for single-parent families (particularly single mothers) who make up the majority of the waiting list. Priority for this initiative, which was completed in concert with the Government of Yukon’s Women’s Directorate, would be given to victims of family violence. The government estimates that the project will cost between \$10 million and \$11 million. The YHC has also recently built a 9-unit affordable housing project in the community of Haines Junction.

The YHC also offers up to \$5,250 in grants to those who build homes up to Yukon’s environmental standards (called “GreenHome” standards), as well as non-repayable loans for energy efficiency improvements. Finally, the Joint Venture Program provides loans to private sector developers to aid in the development of affordable housing initiatives.

All three territories remain heavily dependent upon the federal government for their housing needs. At a recent summit of the

**Figure 40: Yukon Territory Affordable Housing Summary**

Main territorial housing authority	Yukon Housing Corporation
Territorial housing expenditures per capita (2007/08)	\$832
Percentage of households spending over 30% on shelter (2006 Census)	18.3%
Percentage of owners spending over 30% on shelter (2006 Census)	13.3%
Percentage of renters spending over 30% on shelter (2006 Census)	28.8%
Incidence of Core Housing Need (2001)	15.8% (2004 data not available)
Rent Control	No
Major territorial housing initiatives	Greenhome
Major territorial homelessness strategy	N/A
Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g	

Northern leaders, the premiers of the three Northern territories lauded recent federal investments through the Northern Housing Trust as resulting in significant improvements in the quality of Northern life. However, citing the gradual erosion of federal funding for housing stock, they called on the federal government “to commit to strengthening its role in housing ... and for the renewal of the federal housing programs and trusts set to expire” (Canadian Press 2008).

## 8. SELECT MUNICIPALITIES

Because of the way in which housing expenditures are recorded, municipal housing spending figures are difficult to ascertain, and finding exact expenditures for local governments is beyond the scope of this study (see Box 1). However, the following section will briefly analyze data for select Canadian municipalities, and discuss recent initiatives related to affordable housing and homelessness therein.

### 8.1 VICTORIA

The rental market in British Columbia’s capital is facing a shortage of units. At 0.3%, Victoria’s rental vacancy rate was tied with Kelowna for the lowest in the country. It has remained below 0.6% since 2004. The average rent for a two-bedroom apartment increased by 4.4% to \$900 per month in 2008, well above the Canadian average but below the average in British Columbia. As of the 2006 Census, 29.1% of Victoria households are spending 30% or more of their income on shelter—20.9% for owners and 43.8% for renters.

Victoria has recently been involved in several initiatives to address affordable housing and tackle homelessness. Most

Figure 41: Summary of Provincial, Federal, and Territorial Policies and Statistics

	Housing Authority	Spending 2007/2008 (millions)	Spending Per Capita (2007/08)	Major Programs	Homeownership Rate (2006 Census)	Households spending > 30% on shelter (2006 Census)	Owners spending > 30% on shelter (2006 Census)	Renters spending > 30% on shelter (2006 Census)	Core Housing Need (2004)*	Rental Vacancy Rate (April 2008)	Average Monthly Rent, 2-Bedroom Apartment (April 2008)	Rent Control
British Columbia	BC Housing	\$214	\$48	Housing Matters BC; Provincial Homelessness Initiative	69.7%	29.1%	22.8%	43.7%	15.7%	1.1%	\$921	Yes
Alberta	Department of Housing and Urban Affairs	\$457	\$131	Affordable Housing Task Force; Spending Increase in 2007	73.1%	22.2%	16.6%	37.2%	10.2%	2.9%	\$1,049	No
Saskatchewan	Saskatchewan Housing Authority	\$188	\$187	HomeFirst; Task Force on Housing Affordability	71.8%	20.4%	13.1%	39.8%	9.3%	1.2%	\$712	No
Manitoba	Manitoba Housing Authority	\$89	\$75	Housing First	68.9%	18.6%	11.5%	35.5%	9.9%	1.0%	\$726	Yes
Ontario	Department of Municipal Affairs and Housing	\$725	\$56	Local Services Realignment	71.0%	27.7%	20.8%	44.6%	16.0%	3.1%	\$931	Yes
Quebec	Société d'habitation du Québec	\$445	\$58	AccèsLogic Québec; Logement abordable	60.1%	22.5%	13.9%	35.6%	10.8%	2.5%	\$615	Yes (tribunal)
New Brunswick	Department of Social Development	\$72	\$96	Energy Efficiency Retrofit Program	75.5%	19.0%	12.6%	39.2%	8.1%	5.3%	\$635	No
Nova Scotia	Nova Scotia Housing and Development Corporation	\$145	\$155	Homelessness in HRM Study	72.0%	22.6%	13.9%	45.1%	13.5%	3.4%	\$739	No
Prince Edward Island	Department of Social Services and Seniors	\$7	\$50	Seniors Home Emergency Program	74.1%	21.3%	14.1%	41.7%	11.7%	4.9%	\$653	Yes
Newfoundland and Labrador	Newfoundland and Labrador Housing Corporation	\$70	\$138	Modernization and Improvement Program	78.7%	18.9%	12.4%	42.8%	17.6%	3.2%	\$581	No
Nunavut	Nunavut Housing Corporation	\$160	\$5,138	Ten-Year Housing Plan	22.7%	9.6%	12.6%	8.7%	38.8%	NA	NA	No
Northwest Territories	Northwest Territories Housing Corporation	\$115	\$2,700	Housing Choices	52.9%	14.6%	9.9%	20.0%	17.4%	NA	NA	No
Yukon	Yukon Housing Corporation	\$26	\$832	Greenhome	63.8%	18.3%	13.3%	28.8%	15.8%	NA	NA	No
Canada	Canada Housing and Mortgage Corporation	\$2,018	\$61	Affordable Housing Initiative; Affordable Housing Trusts	68.4%	24.9%	17.8%	40.3%	13.6%	2.6%	\$782	No

\* Due to lack of available data, Core Housing Need for the three territories is from 2001, not 2004.



funds for affordable housing and homelessness come from the government of British Columbia. The Capital Region Housing Corporation, a nonprofit provider of over 1,200 affordable rental units, delivers a large portion of affordable housing in Victoria. The 2007 homeless count enumerated 1,242 homeless individuals in the Victoria CMA, up considerably from the roughly 700 enumerated in 2005 (Victoria Cool Aid Society 2007). Some of this increase can be put down to increased sophistication in the counting technique, but there is little doubt that the homeless population is indeed rising.

In 2007, the Victoria Cool Aid Society conducted a Homeless Needs Survey, recommending a range of affordable housing options, harm reduction strategies, income supports, and a “housing first” approach. The 2007 survey estimates that this number could increase by between 200-300 per year in the absence of new support services. Many of these recommendations were subsequently adopted by the Mayor’s Task Force on Breaking the Cycle of Mental Illness, Addictions, and Homelessness (2007). The Task Force found that low rental vacancy rates, a lack of affordable housing, and landlord skepticism made it very difficult for individuals with severe addiction and mental illness (SAMI) to find appropriate housing. The report recommended the addition of 1,550 new supported housing units over five years, greater rental subsidies, and a “housing first” strategy focusing on housing those with the most severe needs first and providing adequate support services.

This report led to a Memorandum of Understanding signed between BC Housing and the City of Victoria in December 2007. The Memorandum made three BC Housing-owned sites available to the City for supportive housing and homeless shelters. Planning and operation will be determined by the City and by various Victoria-based nonprofit organizations. In

January 2008, the provincial government announced it was expediting more than 170 new and upgraded housing units.

In February 2008, the government announced the Greater Victoria Commission to End Homelessness, now formally known as the Greater Victoria Coalition to End Homelessness Society, which is incorporated as an independent nonprofit organization. This Coalition is made up of key stakeholders from across the Greater Victoria region including private, public and nonprofit agencies. The coalition has initiated the formulation of a three-year strategic plan based on the “housing first” model. This long-term initiative will seek to address some of the key recommendations laid out in the Mayor’s Task Force Report.

Victoria has also attracted considerable media attention for its homeless problem. In 2006, a Victoria man who was repeatedly jailed for sleeping in public took part in a hunger strike (CBC News 2006). In 2008, the British Columbia Supreme Court heard the “tent city” case. In this case, several homeless activists charged that a City of Victoria injunction preventing them from setting up tents on public property violated their right to “life, liberty, and security of the person.” The result of the trial is still pending, but if successful, the case could represent a landmark ruling for homeless advocates.

## 8.2 VANCOUVER

More than anywhere in British Columbia (and perhaps in Canada), affordable housing and homelessness problems are paramount in Vancouver. In April 2008, the average rent for a two-bedroom apartment in the Vancouver CMA was \$1,071, with only Toronto and Calgary having higher prices. The rental vacancy rate sits at 0.9%, and has been below 2.0% since 2000. Currently, 32.9% of households in the Vancouver CMA spend 30% or more of their income on shelter (43.8% for renters and 27.1% for owners). At 27.1%, the percentage for owners was tied with Toronto for the highest of all major CMAs discussed in this report.

As of 2005, just over one quarter of Vancouver residents lived in the anchor city of Vancouver, with the remainder living in the CMA (Azmier 2007: 26) but there is no single authority for housing and homelessness in the Vancouver area. Coordination among the municipal governments in the Vancouver area is facilitated through Metro Vancouver, a partnership of 21 municipalities. Metro Vancouver has a Housing Committee and a Technical Advisory Committee comprised of housing and social planners from across the region.

The 2008 homeless count found 2,592 homeless people in the Vancouver area, a 19% increase from three years earlier. Of the homeless enumerated, 1,045 were staying in shelters, and 1,547 were on the street or at service locations. Roughly 60% of the enumerated homeless were in the City of Vancouver.

