



*Institute for
Research on
Public Policy*

*Institut de
recherche
en politiques
publiques*



Safe at Home: Increasing Housing Affordability across the Continuum

Oren Newson

**University of Toronto
School of Public Policy
and Governance**

**September 2016
IRPP/University of Toronto
Canadian Priorities Agenda
Award-winning student paper**

The IRPP's *Canadian Priorities Agenda* project is the inspiration for the capstone seminar in the master's in public policy program of the School of Public Policy and Governance at the University of Toronto. The course is offered in an intensive format as a core requirement in the final semester of the two-year program. *A Canadian Priorities Agenda: Policy Choices to Improve Economic and Social Well-Being* is the basic text for the course. It is supplemented by readings chosen by the instructors and guest presenters. The students take the role of judges, and for their final assignment they write a 5,000-word paper modelled on the judges' reports in the original project, in which they have to make the case for an agenda comprising five policies selected from options presented in the course. Every year the instructor selects the best student paper, and the IRPP posts it on its website.

Safe at Home: Increasing Housing Affordability across the Continuum

Oren Newson

Housing affordability has emerged as the most challenging social policy issue facing Canada. For the purposes of this paper, housing affordability refers to the definition advanced by the Canada Housing and Mortgage Corporation (CMHC): a household that lacks housing affordability pays greater than 30 percent of its income toward shelter cost annually.¹ According to Statistics Canada, in 2011 approximately 25 percent of all households lived in unaffordable housing.² This proportion increased to 40 percent when solely considering renter households.

Housing unaffordability is associated with numerous negative economic and social effects on households, including increased debt burden, lower educational attainment, worsened nutrition and increased risk of eviction and homelessness. At the more extreme end of the problem is homelessness, which was experienced by a total of 235,500 individuals in Canada in 2014, approximately 35,000 on a nightly basis.³ Despite the implicit hardship and demoralizing experience of homelessness, it also occurs at significant cost to municipal and provincial governments and agencies in the form of services rendered. One estimate places the annual financial burden of homelessness to Canada at \$7 billion.⁴

Housing unaffordability and homelessness is concentrated in Canada's major urban centres, and disproportionately experienced by Indigenous and recent immigrant households. All sources report the problem is intensifying,⁵ fuelled by the takeoff of housing costs in Toronto, Vancouver and Calgary. The United Nations Committee on Economic, Social and Cultural Rights has made an explicit request for the Canada to formulate a national housing strategy to address housing security.⁶ The Safe at Home strategy outlined in this paper attempts to heed its call in providing an approach to ensure all Canadians are truly safe in their homes.

Intervening in the housing market is a complex affair. While other countries, such as Australia, have opted for tight residency requirements for real estate investment,⁷ Safe at Home starts with the imperative that the existing assets of Canadian homeowners must be preserved, and that Canada must maintain its favourable investment climate — especially as we adapt to the effects of the global commodity slump. Additionally, in the spirit of equity, Safe at Home strives to truly increase housing affordability for all Canadians, rather than just those on the left-hand side of the housing continuum (figure 1). The interconnected nature of the rental and

¹ According to the CMHC, "housing is considered affordable if shelter costs account for less than 30 per cent of before-tax household income" (2016).

² Statistics Canada, *Homeownership and Shelter Costs in Canada*.

³ Refers to both street and shelter homelessness and also the "invisible" homeless (such as those housed by friends). Gaetz, Gulliver-Garcia, and Richter, *State of Homelessness in Canada 2014*, 5.

⁴ Gaetz, Gulliver-Garcia, and Richter, *State of Homelessness in Canada 2014*, 6.

⁵ United Nations, Committee on Economic, Social and Cultural Rights, *Concluding Observations*, 7; Gulliver-Garcia, *Putting an End to Child & Family Homelessness*, 13; Wellesley Institute, *Federal Election 2015*, 1.

⁶ United Nations, Committee on Economic, Social and Cultural Rights, *Concluding Observations*, ???. ADD A PAGE NUMBER

⁷ Australia, Foreign Investment Review Board, *Residential Real Estate*.

homeowner housing markets is crucial in achieving this objective, and these linkages will be explained as they occur in the following text.

Figure 1. The housing continuum.



SROs: single room occupancies. Source: City of Vancouver, 2012.

A final consideration involves the fiscal implications of Safe at Home. It has long been remarked that housing crises are not difficult policy challenges, merely expensive ones. Every effort has been made to clearly delineate the sources of funding that will be tapped to fund the following five-policy strategy. The success of Safe at Home relies on partnership, not simply with the private sector but across all tiers of government as well. The complete cost of the strategy is variable, given the uncertainty surrounding take-up of the private sector in the proposed initiatives.

Selection Criteria

Safe at Home was developed according to principles which aim to maximize its benefits to Canadian households, and its effectiveness as a government program. In the design of the five-policy strategy detailed below, the following four principles were paramount.