**Figure 42: Victoria Summary**

Rental vacancy rate (April 2008)	0.3%
Average monthly rent, 2-bedroom apartment (April 2008)	\$900
Percentage of households spending over 30% on shelter (2006 Census)	29.1%
Percentage of owners spending over 30% on shelter (2006 Census)	20.9%
Percentage of renters spending over 30% on shelter (2006 Census)	43.8%
Incidence of Core Housing Need (2001)	13.4% (2004 data not available)
Major housing initiatives	2007 Memorandum of Understanding
Major homelessness strategy	Mayor's Task Force on Breaking the Cycle of Mental Illness, Addictions, and Homelessness (2007)
Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g	

Figure 43: Vancouver Summary

Rental vacancy rate (April 2008)	0.9%
Average monthly rent, 2-bedroom apartment (April 2008)	\$1,071
Percentage of households spending over 30% on shelter (2006 Census)	32.9%
Percentage of owners spending over 30% on shelter (2006 Census)	27.1%
Percentage of renters spending over 30% on shelter (2006 Census)	43.8%
Incidence of Core Housing Need (2004)	17.4%
Major housing initiatives	Project Civil Society (2006)
Major homelessness strategy	Homelessness Action Plan (2007)

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2006a, 2006f, 2008g

Although the number of street homeless increased by 27%, the percentage increase was not as high as the doubling recorded between 2002 and 2005 (Vancouver 2008, see Figure 44).

Since 1981, the City of Vancouver has established an "Affordable Housing Fund," which provides grants for social housing projects developed on city-owned land. As of 2003, the City had approved more than \$40 million in subsidies from the Affordable Housing Fund. Through the Property Endowment Fund, sites can be acquired and leased to social housing providers. A portion of the revenue from Development Cost Levies is allocated to affordable housing. There has also been a commitment by all three levels of government that no one will lose housing because of the forthcoming 2010 Olympics.

Beginning in 1988, the City of Vancouver has required that major rezoning of land to multi-unit residential buildings must include at least 20% for social housing (a process known as "inclusionary zoning"). The fulfillment of this policy, however, is dependent upon funding from senior levels of government. To date, the city boasts that this has created the capacity for 2,500 social housing units, 1,100 of which have been built or are under construction.

The Greater Vancouver Regional Steering Committee on Homelessness (RSCH) was formed in 2000 and brings together different stakeholders in an attempt to address Vancouver's growing homelessness situation. The Committee has made funding recommendations resulting in the allocation of over \$60 million in federal homelessness funding since 2000.

In 2007, the City of Vancouver released a funding model for homelessness, entitled *More Than Just a Warm Bed*. Like

Figure 44: Vancouver Homeless Count, 2002-2008

	2002	2005	2008
Sheltered Homeless	788	1,047	1,045
Street / Service Homeless	333	1,127	1,547
Total Homeless	1,121	2,174	2,592

Source: Vancouver 2008

Victoria, the model embraced a "housing first" approach for addressing homelessness. Its recommendations included renovating 500 Single-Room Occupancy (SRO) hotels to provide support services and targeting the construction of an additional 1,500 units. These were subsequently adopted by the City Council.

Vancouver's Homelessness Action Plan was adopted in 2005. The plan highlighted three priority areas in order to combat homelessness: reducing barriers to accessing income assistance, developing 3,200 supportive housing units, and providing more intensive substance and mental health services. While progress on the recommendations was limited between 2005 and 2007, there has been more momentum in meeting the specific goals since the provincial government's 2007 budget.

The City Council accepted the recommendations of the funding model for homelessness. In December 2007, the Vancouver City Council approved a Memorandum of Understanding with the province to expedite the approval of up to 1,200 new supportive and social housing units (BC Housing 2008). Project Civil City, a plan announced by Vancouver Mayor Sam Sullivan in 2006, put forward over 50 initiatives to cut the incidence of homelessness, including social housing and harm reduction strategies (Laird 2007a: 71).

## 8.3 KELOWNA

Home to just over 100,000 people, Kelowna's housing market is currently facing affordability problems. In a 2008 survey measuring affordability for homeownership, the Frontier Centre for Public Policy found Kelowna was "severely unaffordable." With the median residential house sale price over 8 times the median household income (a measure of affordability referred to as the "median multiple"), Kelowna was deemed Canada's "most unaffordable market," falling in the bottom 20 of over 220 internationally-surveyed cities (Frontier Centre for Public Policy 2008). Census data show that 28.8% of households spent more than 30% of their income on shelter. While the number was 22.8% for owners, it was 47.9% for renters—the highest of any city surveyed.

Currently, Kelowna shares with Victoria the dubious distinction of having the lowest rental vacancy rate in the country, at

**Figure 45: Kelowna Summary**

Rental vacancy rate (April 2008)	0.3%
Average monthly rent, 2-bedroom apartment (April 2008)	\$881
Percentage of households spending over 30% on shelter (2006 Census)	28.8%
Percentage of owners spending over 30% on shelter (2006 Census)	22.8%
Percentage of renters spending over 30% on shelter (2006 Census)	47.9%
Incidence of Core Housing Need (2004)	Data not available
Major housing initiatives	City of Kelowna Affordable and Special Needs Housing Task Force (2006)
Major homelessness strategy	Partners in Community Collaboration; Mayor's Event to End Homelessness (2007)
Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2006a, 2006f, 2006g	

0.3%, down from 0.7% a year earlier. Kelowna has posted rental vacancy rates at 2% or below since 1999. The average monthly cost for a two-bedroom apartment has jumped considerably (though not drastically) in recent years, from \$755 in 2005 to \$881 in 2008.

Of all cities surveyed, Kelowna is the one whose homeless population has actually dropped in recent years, according to homeless counts. However, this result should be viewed with caution. Four successive homeless counts from March 2003 to November 2004 enumerated a growing number of individuals living on the streets and in shelters, rising from 160 to 420. Although the most recent count, in April 2007, enumerated just 279 individuals—119 in shelters, and 150 on the streets—this number has been attributed to an RCMP “street sweep” scheduled immediately prior to the count, which drove many of the homeless temporarily into hiding (Baker and Findlay 2007). Like most cities, advocates fear the “hidden homeless” represent a far greater number. While Aboriginals comprise just over 2% of Kelowna’s total population, they accounted for 24% of Kelowna’s enumerated homeless (Kelowna 2007).

**Figure 46: Kelowna Homeless Count, 2002-2008**

	Mar-03	Nov-03	Apr-04	Nov-04	Apr-07
Sheltered Homeless	106	204	157	290	119
Street / Service Homeless	54	70	64	130	150
Total Homeless	160	274	221	420	269
Source: Kelowna 2007					

Although mostly reliant upon BC Housing for funding, Kelowna has some programs available for affordable housing. The Housing Opportunities Reserve Fund takes money generated from land sales and leases to acquire land that would be suitable for affordable housing. The land is then leased or sold to builders, nonprofit housing societies, and developers, with the stipulation that the new projects achieve a proportion of affordable housing (a form of “inclusionary zoning”). Recently, Kelowna and the provincial government agreed on a deal to build 140 new affordable housing units by 2010 on three city-owned sites. While the province is providing capital and operating costs, the city is providing the land, valued at over \$2 million, on a 60-year lease. This is in addition to a 30-unit supportive housing apartment building, slated for occupancy in late 2008.

In November 2006, the City of Kelowna Affordable and Special Needs Housing Task Force made several proposals to City Council. These proposals included the legalization of secondary suites, the creation of a Kelowna Housing Corporation, and the streamlining of several zoning bylaws. As well, in November 2007, Mayor Sharon Shepherd held the Mayor’s Event to End Homelessness. Although there were some positive findings—the Partners in Community Collaboration (PICC), a collaborative effort of service providers, succeeded in getting 123 individuals off of the street and into supportive housing in less than a year—the report made the connection between worsening housing affordability and homelessness in Kelowna. The report then set out a ten-year plan to end homelessness, based on a “housing first” model.

## 8.4 ABBOTSFORD

As one of Canada’s fastest-growing CMAs, Abbotsford has experienced considerable growth in recent years, and affordable housing is becoming a greater concern. In 2006, 30.6% of households in Abbotsford spent more than 30% of income on shelter. While the number of renters spending over 30% (43.2%) was above the Canadian average, the number of owners who surpassed the STIR ratio was 26.1%—the third highest of all CMAs discussed in this report, behind Toronto and Vancouver.

The rental vacancy rate is currently 2.4%, up from the very low 0.6% from April 2007 (Canada Mortgage and Housing Corporation 2008a). The average rent for a two-bedroom apartment jumped from \$700 in 2007 to \$775 in 2008. The 2008 homeless count in Abbotsford enumerated 235 homeless individuals, up from 226 in 2004 (Mennonite Central Committee 2008). The provincial NDP argues that the estimate is low, and that the actual homeless population is closer to 400 (Paulsen 2008).

**Figure 47: Abbotsford Summary**

Rental vacancy rate (April 2008)	2.4%
Average monthly rent, 2-bedroom apartment (April 2008)	\$775
Percentage of households spending over 30% on shelter (2006 Census)	30.6%
Percentage of owners spending over 30% on shelter (2006 Census)	26.1%
Percentage of renters spending over 30% on shelter (2006 Census)	43.2%
Incidence of Core Housing Need (2001)	11.5% (2004 data not available)
Major housing initiatives	Affordable Housing Strategy
Major homelessness strategy	N/A

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

In 2006, the Mennonite Central Committee (MCC), a nonprofit organization, along with the United Way, published a report on low-income housing in the Upper Fraser Valley (of which Abbotsford is the largest city). The report found thousands of households were spending over 50% of their income on rent, and that the growing housing market was pricing out low-income and fixed-income individuals.

The City of Abbotsford Social Development Advisory Committee has two housing working groups. The Technical Advisory Committee is developing the Abbotsford Affordable Housing Fund and coordinating an affordable market ownership project in partnership with city, Habitat for Humanity and the CMHC. The other working group is involved in several community initiatives, providing education and the opportunity for service agencies to learn about funding and partnership opportunities. Abbotsford has also implemented a Supportive Recovery House Policy, a secondary suites program, and density bonus incentives for developers (a form of "inclusionary zoning").