- **Equity:** Safe at Home recognizes that the takeoff of housing markets in major urban centres has left many Canadian households marginalized in their security of shelter. Housing affordability issues and insecurity exist across the spectrum, from the increasing number of Canadians experiencing homelessness, to young professional would-be homeowners who have abandoned home ownership as a realistic goal. Given the reality that new immigrants and Indigenous people are more likely to experience housing insecurity than other Canadian households, Safe at Home has identified these two demographics as requiring prompt and targeted support.
- **Economic efficiency:** All of the policies included in Safe at Home represent supply-side solutions to increasing housing affordability. As such they limit the distortionary impacts of intervention. The housing policy options available to Canadian governments that would function to curb demand, such as a federal restriction on foreign home ownership or provincial/municipal targeted tax programs on empty homes, lie beyond the consideration of this agenda.
- **Appropriateness for intervention:** The growing intensity of housing unaffordability suggests the market has not succeeded in ensuring that urban development remains inclusive. The federal government’s exit from social housing policy in the mid-1990s, and

the growth of social housing deficits, repair backlogs and wait-lists, suggest this is an area in which an engaged government can do more to safeguard Canadian households. Finally, as current federal leadership has adopted deficit finance and large infrastructure spending programs as means of combatting the effects of the global commodity slump, reinvesting in social housing represents an initiative that will contribute not only to Canadian security of shelter but also to the general economy through the construction cycle.

- **Fiscal sustainability:** With the 2016 federal budget's return to deficit financing, and Canada's weakened economic outlook, Safe at Home stresses that all of its proposed spending represents social and economic investments, as supported by academic and practitioner consensus. Sustainability as a principle is manifest in the strategy through the proposed partnerships with the private sector, and contractual obligation to participate under community-benefit agreements. The proposal for the creation of new social housing stock through direct expenditure and deficit finance can be justified as a sustainable investment through the robust multiplier effect it will have on the Canadian economy.

Policy Proposals

Safe at Home comprises five proposed policy options, all of which are recommended for implementation. The first three focus on the creation of new housing stock: publicly owned social housing and privately owned purpose-built rental housing. All three embrace the widening of the traditional definition of infrastructure to encompass the necessary human capital requirements of shelter and community space. Safe at Home's remaining policies focus on targeted interventions for the two Canadian demographic groups that are most vulnerable to experiencing unaffordable housing: recent immigrants and Indigenous people.

Option 1: Support the development of "soft" community-based infrastructure in the form of social housing

Background

Canada is the only G8 nation that does not have a national housing strategy. Housing policy was downloaded as a provincial and municipal responsibility in 1996. Given the revenue constraints of both levels of government, this has resulted in a near-freeze of the social housing stock in Canada,⁸ after accounting for population growth. Meanwhile the number of households eligible and wait-listed for social housing has grown,⁹ as has the research claiming that there are numerous beneficial effects of ensuring security of shelter for households and individuals.¹⁰ These range from the improved nutrition, health and school performance of youth, to reduced debt burden and greater labour mobility of households.

Canada's stock of social housing has been declining in relative terms as a proportion of total housing stock (6.5 percent in 1990 to 4.6 percent in 2013), and in absolute terms as its buildings

⁸ Gaetz, Gulliver-Garcia, and Richter, *State of Homelessness in Canada 2014*, 25.

⁹ Federation of Canadian Municipalities, *Built to Last*, 15.

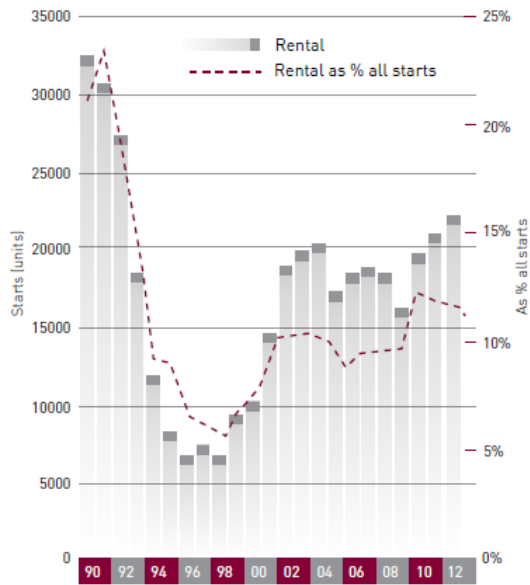
¹⁰ Waterston, Grueger, and Samson, "Housing Need in Canada"; Wellesley Institute, *Federal Election 2015*, 2.

fall into disrepair.¹¹ While there are no national data on the number of eligible households on the waiting list for social housing, estimates claim it is increasing, and that in 2015 there were 168,000 households in Ontario alone (approximately 1.2 percent of the provincial population) facing an estimated wait time of four years.¹²

Solution

Safe at Home proposes the creation of 100,000 new units of social housing, to be financed by the federal government, constructed by the provinces and operated and maintained by municipal organizations. The creation of new social housing stock increases housing affordability and security for Canadians across the housing continuum (shown in figure 1) in several ways. Most directly, it provides a secure and affordable source of housing to households currently at risk of eviction and homelessness. In certain cases, when used through part of “housing first” strategies currently in operation in several Canadian jurisdictions, new social housing will be used to fast-track housing for the street homeless. As such, housing affordability and security are improved for Canadians on the left-hand and centre portions of the continuum. The measure additionally reduces demand for what small amount of rental housing stock still exists and is forecast to come online in major urban centres (figure 2). Less competition over rental housing will help stabilize increasing rents and allow for more households to find shelter according to their budgets. As such, this policy option will help reduce the experience of unaffordable housing for the middle and middle-right of the housing continuum as well.