Although the City of Abbotsford is currently reviewing its land base in order to identify possible sites on which to build new facilities, it is unable to take advantage of many of BC Housing's recent housing initiatives because of a lack of available City-owned land. Nor does Abbotsford have a continuum of services for homeless people, such as detox clinics and long-term supportive housing (Paulsen 2008). However, Abbotsford is not entirely missing out on the benefits of Housing Matters BC. In December 2007, the provincial government announced a new 20-bed supportive housing unit. The Spirit Bear Center, a 10-bed transition house for young Aboriginal women recovering from addictions, was opened in March 2008.

Abbotsford has recently developed an affordable housing strategy, targeting affordable rental housing for low-income families, emergency shelter beds, and supported housing. The provision and funding for affordable housing is often done by nonprofits such as the MCC, the United Way, and the Fraser Valley Housing Network.

## 8.5 CALGARY

Perhaps no Canadian city has felt the affordable housing squeeze develop as rapidly as Calgary. Although many Calgarians have benefitted from the booming economy, low-income Calgarians face an affordability problem.

The 2006 Census indicated that 24.4% of Calgarians were spending more than 30% of their income on shelter (39.4% for renters, and 19.2% for owners). The fact that these numbers are below the Canadian average seems somewhat counterintuitive given Calgary's rather public problems with affordability and homelessness. The 2006 Census asked households about their spending in 2005, while the most rapid housing price increases were recorded in 2006. It will be interesting and important to take a look at updated statistics as they become available. The overall statistics also mask the full effects of the boom on those at the low-end of the income scale in Calgary.

Affordability in Calgary has affected both renters and owners. This is partly due to record low vacancy rates. After recording rental vacancy rates of 4.4% and 4.3% in 2003 and 2004 respectively, that number shot down to 1.6%, 0.5%, and 0.6% in the subsequent years, 2005-2007. The number rose to 2.0% in 2008, mainly due to reduced migration into the province and increased competition in the secondary rental market.

**Figure 48: Calgary Summary**

Rental vacancy rate (April 2008)	2.0%
Average monthly rent, 2-bedroom apartment (April 2008)	\$1,096
Percentage of households spending over 30% on shelter (2006 Census)	24.4%
Percentage of owners spending over 30% on shelter (2006 Census)	19.2%
Percentage of renters spending over 30% on shelter (2006 Census)	39.4%
Incidence of Core Housing Need (2004)	8.8%
Major housing initiatives	11,250 affordable units to be built over next ten years
Major homelessness strategy	Ten-Year Plan to End Homelessness in Calgary

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

**Figure 49: Point-in-Time Counts of Homeless People in Calgary and Biennial Growth Rates, 1992-2008**

	1992	1994	1996	1998	2000	2002	2004	2006	2008
People believed to be homeless on count night	447	461	615	988	1,296	1,737	2,597	3,436	4,060
Percent change from previous count	NA	3.1%	33.4%	60.7%	31.2%	34.0%	49.5%	32.3%	18.2%

Source: Calgary 2008

increased from 447 to a staggering 4,060. Some of this increase may be due to the increased sophistication of the counts, but there can be no question that homelessness has grown rapidly in the city (see Figure 49).

(Canada Mortgage and Housing Corporation 2008a: 1). The extremely low vacancy rates and housing boom caused rental prices to rise significantly, particularly at the lower end of the market. After years of moderate rent increases, the average rent for a two-bedroom apartment shot up 36% between 2005 and 2008, from \$808 to \$1,096 per month (Canada Mortgage and Housing Corporation 2007, 2008a).

The low vacancy rates are largely a result of the lack of available rental housing, both private and public. The number of apartments and row homes in Calgary has dropped from nearly 58,000 in 1991 to under 41,000 in 2006. Between 2005 and 2006—the same year the rental vacancy rate dropped to 0.5% and the average price for a two-bedroom apartment skyrocketed—Calgary lost over 5,000 private rental units alone (Calgary Committee to End Homelessness 2008: 22).

These numbers have corresponded with a dramatic increase in homeownership, even as housing prices shot up. Between 1986 and 2006, Calgary's homeownership rate increased from 57.9% to 74.1%. In 2005, the average residential price of a home in Calgary was just over \$250,000—almost exactly the Canadian average. By 2006, this number jumped 38% to over \$346,000 (Canada Mortgage and Housing Corporation 2007). After jumping again in 2007, the number is starting to level off, most recently at \$414,000. As Calgary's housing market cools, affordability is expected to improve (Toneguzzi 2008).

The Calgary Housing Company (CHC) operates and manages over 9,000 social affordable housing units in Calgary. Most of the funding is provided by way of federal/provincial agreements. The CHC operates a Private Landlord Rent Supplement Program to provide supplements for low-income renters, and operates non-market (social) housing. However, between 2002 and 2006, only 688 new non-market housing units were built, planned, or under construction in Calgary (Calgary Committee to End Homelessness 2008: 23). Combined with the dramatic drop in private rental units, the result has been a net loss of rental units, many of which have been converted or demolished in favour of condominiums. In 2007, the waiting list for non-market housing averaged 2,200 applicants.

As Alberta's economy and housing market boomed, Calgary also gained the unfortunate honour of boasting Canada's fastest-growing homeless population (Laird 2007a: 53-55). Between 1992 and 2008, Calgary's municipal homeless counts

In January 2007, 24 corporate, government, and community leaders announced the creation of the Calgary Committee to End Homelessness (CCEH). In 2008, the committee, which included Calgary Mayor Dave Bronconnier, completed a report with an ambitious plan to end homelessness in Calgary within ten years. Adopting a "housing first" approach, the committee called for 11,250 affordable and specialized housing units to be built in Calgary over the decade. The plan sets out partnerships between the three levels of government, the private sector, and nonprofit organizations in order to combat the growing number of homeless in Canada's boomtown (see Box 3).

There are several signs that affordability and homelessness may be improving in Calgary. For starters, governments have been receptive to the Ten-Year Plan and its recommendations. The "Cash for Keys" initiative, which consists of buying private rental property instead of building new units, has resulted in the purchase of almost 200 units in just five months (Massinon 2008). In July, Calgary's City Council approved Calgary's response to the Ten-Year Plan to End Homelessness, as well as an incentive program to encourage nonprofit, non-market and low-income housing in Calgary (Derworiz 2008). However, the Council stopped short of offering loans or grants to encourage secondary suite creation, arguably one of the best short-term solutions to expanding rental housing. Council will reconsider an incentives program in Fall 2008.

The provincial government has also responded to the CCEH in a positive manner. As part of its infusion of funding for affordable housing, the province gave Calgary \$48 million in block funding (Alberta 2008). Calgary organizations are also eligible for a portion of the \$142 million in funding offered by the province. Worthy projects will receive funding in September 2008. It has also appointed the Alberta Secretariat for Action on Homelessness, with the goal of ending homelessness in ten years.

There are signs that Calgary's growth is slowing. Calgary's 2008 civic census in July 2008 found that the number of dwellings increased more than population growth in the last year. Combined with higher vacancy rates and new affordable housing complexes due in the fall, rents are starting to level out.



### BOX 3: THE CALGARY COMMITTEE TO END HOMELESSNESS

In January 2007, leaders from Calgary's business, nonprofit, and faith sectors, as well as representatives from all three levels of government, came together in response to Calgary's growing homelessness crisis. After a year of public consultations, a community summit and comparative research, the committee released Calgary's Ten-Year Plan to End Homelessness. The plan calls for a wide array of policy changes by all levels of government, long-term investment, and significant community action.

The committee's findings detail the rapid rise of homelessness, attributing this to increased migration, the scarcity of affordable housing, and the failure of government policies to keep up. The decline in real earnings for individuals in certain employment sectors (such as retail and wholesale), coupled with declining social assistance rates in Alberta, led to severe affordability challenges for low-income Albertans and new migrants without a fixed address. As housing prices escalated and rental development stagnated, many Calgarians were forced into shelters or onto the streets.

The plan contains five main strategies: stop homelessness before it begins with effective prevention; re-house and provide the necessary support to Calgarians experiencing homelessness; ensure adequate affordable housing, supportive housing and treatment capacity; improve data and systems knowledge; and reinforce nonprofit homelessness organizations. These goals are further broken down into a series of steps and targets.

The plan operates under a "housing first" philosophy, which states that the first objective of homeless-serving systems, agencies, programs, and funding must be to help the homeless gain and maintain permanent housing. The plan will be executed in three phases. The first phase (2008-2010) focuses on chronic homelessness and prevention, introducing key policy changes, putting in place new information systems, and conducting more research. The second phase (2011-2013) focuses on deeper systemic changes, filling in critical gaps and making adjustments to the plan. The third phase (2014-2018) is a fine-tuning phase, consisting of small adjustments to continue success.

The plan's aspirations are ambitious. However, its prescriptions are detailed, achievable, and rooted in best practices. Using New York City's Pathways to Housing model, the plan targets moving 1,200 chronically homeless Calgarians into housing within seven years. The plan also contains key milestones, such as retiring 50% of Calgary's emergency shelter capacity within five years, stabilizing the overall homeless count at 2006 levels by 2010, and eliminating family homelessness within two years.

The plan also recognizes the direct link between affordable housing and homelessness. It prescribes the development of 11,250 new units of affordable housing, requiring approximately \$622 million of public funding for building costs over a 10-year period, to be leveraged by a philanthropic and private sector investment of \$1.4 billion. The housing plan proposes six different building programs to cover the units: 3,750 affordable home ownership units, targeting employed individuals currently living in subsidized housing or receiving rent supplements; 2,000 new secondary suites, aided by loans from the city of Calgary; 1,000 private sector affordable rental housing units; 1,500 public and nonprofit affordable rental housing units; 1,000 units through inclusionary zoning, with a tax incentive for developers to offset economic losses; and 2,000 specialized and single room occupancy (SRO) housing units, including youth transitional housing beds, supportive housing beds, addictions treatment beds, and family emergency shelter beds.