Figure 2. The declining stock of rental housing.



Source: CMHC Housing Observer, data tables

¹¹ University of British Columbia, “Canada Building Less Social Housing.”

¹² Monsebraaten, “Ontario’s Affordable Housing Wait List.”

Design

Safe at Home proposes the creation of 100,000 new units of social housing (completed at a rate of 10,000 per year), for an annual cost of \$1.75 billion, excluding interest, to be financed through the 2016 budget's five-year, \$3.4-billion investment in social infrastructure, with a remainder of \$1.85 billion to be financed through deficit spending for the initial five-year delivery of 50,000 units. Safe at Home is supportive of Canada's return to deficit financing for the funding of housing initiatives, given the costly effects of the federal government's 20-plus years of disengagement in social housing. Safe at Home's proposed deficit finance for the construction of social units is also supported by economic analysis claiming that every dollar spent on housing construction results in a return on investment of \$1.52 in increased GDP.¹³

The figure of \$1.75 billion has been calculated based on the information that the approximate cost for the construction of a new unit of social housing is \$175,000,¹⁴ and that the approximate yearly staffing cost for one government full-time employee (FTE) is \$114,100.¹⁵ Safe at Home assumes provincial housing ministries are capable of delivering newly constructed social housing, potentially with the addition of a small project management team. For this purpose, four FTEs each for the provinces of Ontario, British Columbia, Quebec and Alberta have been budgeted, for an annual cost of \$18,256,000.

The funds will be allocated to the CMHC, which currently administers all remaining federal funding commitments for social housing. The CMHC will in turn make allocations to the relevant housing departments of provincial governments, who will in turn begin the request for proposal process for construction. Cost savings are expected to be realized with the partnership of municipalities, who will provide their land assets for housing sites. The new social housing stock itself will be maintained and operated by established nonprofit housing organizations but retained as a federal, publicly owned asset, capable of being liquidated in the future.

Impact

As 10,000 units of social housing come online from 2017 onward, 10,000 Canadian households currently on the wait-list for social housing will become adequately housed on an annual basis. Given the means-tested nature of eligibility, it is safe to assume that all households currently wait-listed are suffering from housing unaffordability. While this policy is the most costly of those considered, it is guaranteed to increase housing affordability across the continuum. The creation of social housing, rather than the expansion of rent subsidies, will help reduce the excess demand within Canadian rental markets and reduce downward pressure on the already low vacancy rates in major urban centres.¹⁶ The creation of new social housing also potentially improves housing security for the visible and invisible homeless, as several municipalities have active "housing first" anti-homelessness programs that rely on available supplies of social housing.

¹³ Zon, Molson, and Oschinski, *Building Blocks*.

¹⁴ British Columbia, Office of the Premier, "Historic Investment in Affordable Housing"; Swanson, "Rent Supplements or Social Housing."

¹⁵ Canada, Parliamentary Budget Officer, *Fiscal Impact of Federal Personnel Expenses*, iii.

¹⁶ Falvo, "Canada's Lack of Affordable Housing."

Option 2: *Require community benefits agreements for government-led infrastructure projects*

Background

Community benefit agreements (CBAs) are legally binding agreements between community groups and private property developers that stipulate conditions for property development. Originating in Los Angeles, with the 2001 development of the LA Sports and Entertainment District, CBAs have emerged as a results-focused policy solution to controversial property development, typically in newly rezoned or gentrifying areas.¹⁷ CBAs have since spread to other American jurisdictions and have included provisions for wage and hiring stipulations for construction employment; developer-led contributions to neighbouring affordable housing projects, parks and recreational affiliations; and long-term evaluation standards such as the creation of independent organizations that provide ongoing progress reporting.

CBAs have emerged in Canada with the signed but unratified agreement between Metrolinx and the Toronto Community Benefits Network, which has mostly focused on the hiring of at-risk youth and other disadvantaged groups for transit-related construction projects. However, the Province of Ontario has ensured the future of CBA agreements in the province with the passage of its \$130-billion Infrastructure for Jobs and Prosperity Act 2015.¹⁸ Scholarship on CBAs has advanced claims that while they show promise in the promotion of inclusive growth, it is unclear if they are more effective than traditional forms of regulation.¹⁹

Solution

Safe at Home proposes the further creation of supportive housing units, short-term social housing, homelessness shelters and rent bank operations to be a requirement of all Canadian infrastructure spending through use of community benefit agreements. These forms of housing supports are all crucial to ensuring housing affordability across the left-hand side of the continuum, for the visible and invisible homeless, and for low-income rental households living in core housing need,²⁰ estimated at 733,275 households in Canada in 2014.²¹

Supportive housing refers to social housing in the proximity of, or integrated within, other social services such as living or medical assistance for seniors or those with mental health or addiction issues. A wealth of research supports claims that social housing with attached supportive services is two to three times more likely to be successful in improving its residents' future housing outcomes and completion of treatment campaigns.²² The need for greater numbers of housing shelters in urban centres, particularly in British Columbia, is clear from media reports of growing numbers of individuals being turned away in the years leading up to the current status quo, in which such information is no longer recorded.²³ Lastly, experimentation with rent bank programs in Ontario and BC — whereby households at risk of

¹⁷ Marantz, "What Do Community Benefits Agreements Deliver," 251.

¹⁸ Lorinc, "New Rules";

¹⁹ Cain, "Negotiating with the Growth Machine," 939; Marantz, "What Do Community Benefits Agreements Deliver," 252.

²⁰ Defined by the CMHC as households which spend 50 percent or more of their income on shelter costs.

²¹ Gaetz, Gulliver-Garcia, and Richter, State of Homelessness in Canada 2014, 5.

²² Vancouver, "Get the Facts on Supportive Housing."

²³ "B.C. Housing No Longer Recording Shelter Turn-away Numbers"; Sekharan, "Are We Shutting the Door."

eviction can apply to have one month's rent provided to them in the form of an interest-free loan — have shown good performance in their ability to keep Canadians housed.²⁴

Design

Safe at Home proposes the following process to apply to infrastructure projects. All public procurement of infrastructure projects in jurisdictions with significant housing unaffordability²⁵ will be required to include a contribution toward the funding of these housing initiatives. These funds will be entrusted to the private land developer who has successfully competed for the infrastructure bid when appropriate (i.e., when there is expertise or synergies capable of being realized through use of the same developer for both the original infrastructure project and also the required housing projects). In other cases, the funds will be placed directly in the hands of established community housing nonprofits, who will oversee project management and operation. Release of all funding will be contingent on the formation of a CBA between the affected community and the land developer or nonprofit housing organization.

For federal infrastructure projects, per every \$100 million spent, 1 percent of the final budget must go toward the creation and funding of supportive housing, short-term social housing, shelters or rent banks, according to jurisdictional needs. This 1 percent levy would similarly apply to every \$100 million spent provincially and every \$100 million spent municipally on infrastructure projects. In situations of combined governmental finance for infrastructure, 1 percent would apply to the project total in a proportional manner.

Impact

Infrastructure spending provides a near guaranteed return on investment for the Canadian government.²⁶ The same is true for strategies to counter eviction and homelessness, which exert tremendous service costs on municipal and provincial providers. Given the variable nature of infrastructure investment in Canada, the actual number of housing initiatives to receive funding by result of the proposed mandated infrastructure CBA is similarly variable. As an example, the 2015 Ontario budget earmarked \$11.9 billion for infrastructure for 2015-16.²⁷ Under Safe at Home, \$119 million of those funds would be required to be allocated toward housing initiatives under the CBA (if they were all budgeted for areas experiencing housing unaffordability). This amount could be used to create and operate 528 units of supportive housing in Ontario, as an example. Resources such as supportive and short-term social housing, homeless shelters and rent banks can all be characterized as housing resources that are in excess demand for Canadians across the left-hand side of the housing continuum (see figure 1).

²⁴ Vancouver, Grant to Network of Inner City Community Services Society (NICCSS), 5.

²⁵ As determined by the CMHC.

²⁶ Centre for Spatial Economics, *Economic Benefits*, 4.

²⁷ Ontario "Budget 2015 Makes Largest Infrastructure Investment."

Option 3: Creatively leverage the value of high-density growth and build mixed-use facilities

Background

The promotion of “mixed-use” facilities²⁸ or developments by urban planners and policy-makers has increased, as they have been viewed as a potential solution to issues of urban density, gentrification and housing affordability.²⁹ Mixed developments, involving the provision of development and planning incentives by municipal governments and the actual development of properties by private companies according to certain stipulations, represent an innovative solution for increasing the amount of purpose-built rental housing in major urban centres (traditionally at a mix of market-rate and below-market-rate units within the same development).

The real estate bubbles in major Canadian urban centres have been highly destructive to their stocks of low-cost rental housing (figure 2). The takeoff of home prices in major urban centres has been a major incentive for property development companies to construct new nonrental and high-end housing stock, and for the owners of rental stock to engage in conversions and “renovictions” in an attempt to cash in on high prices.³⁰ Given that one-third of Canadians are renters, and that their median household income is \$37,100,³¹ this has resulted in an increase in housing unaffordability, as the growing demand for low-cost rental units has increased average rents and decreased average vacancy rates in major urban centres. The increased densification of urban centres presents an opportunity for government to partner with the private sector in the creation of mixed housing developments.

In an effort to address declining affordable rental stock, the Trudeau government campaigned in part on offering tax credits to private developers who build affordable rental housing, to a maximum of \$125 million. While this policy is in line with the one considered here, it must be increased in scale to truly increase housing affordability across the continuum.³² Municipal governments have also experimented with providing property developers breaks on development fees and other standard municipal procedures in attempts to incentivize the creation of new rental stock.³³

Solution

Safe at Home proposes the expansion of a national subsidy program, in the form of tax breaks, for private property development companies to construct purpose-built low-cost rental housing as part of mixed-use housing developments. Safe at Home also proposes the enhanced coordination between all tiers of government in the creation of new incentive programs for property developers.