While the funding commitment from all levels of government, philanthropists, and the broader community is expected to be significant, the plan sees reducing homelessness as an investment. In addition to having positive moral, social, and health benefits, reducing homelessness can significantly ease the strain on the public purse. The committee estimates that a full payout on direct costs could be achieved by 2016, and that cumulative direct and indirect savings could reach over \$3.6 billion by the end of 10 years. After drafting the plan, the CCEH has stepped aside, and the nonprofit Calgary Homeless Foundation has taken responsibility for implementing the plan.

Calgary's Ten-Year Plan to End Homelessness is a worthy initiative. Building on success from over 300 American cities with similar plans such as Portland, Oregon and Denver, Colorado, the Calgary Committee to End Homelessness has made an important first step toward reducing homelessness for Calgarians, one based on much more than rhetoric. Because much depends on funding, if the provincial and federal governments are not able to contribute their share, it will be very difficult to implement.

Thus far, signs are encouraging. The City of Calgary has identified the specific actions it would take, and has begun implementing many of the recommendations. The Calgary Homeless Foundation continues to collaborate with all levels of government, as well as community leaders. As the wheels of the plan start to click into gear, Calgary will provide an important case study for other Canadian cities aiming to reduce their homelessness population.

For more information, visit [www.endinghomelessness.ca](http://www.endinghomelessness.ca).



## 8.6 EDMONTON

Like Calgary, Edmonton's rental vacancy rate dropped suddenly in 2006, from 4.5% to 1.2%. The rate stayed steady at 1.1% in 2007, and is now at 3.4%. The average rate for a two-bedroom apartment has also jumped sharply in recent years, from \$732 in 2005 to \$1,000 in 2008, an increase of 37%. At 13.7%, Edmonton's rate of household growth is the third highest of any Canadian CMA. The average residential price also went up sharply, from over \$193,000 in 2005 to \$251,000 in 2006, all the way up to \$338,000 in 2007—an increase of 75% in just two years (Canada Mortgage and Housing Corporation 2007, 2008a). The growing affordability problems were not reflected in the 2006 Census, with the percentage of households spending more than 30% of income on rent below the Canadian average (22.8%).

Most of Calgary's problems with affordability and homelessness can be extrapolated to Edmonton, albeit on a slightly smaller scale. Edmonton's 2006 homeless count found 2,618 homeless people in the city, 1,774 of which were absolutely homeless, and 844 of which were in emergency accommodations. This signaled an increase of 19% from the count two years earlier, when 2,192 homeless individuals were identified. On a positive note, the count found a significant reduction in the number of homeless families between 2004 (120) and 2006 (79). The count also found that Edmonton had experienced a net increase in the number of shelter beds between 2004 and 2006, from 692 to 775. The number of enumerated homeless has been steadily growing since the November 1999 count, when only 1,117 homeless were identified (Edmonton 2006).

Although the provincial government funds most programs, Edmonton has developed a number of housing initiatives. In 1999, Edmonton established the Edmonton Housing Trust Fund (EHTF), later renamed to Homeward Trust Edmonton (HTE). The HTE combines contributions from the federal, provincial, and

municipal governments, and mandates that they must be spent on housing. The Trust Fund is often spent on partnerships with nonprofit organizations. One government agency that delivers funding for affordable housing is the Capital Region Housing Corporation (CRHC). There are also various non-public agencies that deliver affordable housing.

HomeED, Edmonton's social housing program, consists of 658 rental units for which tenants pay no more than 27% of gross income on rent. Through the Low-Income Capital Assistance Program, the City provides capital funds to assist housing sponsors create new housing or upgrade existing housing aimed at low-income and special-needs households. The first-time homebuyers program is designed to transform 20 unused school sites into new townhouse locations, with a goal of creating up to 1,000 new townhouses.

In 2006, the Edmonton Joint Planning Committee on Housing created *Building a Foundation*, a report which recommended that the City of Edmonton develop projects for four streams: municipal/affordable housing; homeownership; homelessness prevention; and support services. Following this, in 2006 the Edmonton City Council developed Cornerstones, a five-year plan to help increase affordable housing.

Using Cornerstones, Edmonton has also recently piloted two new programs. The Fee Rebate for Affordable Housing Program (FRAHP) provides a rebate to developers of affordable housing, in order to cover municipal fees and charges of any housing units developed for the purposes of affordable housing. The Fixed Rate Rent Supplement Pilot Project, a five-year, \$5 million project jointly funded by the federal government and Edmonton, offers rent supplements to landlords. In 2008, the City also began targeting the development of rental suites as a short-term solution to increase supply. On a first-come-first-served basis, Edmonton provides grants for building secondary suites in new and existing homes, as well as upgrading secondary suites.

Edmonton has benefitted from Alberta's new affordable housing program. As part of funding for the 2007/08 budget, Edmonton received \$51 million for infrastructure and \$45 million for affordable housing. In the 2008/09 budget, Edmonton received over \$34 million for affordable housing.

## 8.7 REGINA

As of the 2006 Census, 20.4% of Regina households spent more than 30% of their income on shelter, about 4 percentage points below the Canadian average. The percentage of renters spending more than 30% (40.6%) was marginally higher than the Canadian average, and the percentage of owners (11.9%) was nearly 6 percentage points below. Affordability is clearly a greater concern for renters. However, with Saskatchewan's

**Figure 50: Edmonton Summary**

Rental vacancy rate (April 2008)	3.4%
Average monthly rent, 2-bedroom apartment (April 2008)	\$1,000
Percentage of households spending over 30% on shelter (2006 Census)	22.8%
Percentage of owners spending over 30% on shelter (2006 Census)	15.7%
Percentage of renters spending over 30% on shelter (2006 Census)	38.8%
Incidence of Core Housing Need (2001)	10.9% (2004 data not available)
Major housing initiatives	Cornerstones (2006)
Major homelessness strategy	N/A

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

**Figure 51: Regina Summary**

Rental vacancy rate (April 2008)	1.4%
Average monthly rent, 2-bedroom apartment (April 2008)	\$718
Percentage of households spending over 30% on shelter (2006 Census)	20.4%
Percentage of owners spending over 30% on shelter (2006 Census)	11.9%
Percentage of renters spending over 30% on shelter (2006 Census)	40.6%
Incidence of Core Housing Need (2004)	9.9%
Major housing initiatives	N/A
Major homelessness strategy	A Home For All (2007)

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

economic boom underway, owners may soon face an affordability crunch as well.

From 2000-2007, the average price for a two-bedroom apartment increased from \$549 to \$636 and then jumped to \$718 in 2008. From 2006-2008, rental vacancy rates have dropped from 3.3% to 2.7% to 1.4%. There are no reliable statistics for homelessness in Regina, although the 2007 Community Plan estimated there were between 100 and 125 homeless individuals at any given time.

The Regina Housing Authority (RHA), one of the largest housing providers in the City of Regina, is subsidized by the Saskatchewan Housing Corporation. RHA is responsible for the delivery of rental and repair programs, as well as the administration of the HomeFirst Homeownership program.

In 2007, Regina released its community plan, *A Home For All*. Unlike jurisdictions such as Calgary and Vancouver, however, the report recognized that absolute homelessness is not the most pressing issue in Regina, as many shelters were running below their capacity. The plan recommended focusing on cutting the 3,700 households deemed to be at greatest risk of homelessness in half by 2011, and reducing that number by a further 50% by 2016. Other studies have also pointed out that “couch surfing” and overcrowding are more pressing issues than absolute homelessness in Regina (Wilkie and Berdahl 2007).

Affordability statistics in Regina remain either below or in line with the Canadian average. However, with Saskatchewan’s housing market set to lead the nation in 2008 (Canada Mortgage and Housing Corporation 2008c), Regina will want to ensure that it avoids the homelessness and affordability concerns currently plaguing cities such as Calgary. By seeking

to lower the number of its “at-risk” homeless, the City thus far has a laudable strategy.

## 8.8 SASKATOON

If Saskatchewan is set to become the “next Alberta,” is Saskatoon on course to become the “next Calgary?” Such an observation may be premature. But if Saskatoon is set to become the hub for a province with a booming resource-based economy, it should look closely at Calgary and its experience with affordable housing and homelessness.

There are several interesting similarities between the two cities. Like Calgary several years back, Saskatoon recently experienced a significant drop in its rental vacancy rate: from 3.0% to 0.9% between April 2007 and 2008. After years of minor rent increases and below-average rental prices, the average rent for a two-bedroom apartment jumped from \$629 to \$759 between 2007 and 2008, an increase of 20.7%. Since 1997, the number of overall apartment units dropped from 17,000 to 13,500 (Saskatchewan 2008).

Housing prices are up more than 50% in Saskatoon in the last year, and building permits have jumped 64%. Anecdotal stories seem reminiscent of Calgary: in what may be a precursor of things to come, a business developer recently bought up a 400-tenant low-income housing unit in McNab Park with the aim of turning it into a high-end business park. With vacancy rates dropping and rents rising, those at the bottom of the income ladder fear the boom may leave them behind (Hutton 2008).

Is Saskatoon destined to suffer the same problems as Calgary? Not necessarily. The province is aware of Saskatoon’s vulnerability to housing pains, and its recent Task Force on

**Figure 52: Saskatoon Summary**

Rental vacancy rate (April 2008)	0.9%
Average monthly rent, 2-bedroom apartment (April 2008)	\$759
Percentage of households spending over 30% on shelter (2006 Census)	25.1%
Percentage of owners spending over 30% on shelter (2006 Census)	15.0%
Percentage of renters spending over 30% on shelter (2006 Census)	45.2%
Incidence of Core Housing Need (2004)	9.8%
Major housing initiatives	Affordable Housing Reserve
Major homelessness strategy	Biannual homelessness plans

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

Housing Affordability has recommended several provisions to encourage rental development. Through the AHL, the federal and provincial governments have announced funding for various new affordable rental housing developments for Saskatoon over the last two years, including a 24-unit building in Pleasant Hill and a \$22.8 million capital grant in 2007.

As a major land developer, Saskatoon also has several advantages over many other cities. The land development activities provide funding and land for affordable housing initiatives, and the Land Bank provides \$2.5 million annually into the affordable housing program. Furthermore, certain land is “pre-designated” and set aside for affordable and entry-level housing. In 2007, the City adopted a Housing Business Plan that includes a target of 500 new affordable housing units annually.