²⁸ For the purposes of this document, “mixed-use facilities” refers to mixed-purpose housing developments created by the private sector.

²⁹ Siemiatycki, “Mixing Public and Private Uses,” 232.

³⁰ Vancouver, Increased Protection for Renters, 3.

³¹ Gaetz, Gulliver-Garcia, and Richter, State of Homelessness in Canada 2014, 23; Statistics Canada, Homeownership and Shelter Costs in Canada.

³² Wellesley Institute, Federal Election 2015, 5.

³³ Vancouver, Creating New Market Rental Housing; Ontario Mental Health Association, “Fast-Tracking Affordable Housing.”

The creation of low-cost rental stock through the creation of mixed-use developments will increase housing affordability across the continuum, as it will greatly reduce housing market pressures through providing new housing options for Canadians across income groups. Utilizing mixed-use housing developments represents a solution to the declining supply of affordable housing in major urban centres, as supported by research claiming mixed-use buildings can successfully overcome development barriers that both public and private partners cannot confront when acting independently.³⁴

Design

Safe at Home proposes the provision of incentives across all levels of government in support of the creation of mixed-use housing developments. First, I propose federal corporate income tax breaks for private property developers who commit to the creation of affordable rental housing in major urban centres, as attached to other market-rate developments. In partnership with provincial governments, Safe at Home proposes a 50 percent reduction of GST/HST and higher capital cost deduction allowances for property development companies which create affordable rental housing as part of other new housing developments. At the municipal level, Safe at Home proposes the mandating of more attractive incentive programs modelled on those already existing in cities, such as Toronto's Open Door³⁵ and Vancouver's STIR³⁶ program. These programs have incentivized the creation of affordable rental stock through the offering of various incentives, including discounted property tax levies, the waiving of certain development cost charges, eased parking requirements and the granting of zoning privileges and expedited permit processes.

Impact

The impact of the creation of further low-cost, purpose-built rental stock on housing affordability seems to be overwhelmingly positive. While some mixed-use housing developments have had issues relating to social cohesion, others have also been recognized to represent best practices in ensuring inclusivity in urban development.³⁷

However, the total impact that Safe at Home will create on improving housing affordability through promoting mixed-use housing developments is variable, given the uncertainty of uptake by private property developers. Vancouver's experience with its STIR program was the creation of 659 units of rental stock per year.³⁸ Using these figures as a benchmark, Safe at Home calculates that an annual target of 1,000 units of affordable rental housing could be realized in major urban centres through more aggressive marketing of such programs and increased incentives provided by all levels of government, as detailed above. The creation of 1,000 units of low-cost rental housing annually has been recognized by the City of Toronto as a target necessary to keep up with population growth and market demand.³⁹

³⁴ Siematycki, "Mixing Public and Private Uses," 231.

³⁵ Tory and Bailão, "Affordable Housing 'Open Door' Program."

³⁶ Vancouver, *Creating New Market Rental Housing*.

³⁷ Urban Land Institute, *Woodward's*.

³⁸ Vancouver, *Secured Market Rental Housing Policy*, 2.

³⁹ Tory and Bailão, "Affordable Housing 'Open Door' Program," 2.

Option 4: Increase immigration settlement by increasing transfers to NGOs and provinces

Background

Safe at Home acknowledges the limitations of the broader interventions proposed above in its first three policies. Second to Indigenous people, immigrants represent Canada's fastest-growing population demographic, with estimates projecting Canada's foreign-born population to increase at a rate four times faster than its native-born population between 2006 and 2031.⁴⁰ Research indicates that Canadian immigrants disproportionately settle in major urban centres,⁴¹ which adds to existing pressures on housing markets. Complicating this dynamic is the research consensus that recent immigrants also disproportionately experience housing unaffordability, especially during their early years in Canada.⁴²

Meanwhile, Canada has reaffirmed its commitment to immigration, evidenced by its ongoing immigration programs and ad hoc acceptance of refugees, such as the 25,000 recently arrived asylum-seekers from Syria. Parallel to these developments has been the withdrawal of federal funding and support for Canada's nonprofit immigration settlement community.⁴³ After language services, housing support is tied with employment support as the most in-demand service provided by Canadian immigration settlement services.⁴⁴

Solution

Safe at Home proposes that federal funding for immigration settlement services be increased by \$100 million, to be used for the explicit purpose of providing housing support to new immigrants and refugees. Allowing the worsening of housing affordability among this demographic while increasing immigration levels annually represents a failure in strategic policy at the national level. Providing more housing supports for new Canadians is a targeted and temporary measure, supported by research that claims that the demographic typically experiences a decline in core housing need⁴⁵ and an increase in access to home ownership the greater the length of time they spend in Canada.⁴⁶

Design

Safe at Home proposes federal funding for immigration settlement services be increased by \$100 million. These funds will be specifically allocated toward the provision of housing support, such as rental subsidies or housing allowances, for new immigrant households, and would replace all other forms of social assistance received by the household.

The funding will be allocated according to CMHC and Immigration, Refugees and Citizenship Canada estimates of the most in-need municipalities, which are experiencing increased rates of immigration settlement and housing unaffordability. The delivery of monthly housing support

⁴⁰ Statistics Canada, "Ethnic Diversity and Immigration."