The City’s housing activities are funded by the Affordable Housing Reserve, which provides for the City to fund at least 10% of affordable housing project costs. The reserve, which is set up much like a housing trust, is unique among municipalities in Canada. Funds for the reserve (\$14.4 million since 1987) are generated from a portion of the revenues from the sale of City-owned land. In 2007, the city approved an increase in the annual contribution from \$500,000 to \$2.5 million. To date, the money has been used in the creation of over 2,400 housing units. In 2007, the City Council set a target for the creation of 500 affordable housing units annually.

However, demand for affordable housing remains high. The City of Saskatoon’s 2008 Housing Business Plan identified the need for construction of 3,500 dwelling units in Saskatoon. To achieve this goal, the plan proposes several new initiatives including: a new First Home Ownership Program; a five-year tax abatement for developers of affordable rental housing and bonuses to encourage inclusionary housing development; new neighbourhood design standards; and incentives for secondary suites. The City currently offers tax abatement in the downtown core for owners of new housing units, for the renovation of existing housing, and for the conversion of historical sites into housing units.

Saskatoon also recognizes the value of engaging the nonprofit sector. Since 2001, the City has partnered with several community organizations including the Saskatoon Housing Initiatives Partnership (SHIP), an association representing nonprofit organizations, builders and other groups that work to provide affordable housing in Saskatoon.

Saskatoon regularly issues a plan on housing and homelessness, usually biannually. The plan offers government and stakeholders an overview of policies, trends, and statistics related to housing. The last homeless count, in 2000, found 200 individuals living on the street (it did not gauge the population living in shelters). The 2007 report suggested that there are

currently 400 individuals living on the street in Saskatoon, estimating that the hidden homeless—those living in locations not intended for habitation and/or continuously moving among temporary housing arrangements—may number as much as 6,000. A homeless count was conducted in May 2008, but the results were not available at the time of writing.

## 8.9 WINNIPEG

The percentage of Winnipeg households spending 30% or more of their income on shelter is 20% for all households, 37.3% for renters, and 11.6% for owners. Although all three figures are slightly higher than the provincial averages, they are all well below the Canadian averages (Statistics Canada 2008a: 38).

The average price for a two-bedroom apartment remains below the national average but slightly above Manitoba’s average, at \$746. Due to Manitoba’s rent controls, this cost has not gone up substantially, rising roughly \$20 per year since 2000. Like Manitoba, Winnipeg’s rental vacancy rate has stayed below 2% since 2001 (only Victoria and Quebec City share this characteristic). At 1%, the rental vacancy rate currently sits at its lowest point in recent memory. Between 1991 and 2006, Winnipeg’s rental stock declined by nearly 3,500 units, or 3.6% (Canada Mortgage and Housing Corporation 2008d).

The Winnipeg Housing Rehabilitation Corporation (WHRC) is a nonprofit organization that develops and manages over 700 housing units in Winnipeg. Its primary focus has been on the revitalization of Winnipeg’s inner-city neighbourhoods.

In addition to provincial and federal programs, Winnipeg also has some local initiatives to combat housing and homelessness. The Winnipeg Housing and Homelessness Initiative (WHHI) is

**Figure 53: Winnipeg Summary**

Rental vacancy rate (April 2008)	1.0%
Average monthly rent, 2-bedroom apartment (April 2008)	\$746
Percentage of households spending over 30% on shelter (2006 Census)	20.0%
Percentage of owners spending over 30% on shelter (2006 Census)	11.6%
Percentage of renters spending over 30% on shelter (2006 Census)	37.3%
Incidence of Core Housing Need (2004)	9.9%
Major housing initiatives	Winnipeg Housing and Homelessness Initiative
Major homelessness strategy	Winnipeg Housing and Homelessness Initiative

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g

a multi-year partnership between the municipal, provincial, and federal governments aimed at curbing homelessness in Winnipeg. As part of an urban revitalization initiative, the WHHI was established in 2000 to provide more access to affordable housing, and enhance services for the homeless and “at-risk” homeless. Thus far, the WHHI partnership has committed over \$138 million to repair, rehabilitate, or build over 6,000 housing units.

The Manitoba government’s “Neighbourhoods Alive!” program is a long-term development strategy aimed at providing support for community groups in Winnipeg, Brandon, Thompson, Selkirk, Flin Flon, Duaphin, Portage la Prairie, and The Pas. The Neighbourhood Housing Assistance provides grants of up to \$10,000 for homeownership and renovation initiatives. Manitoba’s new four-pillar, affordable housing strategy, HousingFirst, focuses heavily on Winnipeg, particularly its inner-city revitalization, urban Aboriginal, and homeless components. Winnipeg has not yet conducted a full-fledged homeless count to the same extent as Calgary and Vancouver. However, a 2001 census count found 775 people were using shelters.

Rental property in need of major repairs is far above the Canadian average in Manitoba, and Winnipeg is no exception. Winnipeg’s dangerously low rental vacancy rate should also cause serious concern. The other three major municipalities experiencing consistently low vacancy rates over the last decade—Montreal, Quebec City, and Victoria—have all experienced significant growth in their rental stock in this period (Canada Mortgage and Housing Corporation 2008d). In contrast, Winnipeg has experienced a decline in absolute numbers, even while it’s population continues to grow.

## 8.10 TORONTO

Housing in Toronto is becoming increasingly difficult to afford. In the 2006 Census, 33.4% of all households reported spending over 30% of their income on shelter—the highest of any CMA in Canada. Corresponding numbers for renters (46.4%) and owners (27.1%) were also among the highest of all CMAs, with the owner proportion tied for the highest in the country (Statistics Canada 2008a: 32). In 2004, the last year for which core housing need (CHN) measurements are available, Toronto had the highest incidence of CHN in the country, at 19.1% (the Canadian CMA average was 13.6%). While most of the country experienced a slight drop in CHN between 2003 and 2004, Toronto’s rose by 1.3% (Canada Mortgage and Housing Corporation 2007: 72). An estimated 150,000 Toronto households pay more than half their income on shelter (Wellesley Institute 2006).

After several years of rental vacancy rates below 1% in the late 1990s, Toronto experienced vacancy rates between 2.5%

**Figure 54: Toronto Summary**

Rental vacancy rate (April 2008)	2.8%
Average monthly rent, 2-bedroom apartment (April 2008)	\$1,075
Percentage of households spending over 30% on shelter (2006 Census)	33.4%
Percentage of owners spending over 30% on shelter (2006 Census)	27.1%
Percentage of renters spending over 30% on shelter (2006 Census)	46.4%
Incidence of Core Housing Need (2004)	19.1%
Major housing initiatives	Housing Opportunities Toronto (2007)
Major homelessness strategy	Streets to Homes (2005)
Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g	

and 5% throughout the early 2000s. Between April 2007 and 2008, this rate dropped from 4% to 2.8%, still remaining slightly above the national average (Canada Mortgage and Housing Corporation 2008b). From 1997–2007, Toronto has had the highest average rent for a two-bedroom apartment of any Canadian CMA. In 2008, it was surpassed by Calgary, and its current average is \$1,075 per month (Canada Mortgage and Housing Corporation 2007, 2008b).

Toronto has the most responsibility for housing and homelessness of any municipal jurisdiction in Canada. The Local Services Realignment downloaded social housing responsibility to the cities in 2001. Toronto Community Housing, the largest social housing provider in Canada and second largest in North America, was subsequently created in 2002. Toronto Community Housing houses approximately 164,000 low- and moderate-income tenants in 58,500 households. There are over 250 other social housing providers in Toronto, with roughly 30,000 units.

After gaining 43,930 new rental units between 1991 and 1996—an impressive 7.6% increase—Toronto’s rental stock declined significantly in the next decade, dropping by over 33,000 units.

In order to improve affordability and increase rental stock, Toronto Community Housing has initiated a vigorous campaign to improve social housing. The Social Investment Fund allocates \$1 million each year to projects designed to improve the quality of life in Toronto communities. In a unique project called Participatory Budgeting, Toronto Community Housing tenants take part in the budget creation process. Toronto Community Housing also has a Youth Investment Strategy, designed to move away from delivery of youth programming to supporting youth programming from outside sources. The City of Toronto also has a Housing Allowance

program, which offers a temporary allowance of up to \$350 per month. The program is run by Housing Connections, a subsidiary of Toronto Community Housing. The City also has a rent supplement program for landlords.

Toronto Community Housing has identified repairing aged stock (much of which is more than 40 years old) as its “biggest challenge,” acknowledging a \$300 million gap between the organization’s capital budget and the cost of repairs (Toronto Community Housing 2007: 3). Because of its limited fund-raising capability, Toronto Community Housing’s only response was “Strong Foundations, Strong Futures,” which amounted to a description of the problem, and a request for the Ontario government to fund it prior to the 2008 budget. Although the provincial government has recently provided over \$100 million to Toronto Community Housing, roughly 70,000 households were on Toronto’s social housing wait list in 2006 (Wellesley Institute 2006).

Toronto Community Housing recently developed *Housing Opportunities Toronto*, a ten-year framework for affordable housing. The framework suggests that \$469 million annually is required to assist some 200,000 households over the ten-year period. Yet the efforts of the Toronto Community Housing underscore the fundamental problem with Ontario’s Local Services Realignment. In spite of presenting compelling evidence that funding is required in order to maintain and create new stock, the body with the responsibility for housing is left simply to ask the provincial and federal governments for money. Without the revenue-raising capabilities of the more senior levels of government, Toronto simply cannot afford to pay for affordable housing. It should come as no surprise that, since the Local Services Realignment, rental development is declining, affordability is way down, and core housing need has increased in Toronto—as it has in much of Ontario.

Toronto has also suffered from a surge in homelessness over the last several years. In 2006, the local homeless count enumerated 5,052 homeless people living on the streets, shelters, treatment facilities, and correctional facilities (Toronto 2007). In Toronto, the Shelter, Support and Housing Administration Division (SSHA) is responsible for funding homeless shelters and nonprofit community centres. In 2005, the City launched Streets to Homes, a program using a “housing first” approach to end homelessness. The program implements a low or no barrier approach to housing programs, meaning individuals are assisted in getting housing immediately. The program boasts putting 1,300 homeless people into housing since 2005, and has been approved by the Greater Toronto Apartment Association (Hanes 2008). In a city beset by affordable housing and homelessness problems, Streets to Homes has been a success, one to be emulated by other Canadian cities.

In spite of the success of Streets to Homes, however, the affordable housing picture in Toronto remains troublesome.

Other Canadian cities experiencing affordable housing and homeless issues in recent years—Calgary, Edmonton, Vancouver, and Victoria—are about to experience a cooler housing market, with housing costs expected to level off after growing exponentially. Their provincial governments have committed to new housing programs designed to combat homelessness and increase housing stock. Toronto, on the other hand, did not experience its housing crisis because of a rapid growth in prices. Its rental stock is dilapidated and disappearing, and its provincial government has not committed to a plan to address affordable housing. Worse yet, the City is responsible for paying for its programs, in spite of its inability to raise significant revenue.

## 8.11 MONTREAL

In 2008, the average rent in the metropolitan area for a two-bedroom apartment was \$643 per month, nearly \$140 cheaper than the Canadian average and over \$400 cheaper than Calgary. Compared to the rest of the country (and even the rest of Quebec), residents in Montreal are far less likely to own their home. Data from the 2006 Census indicate that only 53.4% of Montreal households own their home, compared to 60.1% for the province and 68.4% for Canada.

From 2000 to 2005, Montreal had a very low rental vacancy rate, ranging from 0.6% to 2%. As of April 2008, the vacancy rate was 2.8%. Montreal has had steady growth in its number of rental units, gaining over 5,500 units between 2001 and 2006. However, Montreal residents are gradually moving to homeownership; Montreal gained over 100,000 owners between 2001 and 2006. While the 53.4% ownership rate is low for Canada, it is much higher than 46.7%, Montreal’s rate in 1991 (Canada Mortgage and Housing Corporation 2007, 2008a, 2008d).

**Figure 55: Montreal Summary**

Rental vacancy rate (April 2008)	2.8%
Average monthly rent, 2-bedroom apartment (April 2008)	\$643
Percentage of households spending over 30% on shelter (2006 Census)	26.4%
Percentage of owners spending over 30% on shelter (2006 Census)	16.6%
Percentage of renters spending over 30% on shelter (2006 Census)	27.7%
Incidence of Core Housing Need (2004)	12.1%
Major housing initiatives	Opération 15 000 logements (2006)
Major homelessness strategy	N/A

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g



In Montreal, Société d'habitation du Québec programs are delivered by the City's housing department. In addition to administering the various provincial housing programs, Montreal has also developed several successful initiatives. Montreal's Home Ownership program provides financial assistance to first-time homebuyers and offers assistance to tenants for purchasing the existing rental unit in which they live. From 2002-2005, the city had an action plan called Opération Solidarité 5 000 logements. Combining direct municipal assistance of \$106 million with funding from AccèsLogis and the AHI, the action plan funded 5,000 new social housing units, offering grants to nonprofits and housing cooperatives. The program also included a homelessness component, creating 611 units with support services for homeless individuals. The units were scattered across the city, in order to help integrate the individuals into their community. As part of a broad scheme aimed at sustaining mixed communities through the development of both social and private affordable units, the city also recently completed the revitalization of the LAVO area in the Mercier-Hochelaga-Maisonneuve borough, which involved relocating the LAVO company and demolishing the industrial buildings on the site.

In 2006, Montreal initiated Opération 15 000 logements, a \$480 million four-year plan involving a \$100 million investment from the City and other public sources. The first axis of the plan (the social and community component) targets the creation of 5,000 new social and community housing units: 3,500 for families and people under the age of 60, 1,000 for seniors, and 500 for people at risk of homelessness. The second axis (the private component) includes several interventions by which the City helps create or preserve 10,000 affordable private market units. This goal involves assistance to 3,000 first-time homebuyers; renovation grants for 3,000 private units (including rooming houses); the creation of 1,000 units through the development of municipal land; 2,000 units through the Société d'habitation et de développement de Montréal's Accès Condos program; and assistance offered to developers through the Renovation Québec program, assisting in the creation of 1,370 units.

In 2005, the City adopted an inclusionary housing strategy. This strategy has two major objectives: favouring the creation of mixed communities, and facilitating the realization of social housing and private affordable housing for first-time homebuyers. In a progress report published in 2007, 26 inclusionary projects were under construction or in various planning stages.

Currently, there are no reliable data on the number of homeless in Montreal, as no homeless count has been conducted since 1997. Nonetheless, through programs such as Opération 15 000 logements, Montreal continues to make housing the homeless part of its affordable housing strategy.

## 8.12 HALIFAX

Halifax stands out among Atlantic Canadian cities as having the least affordable housing in the region. In April 2008, the average rent for a two-bedroom apartment in Halifax was \$827 per month—a 4.3% increase from a year earlier, and the highest of any city in any province outside of Ontario, Alberta, and British Columbia. Other cities in the Atlantic provinces had much lower average rental prices for a two-bedroom apartment: \$614 for St. John's, \$665 for Charlottetown, \$665 for Moncton, and \$604 for Saint John. A quarter of all households (15.2% of owners and 44.7% of renters) reported spending 30% or more on rent in the 2006 Census. The rental vacancy rate is currently at 3.2%, down from 3.6% a year earlier (Canada Mortgage and Housing Corporation 2008a). Housing in Halifax is less affordable than in the rest of the province, and indeed the rest of the region.

The Halifax Regional Municipality (HRM) is not responsible for the delivery of social services and social housing in the province. Since 2000, however, the HRM has been involved in research and facilitation activities, particularly in relation to homelessness. Much work is done with the Community Action on Homelessness (CAH), an advocacy organization which seeks to build partnerships and advance funding proposals for the federal government.

Homelessness is on the rise in Halifax. The 2004 homeless count found 266 homeless individuals, compared with 234 a year earlier. The count enumerated people living both in shelters and on the streets. In 2006, Dalhousie University's School of Planning published a report, *The Value of Investment in Housing Support Services in Halifax*, which proposed using a "housing first" approach that would immediately offer permanent supportive housing to the homeless. The report

Figure 56: Halifax Summary

Rental vacancy rate (April 2008)	3.2%
Average monthly rent, 2-bedroom apartment (April 2008)	\$827
Percentage of households spending over 30% on shelter (2006 Census)	25.8%
Percentage of owners spending over 30% on shelter (2006 Census)	15.2%
Percentage of renters spending over 30% on shelter (2006 Census)	44.7%
Incidence of Core Housing Need (2004)	13.6%
Major housing initiatives	N/A
Major homelessness strategy	Homelessness in HRM (2005 study)

Source: Canada Mortgage and Housing Corporation 2007, 2008a; Statistics Canada 2008a, 2008f, 2008g



Figure 57: Summary of Municipal Policies and Statistics

	Major Programs	Households spending > 30% on shelter (2006 Census)	Owners spending > 30% on shelter (2006 Census)	Renters spending > 30% on shelter (2006 Census)	Core Housing Need (2004)*	Rental Vacancy Rate (April 2008)	Average Monthly Rent, 2-Bedroom Apartment (April 2008) [Dollars]
Victoria	2007 Memorandum of Understanding	29.1%	20.9%	43.8%	13.4%	0.3%	\$900
Vancouver	Project Civil Society; Homelessness Action Plan	32.9%	27.1%	43.8%	17.4%	0.9%	\$1,071
Kelowna	Affordable and Special Needs Housing Task Force; Mayor's Event to End Homelessness	28.8%	22.8%	47.9%	NA	0.3%	\$881
Abbotsford	Affordable Housing Strategy	30.6%	26.1%	43.2%	11.5%	2.4%	\$775
Calgary	Ten-Year Plan to End Homelessness in Calgary	24.4%	19.2%	39.4%	8.8%	2.0%	\$1,096
Edmonton	AccèsLogic Québec; Logement abordable	22.8%	15.7%	38.8%	10.9%	3.4%	\$1,000
Regina	A Home for All	20.4%	11.9%	40.6%	9.9%	1.4%	\$718
Saskatoon	Affordable Housing Reserve	25.1%	15.0%	45.2%	9.8%	0.9%	\$739
Winnipeg	Winnipeg Housing and Homelessness Initiative	20.0%	11.6%	37.3%	9.9%	1.0%	\$746
Toronto	Housing Opportunities Toronto; Streets to Homes	33.4%	27.1%	46.4%	19.1%	2.8%	\$1,075
Montreal	Opération 15 000 logements	26.4%	16.6%	27.7%	12.1%	2.8%	\$643
Halifax	Homelessness in HRM (Study)	25.8%	15.2%	44.7%	13.6%	3.2%	\$827
Canada	Affordable Housing Initiative; Affordable Housing Trusts	24.9%	17.8%	40.3%	13.6%	2.6%	\$782

\* Due to lack of available data, Core Housing Need for the three territories is from 2001, not 2004.

used comparative data from other jurisdictions using the approach, making a compelling economic case for its adoption in Halifax. As of yet, the provincial government has not adopted the recommendations.

## 9. ANALYSIS: UNIFORMITY OR FLEXIBILITY?

This section discusses the trends that have been occurring with respect to affordable housing and homelessness, which lead to some broad observations.

### 1. Several key policies have been adopted by virtually all jurisdictions.

Despite a good deal of variation across jurisdictions, there are a number of similarities. All provinces and territories continue to build social housing, aided by the AHI funding. All provinces and territories also offer some form of income assistance, be it in the form of shelter allowances, rent supplements to landlords, or other forms of rent-geared-to-income housing strategies. Largely because of the federal RRAP, all provinces and territories have committed to various forms of rehabilitation

and repair programs. These programs are available to both landlords and homeowners.