⁴¹ Statistics Canada, "2011 National Household Survey."

⁴² Côté and Tam, *Affordable Housing in Ontario*, 3; Preston et al., *Precarious Housing and Hidden Homelessness*, vii.

⁴³ Vineberg, "After 40 Years"; Ireton, "Refugee Agencies Lost Federal Money."

⁴⁴ Thomson, *Taking the Long View*, 41.

⁴⁵ Defined by the CMHC as a household which spends 50 percent or more of its income on shelter costs.

⁴⁶ Wayland, "Addressing the Housing Needs," 22.

will involve partnership between the provinces and settlement nonprofits, and these bodies will conduct the means-tested eligibility screening for new Canadian households.

Impact

The following very simplified example illustrates the potential impact of this proposed policy. For housing supports to be effective, they must move a household into a secure position relating to the amount of shelter costs they pay. Using housing affordability definitions outlined by the CMHC, this translates to less than 30 percent of household income going toward shelter cost.

The median costs of a two-bedroom rental apartment in the Greater Toronto Area and the Metro Vancouver area are \$1,220 and \$1,250, respectively, according to 2015 estimates by the CMHC.⁴⁷ Taking Toronto as an example, and assuming that the majority of new Canadians who experience housing unaffordability are paying between 35 and 65 percent of their income toward shelter, their monthly incomes range between \$3,486 (if \$1,220 in monthly rent is 35 percent of their income) and \$1,876 (if \$1,220 in monthly rent is 65 percent of their income).

Accordingly, rent subsidies would range from \$721 (to ensure a household earning \$2,027 per month pays only 29 percent of its income in shelter costs) to \$2,331 (to ensure a household earning \$1,876 per month pays only 29 percent of its income in shelter costs). Under this simplified, illustrative scenario, \$100 million in funding could ensure housing affordability for between 42,900 and 138,696 new Canadian households.⁴⁸

Option 5: Convene intergovernmental panels in each province and territory to address service and funding gaps for urban Indigenous people

Background

Indigenous people are the fastest-growing demographic group in Canada. Their population grew 20 percent from 2005 to 2011, compared with the 5.2 percent growth experienced by Canada's non-Indigenous population over the same period.⁴⁹ Indigenous people are also disproportionately represented in the nation's housing-insecure, homeless and shelter-using population. In 2004, CMHC reported that urban Indigenous peoples were 1.6 times more likely to experience housing need and 2.5 times more likely to live in crowded houses and houses requiring repair than non-Indigenous people.⁵⁰ With the worsening of housing affordability across the continuum since then, it is safe to assume the demographic has been among the most negatively affected. There is a growing research consensus that all tiers of government and the private and nonprofit sectors have failed in supporting the successful establishment of urban Indigenous people.⁵¹

⁴⁷ Canada Mortgage and Housing Corporation, "Toronto — Median Rent"; Canada Mortgage and Housing Corporation, "Vancouver — Median Rent."

⁴⁸ This calculation and the figures quoted are for illustrative purposes. Actual rental subsidies based on a 29-percent-of-income threshold would vary tremendously across jurisdictions and incorporate the fact that many immigrants live in semi-skilled or highly skilled households.

⁴⁹ Statistics Canada, [Aboriginal Peoples in Canada](#).

⁵⁰ Engeland and Lewis, "Exclusion from Acceptable Housing," 29.

⁵¹ Patrick, [Aboriginal Homelessness](#), 24.

Solution

Safe at Home proposes the creation of intergovernmental panels in every province and territory, with representation from urban Indigenous associations, in order to plan for the strategic redesign of Canadian social service programs to better serve Indigenous people. Given the failure of the system up until this point, more policy research, consultation and coordination is required before any further funding allocations are proposed.

Given urban Indigenous people's disproportionate experience of poverty, homelessness and housing insecurity, the alleviation of these experiences should serve as the overarching planning objective of the panels. Establishing adequate housing for urban Indigenous people is a recommendation that has persistently emerged in scholarship as a means of ensuring their improved economic and social outcomes.⁵² However, the lack of national leadership on these issues continues to prevent progress. The convening of significant intergovernmental panels with adequate stakeholder representation, working toward the strategic redesign of social services for Indigenous people, is required for any future policy success.

Design

Safe at Home proposes a lengthy and transparent strategic planning and consultation campaign to be spearheaded by the Canadian government in every province and territory. All intergovernmental panels will require representation from all tiers of government, the private and nonprofit sectors and Indigenous groups and associations. To maximize public engagement and awareness, the panels should be recorded and streamed.

Safe at Home proposes the campaign be modelled on the Mental Health Commission of Canada, which was allocated a budget of \$5 million and a 10-year mandate. Funding for the initiative will be allocated from within the renewed \$23.7-million reinvestment in the Urban Aboriginal Strategy, announced in the 2016 budget.⁵³

Impact

Safe at Home stresses the need for more strategic planning and research on the issue of how to best address urban Indigenous housing challenges. The persistent failure of the current Canadian social service system to adequately address the needs of urban Indigenous people suggests it requires a systemic redesign. This claim is supported by survey findings and program evaluations in which Indigenous people across Canada list experiences of discrimination, or expected discrimination, as the primary reason they have avoided using social services.⁵⁴

Conclusion

The five policies proposed by Safe at Home attempt to find synergies with the rapid development of major urban centres and government programs. While much is made of the existing infrastructure deficit facing the country, Canada also faces an affordable housing deficit, the product of two decades of a lack of governmental engagement.