As well, most jurisdictions offer some sort of grant or loan (such as a first-time homebuyers' program) to low- and moderate-income households to encourage homeownership. With the affordable housing trusts, all provinces have invested heavily in off-reserve Aboriginal housing, though the manner by which the programs are administered varies widely. As well, all provinces remain engaged with the nonprofit sector, providing grants and loans to nonprofit housing organizations.

Various provinces—including all four western provinces—have conducted task forces on housing affordability and homelessness. As task forces provide a chance to visit communities, assess local needs, gather information, and look at best practices, this is a positive development. These task forces normally lead to comprehensive new housing programs, usually with an infusion of funding. They have also tended to recognize the link between affordable housing and homelessness, with several recommending a “housing first” approach.

The emergency eviction prevention funds (notable in Ontario, British Columbia, and Alberta) provide an important stopgap measure in preventing homelessness and are a positive

development toward streamlining homelessness and housing policy. Another positive development is indexing shelter allowances to be consistent with inflation, which has been done to a certain extent by both British Columbia and Newfoundland and Labrador. Many jurisdictions—Toronto, New Brunswick, and the Yukon, to name a few—are funding grants to increase energy efficiency in homes.

## 2. Canadian housing policy represents a patchwork, not a framework—and this is a good thing.

In spite of the above similarities, affordable housing in Canada represents more of a patchwork than a framework or, in more positive terms, it allows for flexibility rather than stressing uniformity. Important indicators of affordability—housing markets, the economy, owner-to-renter ratios, urban growth—fluctuate across the country. This lack of uniformity necessarily creates different provincial priorities with respect to both affordable housing and homelessness.

With respect to administration, each province and territory has taken a different approach to keep its house in order. Some have negotiated social housing transfer agreements with the federal government, while others continue to jointly administer housing with the CMHC. Some provinces (such as Quebec and British Columbia) administer housing entirely through Crown agencies, while others (such as Alberta) do so primarily through ministerial departments. Most provinces have kept housing and homelessness policy separate, while others have merged the two. One province (Ontario) has devolved responsibility to municipalities, although this has partially been reversed.

Yet this is not necessarily a bad thing—in fact, it represents a pragmatic approach that allows for flexibility. The current policies of the four western provinces provide an example: British Columbia and Alberta are focusing on housing their homeless population and building more social housing units, Saskatchewan on fostering rental development in a surging economy, and Manitoba on revitalizing its inner cities and restoring dilapidated units. If the contextual factors affecting housing and homelessness vary from province to province, so too should the policies. And where there are shortcoming in provincial policies, it is arguably better to focus on addressing these at the provincial level than it is to muddy the waters by petitioning the federal government to take action.

Further, concerns that a decentralized approach to housing might lead to regional disparities between “have” and “have-not” provinces are overstated. Federal government spending and the existence of equalization can be used to ensure that the poorer regions have the capacity to address affordability concerns. The provinces currently experiencing the greatest problems with affordability and homelessness—Ontario, British Columbia, and Alberta—are traditionally “have” provinces.

While there is always a need for interprovincial coordination, cooperation, and learning, a “one-size-fits-all” approach is not the answer.

## 3. The federal government has adopted a decentralized housing policy.

Following from the above observation, the federal government has developed a decentralized strategy of offering funding for housing, and letting provinces decide how best to spend the money.

The social housing transfer agreements, signed with various provinces beginning in the late 1990s, transferred even more responsibility to the provinces. When the federal government made a substantial reinvestment in 2001, it did so in a manner that granted provinces control over program design and delivery through the Affordable Housing Initiative. The Affordable Housing Trusts represent another step in this direction: the money was given to the provinces to spend on a housing program of their own choice, and did not need to be matched.

This too should not be seen as an inherently negative development. Surely having a devolved housing policy is better than having Ottawa design affordable housing policy from Vancouver to St. John’s.

## 4. While a “National Housing Strategy” sounds impressive, it may do more harm than good.

Many commentators have taken the federal government’s policy of “devolution” of national programs to indicate a lack of concern for housing policy. As federal funding for existing social housing is set to diminish gradually in the coming decades (as per the stipulations in the social housing transfer agreements), many housing advocates, commentators, and even governments are calling for a “National Housing Strategy” (Laird 2007a; Kothari 2007; Federation of Canadian Municipalities 2008; Prince Edward Island 2008; Shapcott 2008a, 2008b; Toronto Star 2008). Recently, housing advocate Michael Shapcott’s observation that “Canada is the only major country in the world without a national housing strategy” has gained popularity (Shapcott 2008a; Toronto Star 2008).

However, there are three reasons why the concept of a “national housing strategy” could be detrimental to determining good housing policy in Canada. First, in many respects Canada already has a national housing strategy. Under the AHL, Canada’s housing strategy has been to build more social housing units with funding from at least two levels of government. If a seven-year, \$2 billion cost-shared program involving every province and territory and resulting in the creation of 38,000 affordable housing units (so far) does not constitute a national housing strategy, then what does?

Whether this has been an adequate strategy is debatable, but it has certainly been a strategy.

Second, there is doubt that a national housing strategy would be responsive to provincial housing needs. Given the myriad issues surrounding affordability from province to province and the various policy instruments available, a “one-size-fits-all” national housing strategy would constitute a negative development. As Sancton notes,

While housing advocacy groups and the Federation of Canadian Municipalities (2008) continue to support [the] federal presence, it is difficult to see why it is inherently necessary... we are long past the stage where provincial governments and housing corporations are dependent on federal leadership in this field. (2008: 5)

Finally, the talk of not having a national housing strategy allows provincial governments to blame affordable housing problems on the federal government. A \$1.4 billion increase in funding through the 2006 Affordable Housing Trusts notwithstanding, talk of not having a strategy has allowed provincial governments to blame the federal government for deficiencies in a provincial portfolio. When the provincial housing ministers last met in April 2008, the meeting achieved little more than condemnation of the federal government for not implementing a national strategy. Rather than collaborating and addressing weaknesses in their own programs, the provinces allowed the rhetoric of a “national housing strategy” to dominate the discussion. However, the absence of a new national housing strategy need not preclude an enduring and clear financial commitment from the federal government.

### 5. Affordable housing and homelessness are linked—but policy-makers haven’t quite figured this out yet.

Numerous studies demonstrate the link between affordable housing and homelessness (Alberta 2007; Laird 2007a; Saskatchewan 2008a). Whether housing is affordable has a significant influence on a city’s homeless population; inability to pay for housing has replaced substance abuse and mental illness as the most-cited reason for being homeless. “Housing first” strategies, which link housing and homelessness policy by moving homeless individuals directly from the streets into their own apartments, have been successful in many American and British cities, as well as Toronto (De Jong 2007; Calgary Committee to End Homelessness 2008). Yet, most Canadian governments effectively treat homelessness and affordable housing as separate issues.

One of the main reasons for this disconnect is jurisdictional confusion. Housing is as a provincial responsibility—because of the social policy implications, provinces are best equipped to develop programs and strategies related to housing. Yet for whatever reason, homelessness in Canada is largely seen as

a federal (or municipal) responsibility. This is a mistake. If key factors causing homelessness are intimately tied to affordable housing, logic dictates that homelessness policy—which is as much a matter of social policy as housing—should also be designed and administered by the provinces.

### 6. For the most part, current policies related to homelessness are not effective.

Homelessness policy in Canada can hardly be deemed a success. If the policy goal of the Homelessness Partnering Strategy (and its predecessor, the National Homelessness Initiative) was to reduce homelessness, it has not worked. Successive homeless counts reveal a consistent increase in homelessness across the country since 1999, when the NHI was introduced. If the goal was to ensure a greater proportion of the homeless were housed, it has not worked. Shelters in most cities operate at full capacity, often turning people away. There is virtually universal consensus that homelessness is getting worse across the country, particularly in high-growth cities. Yet it is often treated as a marginal issue, with funding coming primarily from nonprofit organizations, municipalities, and the federal government. We need to recognize that most homelessness policies are quite simply not working, and require serious analysis.

What can be done to encourage better policy for housing the homeless and preventing further homelessness? First, provinces should integrate homelessness policy with affordable housing policy, as noted above. This means provinces need to assume responsibility for fighting homelessness, setting short- and long-term targets for reducing the number of homeless.

Second, provinces should use best practices from elsewhere to fight homelessness. Cities such as Toronto, Victoria, and Calgary have recommended “housing first” approaches (and Toronto has implemented it with some success). Provinces should engage municipalities and develop partnerships, but recognize that responsibility for homelessness is ultimately their own.

Third, because the scope and nature of homelessness varies from province to province, the federal government should adopt the same role for homelessness as it has for affordable housing: co-funder, not administrator. Like housing, homelessness varies significantly from province to province, and requires different responses. A “one-size-fits-all” national strategy—presumably giving the federal government the most responsibility—is no more desirable here than with affordable housing.

Finally, all levels of government need to recognize that they are not currently spending enough to fight homelessness. Housing the homeless requires an immediate infusion of cash. At \$135 million per year, the federal contribution to fighting homelessness is meager compared to the amount spent each

year on indirect responses to homelessness (such as health care, criminal justice, and social service costs). Government funding to combat homelessness should be seen as an investment, one which will generate quick returns. As various studies have shown (Wellesley Institute 2006; Laird 2007a; Calgary Committee to End Homelessness 2008), housing the homeless and adopting a “housing first” approach is considerably more cost-effective than allowing the number of homeless individuals to grow.

### 7. Downloading homelessness and housing policy to cities will only exacerbate problems.

Because municipalities determine zoning provisions and provide land for housing, they should be seen as important partners with respect to affordable housing. Furthermore, because they are “closer” to the actual problem of homelessness, they have an important role to play in identifying the scope of the problem, providing research (such as task forces and homeless counts), and recommending solutions that correspond with local needs. For these reasons, it would be a grave mistake to exclude municipalities from the formulation of affordable housing and homelessness policy.