⁵² Patrick, *Aboriginal Homelessness*, 24.

⁵³ Canada, "Chapter 3 – A Better Future for Indigenous Peoples."

⁵⁴ Patrick, *Aboriginal Homelessness*, 23.

The Safe at Home program proposes the creation of greatly needed social housing, as a public asset. It additionally proposes the creation of social and rental housing, in addition to other housing initiatives, alongside the development of our urban centres, to ensure the process of growth does not marginalize Canadian households. Lastly, this strategy acknowledges the limitations of its own proposals, and of the current system, in ensuring security of shelter for our two fastest-growing demographic groups, new arrivals and urban Indigenous people. In achieving this end, it proposes new funding and planning initiatives to lay the foundation for future success.

References

- Australia. Foreign Investment Review Board. Residential Real Estate. Accessed March 1, 2016. <http://firb.gov.au/real-estate/>
- “B.C. Housing No Longer Recording Shelter Turn-away Numbers.” CBC News, November 9, 2015. Accessed March 20, 2016. <http://www.cbc.ca/news/canada/british-columbia/bc-housing-shelter-turnaway-1.3310473>
- British Columbia. Office of the Premier. “Historic Investment in Affordable Housing.” News release. Accessed March 4, 2016. <https://news.gov.bc.ca/releases/2016PREM0017-000200>
- Cain, C. “Negotiating with the Growth Machine: Community Benefits Agreements and Value-Conscious Growth.” Sociological Forum 29, no. 4 (2014): 937-58.
- Canada. “Chapter 3 – A Better Future for Indigenous Peoples.” In Budget 2016: Growing the Middle Class. Accessed March 22, 2016. <http://www.budget.gc.ca/2016/docs/plan/ch3-en.html>
- Canada. Parliamentary Budget Officer. The Fiscal Impact of Federal Personnel Expenses: Trends and Developments. Ottawa: Office of the Parliamentary Budget Officer, 2012. http://www.pbo-dpb.gc.ca/web/default/files/files/files/Fed_Personnel_Expenses_EN.pdf
- Canada Mortgage and Housing Corporation. “About Affordable Housing in Canada.” Accessed August 9, 2016. https://www.cmhc-schl.gc.ca/en/inpr/afhoce/afhoce_021.cfm
- . “Toronto — Median Rent by Bedroom Type by Zone.” Accessed May 12, 2016. <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.23.3&GeographyId=2270&GeographyTypeId=3&DisplayAs=Table&GeographyName=Toronto>
- . “Vancouver — Median Rent by Bedroom Type by Zone.” Accessed May 12, 2016. <https://www03.cmhc-schl.gc.ca/hmip-pimh/en/TableMapChart/Table?TableId=2.1.21.3&GeographyId=2410&GeographyTypeId=3&DisplayAs=Table&GeographyName=Vancouver>
- Centre for Spatial Economics. The Economic Benefits of Public Infrastructure Spending in Canada. Ottawa: Broadbent Institute, 2015.
- Côté, A., and H. Tam. Affordable Housing in Ontario: Mobilizing Private Capital in an Era of Public Constraint. IMFG Perspectives 3. Toronto: Institute on Municipal Finance & Governance, 2013. Accessed June 12, 2016. <http://munkschool.utoronto.ca/imfg/uploads/238/1409affordablehousingproof2.pdf>
- Engeland, J., and R. Lewis. “Exclusion from Acceptable Housing: Canadians in Core Housing Need.” Horizons 7, no. 2 (December 2004): 27-33. Accessed June 11, 2016. <http://publications.gc.ca/collections/Collection/CP12-1-7-2E.pdf>
- Falvo, N. “Canada's Lack of Affordable Housing.” Monitor, May 2007. Canadian Centre for Policy Alternatives. May 1, 2007. Accessed March 3, 2016. <https://www.policyalternatives.ca/publications/monitor/may-2007-canadas-lack-affordable-housing>

Federation of Canadian Municipalities. "Built to Last: Strengthening the Foundations of Housing in Canada." News release, May 20, 2015. Ottawa: the Federation. Accessed June 12, 2016. <http://www.fcm.ca/home/media/news-releases/2015/canada-needs-a-housing-system-that-is-built-to-last.htm>

Gaetz, S., T. Gulliver-Garcia, and T. Richter. The State of Homelessness in Canada 2014. Toronto: Homeless Hub Press, 2014.

Gulliver-Garcia, T. Putting an End to Child & Family Homelessness in Canada. Toronto: Raising the Roof, 2016.