However, ultimate responsibility and accountability for homelessness and affordable housing should rest primarily with provincial governments. Municipalities have limited funding capacity, and affordable housing and homelessness are not neatly contained within municipal boundaries. The redistributive nature of social policies necessarily puts municipalities under huge pressure to reduce financial commitment in order to hold onto wealthy individuals and companies (Peterson 1981; Sancton 2008: 4). The one Canadian case study of devolving housing policy—Ontario—demonstrates that the downloading of affordable housing to municipalities has been a negative development. In spite of developing a strong business plan based on best practices from elsewhere, Toronto Community Housing cannot implement many of desired policies because of its inability to raise revenue.

As with housing, it is also provinces that are best suited to address “root causes” of homelessness. As Sancton notes, “For all practical purposes, [provinces] have unlimited taxation authority and they have the functional jurisdiction over health, education, social policy, and the built environment” (2008: 4). To abdicate responsibility in the housing and homelessness sector would be a very negative move on the part of the provinces.

## 10. CONCLUSION

Affordable housing and homelessness may not hog the media spotlight, but the way in which policy-makers deal with these issues remains important to the health and well-being of households across the country. This report has sought to do three things: 1) provide data detailing the affordable housing situation in Canada over the last eight years; 2) provide a summary of important federal, provincial, territorial, and municipal policies with respect to affordable housing and homelessness; and 3) examine the relationship between affordable housing and homelessness. Eight years after the Canada West Foundation published the original *A Roof Over Our Heads*, new data suggest affordability problems have intensified and there can be little doubt that homelessness is a growing concern.

Several conclusions can be drawn from this report. Although some policies have been adopted by virtually every Canadian jurisdiction, housing and homelessness policy in Canada is characterized more by flexibility than uniformity. The federal government has adopted a decentralized strategy of offering funding for housing, and letting provinces decide how best to spend the money. Although many see this as “balkanization” of housing policy, this is not necessarily a bad thing. Because of different housing markets and provincial circumstances, the necessary prescriptions within each province will vary, and the current scheme allows pragmatic solutions.

Therefore, a new “national housing strategy” is not desirable at this time. Creating such a strategy would increase the risk of imposing a “one-size-fits-all” policy on provinces with dramatically different housing needs.

However, the absence of a new national housing strategy need not preclude an enduring and clear financial commitment from the federal government. Because affordable housing is a policy area that necessarily requires long-term planning, provinces will benefit from knowing the amount of money they will be receiving from the federal government. Yet a long-term funding commitment is very different from the centralized, top-down implications of a “national housing strategy.”

This report found a serious disjuncture with respect to affordable housing and homelessness policies. As the homeless population continues to grow, particularly in large cities, more and more studies suggest a link between homelessness and affordable housing. Yet in Canada, affordable housing and homelessness are dealt with by two different levels of government. As more and more evidence links homelessness to the inability to pay for adequate housing, there is no reason that the two policy areas should not be integrated in order to improve efficiency, as they now are in British Columbia.

As provinces adopt best practices from elsewhere, they must do so with the knowledge that there is no panacea for either affordable housing or homelessness. Various policy prescriptions have been offered, and they all have their pros and cons. This report has argued that provinces need to target housing policy to their own unique circumstances. Given diverse conditions, one prescription may be desirable for Saskatchewan but inappropriate for New Brunswick. ■

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## APPENDIX: GLOSSARY OF TERMS

Note: Most definitions have been adapted or borrowed from the following sources: BC Housing 2008; Calgary Committee to End Homelessness 2008; Canada Mortgage and Housing Corporation 2007, 2008d; Statistics Canada 2008a; Wilkie and Berdahl 2007.

**Absolute Homeless** – Those who have no shelter of their own, and live either outdoors or rely on social service agencies (such as shelters) for their housing.

**Adequacy** – Used by the Canada Mortgage and Housing Corporation when determining Core Housing Need, adequate dwellings are those reported by their residents as not requiring any major repairs.

**Affordability** – Used by the Canada Mortgage and Housing Corporation when determining Core Housing Need, affordable dwellings cost less than 30% of gross household income.

**Affordable Housing** – According to the Canada Mortgage and Housing Corporation, housing is affordable when the total cost of shelter does not exceed 30% of gross household income.

**At-Risk Homeless** – Those who face circumstances that make it likely that they will become homeless (e.g., impending eviction, rising rents, low income, the need to flee an abusive partner, addiction, or unsafe housing conditions).

**Canada Mortgage and Housing Corporation (CMHC)** – A Crown corporation that administers the National Housing Act for the federal government and encourages the improvement of housing and living conditions for all Canadians. CMHC also develops and sells mortgage loan insurance products.

**Census Agglomeration (CA)** – An area consisting of one or more adjacent municipalities situated around a major urban core. The urban core must have a population of at least 10,000.

**Census Metropolitan Area (CMA)** – An area consisting of one or more adjacent municipalities situated around a major urban core. The urban core must have a population of at least 100,000.

**Chronically Homeless** – Normally refers to a person or family that has been continuously homeless for over a year or more. In order to be considered chronically homeless, a person must have been sleeping in a place not meant for human habitation (e.g., living on the streets) and/or in an emergency homeless shelter.

**Condominium** – A type of homeownership where individuals own specific property units, such as apartments or row houses, but common parts of the property, such as hallways, elevators, heating systems and exterior areas, are owned jointly.

**Core Housing Need** – The term used to describe households which occupy housing that falls below any of the dwelling adequacy, suitability or affordability standards, and which would have to spend 30% or more of their gross income to pay for the median rent of alternative local market housing that meets all three standards.

**Hidden Homeless** – Those who cannot afford a place of their own and are housed privately by “couch surfing” with family or friends.

**Homeless** – Persons who do not have a permanent residence to which they can return whenever they choose.

**Household Growth** – The growth in the absolute number of households in a given area.

**Household Income** – The sum of the pre-tax incomes of all household members aged 15 and over. This includes government transfers, but does not subtract income taxes.

**Housing First** – Programs that place homeless people directly into permanent housing without the requirement for a transition period. While support services are offered and made readily available, the program does not require participation in these services to remain in the housing.

**Housing Starts** – The number of houses for which new construction begins during a particular period.

**Inclusionary Zoning** – Zoning that requires or encourages, as a condition of approval, that a development project includes some special component desired by the municipality, usually affordable housing. The resulting inclusionary units become part of an ongoing pool of affordable housing, which can only be sold to qualified recipients at affordable prices.

**Market Rent** – The amount a unit could be rented for on a monthly basis in the private market, based on an appraisal.

**Net Worth** – Financial worth, calculated by subtracting a person's total liabilities from total assets.

**Nonprofit Housing** – Rental housing that is owned and operated by community-based nonprofit societies. The mandates of these societies are to provide safe, secure, affordable accommodation to households with low to moderate incomes. Most nonprofit housing societies receive some form of financial assistance from government to enable them to offer affordable rents.

**Rent Control** – Regulations defining how a landlord can increase the rent and restricting a landlord's ability to increase the rent.

**Rent-Geared-to-Income (RGI)** – Common in subsidized housing, where the amount of rent to be paid by the tenant is based on the amount of income earned by the tenant, often as a percentage of the tenant's income.

**Rent Supplements** – Financial assistance provided to landlords in order to supplement the gap between the monthly market rent charged for a unit and the rent-geared-to-income portion paid by the tenant.

**Secondary Suite** – A dwelling physically separate from the main area of a family dwelling. Secondary suites usually include a kitchen, bathroom, living quarters, and a separate entrance.

**Shelter Allowances** – Government subsidies paid directly to the tenant in order to help with the price of market rents.

**Shelter Cost-to-Income Ratio (STIR)** – The share of household income spent on shelter costs. In Canada, if that share is over 30%, it is assumed that the household is experiencing affordability problems.

Single Room Occupancy Hotel (SRO) – A dwelling that provides long-term accommodation in single rooms, typically without private bathrooms or kitchens.

Social Housing – Refers to public housing and housing owned and managed by nonprofit and co-operative housing providers.

Social Housing Transfer Agreements – Agreements negotiated between the federal government and the provinces and territories on a bilateral basis. These agreements are intended to streamline administrative arrangements for social housing by providing one-window provincial and territorial delivery. The agreements require that federal funding continue to be used for housing and targeted funding must remain targeted to low income people.

Subsidized Housing – All types of housing in which the government provides some type of subsidy or rental assistance, including public, nonprofit and co-operative housing, rent supplements for people living in private market housing, and emergency/short-term shelters.

Suitability – Used by the CMHC when determining Core Housing Need, suitable dwellings have enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements.

Supported Housing – Regular housing with supports that are not linked to the housing itself.

Supportive Housing – Multi-unit housing largely occupied by tenants who require support services that are linked to the housing.

Transitional Housing – A housing project that has as its purpose facilitating the movement of homeless individuals and families to permanent housing within a reasonable amount of time.

Utilities – Services such as heat, water and electricity that may or may not be included in the amount of rent paid. Cable and telephone services are usually not included.

Vacancy – A unit is considered vacant if it is physically unoccupied and available for immediate rental.

Zoning – The classification and regulation of land within a given area, usually enacted by local governments.

## About the Canada West Foundation

### Our Vision

A dynamic and prosperous West in a strong Canada.

### Our Mission

A leading source of strategic insight, conducting and communicating non-partisan economic and public policy research of importance to the four western provinces and all Canadians.

Canada West Foundation is a registered Canadian charitable organization incorporated under federal charter (#11882 8698 RR 0001).

In 1970, the One Prairie Province Conference was held in Lethbridge, Alberta. Sponsored by the University of Lethbridge and the Lethbridge Herald, the conference received considerable attention from concerned citizens and community leaders. The consensus at the time was that research on the West (including BC and the Canadian North) should be expanded by a new organization. To fill this need, the Canada West Foundation was created under letters patent on December 31, 1970. Since that time, the Canada West Foundation has established itself as one of Canada's premier research institutes. Non-partisan, accessible research and active citizen engagement are hallmarks of the Foundation's past, present and future endeavours. These efforts are rooted in the belief that a strong West makes for a strong Canada.

More information can be found at [www.cwf.ca](http://www.cwf.ca).

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