Ireton, J. "Refugee Agencies Lost Federal Money, Now Trying to Ramp Up." CBC News, November 24, 2015. Accessed March 20, 2016. <http://www.cbc.ca/news/canada/ottawa/refugee-services-cut-to-the-bone-need-money-to-prepare-for-syrians-1.3315098>

Lorinc, J. "New Rules Require Ontario Megaproject Bidders to Set Up Recruitment Programs." Globe and Mail, June 3, 2015. Accessed February 20, 2016. <http://www.theglobeandmail.com/news/toronto/new-rules-require-ontario-megaproject-bidders-to-set-up-recruitment-programs/article24790446/>

Marantz, N.J. "What Do Community Benefits Agreements Deliver?" Journal of the American Planning Association 81, no. 4 (2015): 251-63.

Monsebraaten, L. "Ontario's Affordable Housing Wait List Hits Record High." Toronto Star, May 4, 2015. Accessed March 2, 2016. <https://beta.thestar.com/news/gta/2015/05/04/ontarios-affordable-housing-wait-list-hits-record-high.html>

Ontario. "Budget 2015 Makes Largest Infrastructure Investment in Ontario's History." News release, April 23, 2015. Accessed June 12, 2016. <https://news.ontario.ca/mof/en/2015/04/budget-2015-makes-largest-infrastructure-investment-in-ontarios-history.html>

Ontario Mental Health Association. "Fast-Tracking Affordable Housing in the City of Toronto." Blog post. Accessed March 12, 2016. <http://ontario.cmha.ca/news/fast-tracking-affordable-housing-in-the-city-of-toronto/#.VvytcqQrK00>

Patrick, C. Aboriginal Homelessness in Canada: A Literature Review. Toronto: Canadian Homelessness Research Network Press, 2014.

Preston, V., R. Murdie, S. D'Addario, P. Sibanda, A.M. Murnaghan, J. Logan, and M.H. Ahn. "Precarious Housing and Hidden Homelessness Among Refugees, Asylum Seekers, and Immigrants in the Toronto Metropolitan Area." CERIS Working Paper 87. Toronto: Ontario Metropolis Centre, 2011.

Sekharan, V. "Are We Shutting the Door on Homeless Families?" Homeless Hub blog post, September 9, 2015. Accessed March 20, 2016. <http://homelesshub.ca/blog/infographic-are-we-shutting-door-homeless-families>

Siemiatycki, M. "Mixing Public and Private Uses in the Same Building: Opportunities and Barriers." Journal of Urban Design 20, no. 2 (2015): 230-50.

Statistics Canada. Aboriginal Peoples in Canada: First Nations People, Métis and Inuit. Analytical document. Ottawa: Statistics Canada. Accessed March 20, 2015.

<https://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-011-x/99-011-x2011001-eng.cfm>

———. “Ethnic Diversity and Immigration.” Accessed March 22, 2016.

<http://www.statcan.gc.ca/pub/11-402-x/2011000/chap/imm/imm-eng.htm>

———. Homeownership and Shelter Costs in Canada. Analytical document. Ottawa: Statistics Canada. Accessed March 3, 2016. <https://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-014-x/99-014-x2011002-eng.cfm>

———. “2011 National Household Survey: Immigration, Place of Birth, Citizenship, Ethnic Origin, Visible Minorities, Language and Religion.” Daily, May 8, 2013. Accessed March 20, 2016. <http://www.statcan.gc.ca/daily-quotidien/130508/dq130508b-eng.htm>

Swanson, J. “Rent Supplements or Social Housing: Which Do We Need?” Mainlander Magazine, June 17, 2014. Accessed March 5, 2016. <http://themainlander.com/2014/06/17/rent-supplements-or-social-housing-which-do-we-need/>

Thomson, M. Taking the Long View of Integration Services: The Service Needs of Post-Three-Year Immigrants in Vancouver & Burnaby. Burnaby, BC: Social Planning and Research Council of British Columbia, 2009.

Tory, [J.], and [A.] Bailão. “Affordable Housing ‘Open Door’ Program.” Memo to [Toronto City Council] Affordable Housing Committee, April 24, 2015. Accessed June 12, 2016.

<http://www.toronto.ca/legdocs/mmis/2015/ah/comm/communicationfile-52482.pdf>

United Nations. Committee on Economic, Social and Cultural Rights. Concluding Observations on the Sixth Periodic Report of Canada. E/C.12/CAN/CO/64. March 23, 2016. New York: UN Economic and Social Council. Accessed June 12, 2016.

http://tbinternet.ohchr.org/_layouts/treatybodyexternal/Download.aspx?symbolno=E%2fC.12%2fCAN%2fCO%2f6&Lang=en

University of British Columbia. “Canada Building Less Social Housing despite Risk of Increased Homelessness: UBC Study.” News release, May 21, 2015. Accessed March 1, 2016.

<http://news.ubc.ca/2015/05/21/canada-is-building-less-social-housing-despite-risk-of-increased-homelessness-ubc-study/>

Urban Land Institute. Woodward’s. ULI Case Studies. Accessed March 16, 2016.

<http://casestudies.uli.org/woodwards/>

Vancouver. Creating New Market Rental Housing and Protecting Existing Rentals and Tenants. Accessed March 20, 2016.

<http://vancouver.ca/people-programs/creating-new-market-rental-housing.aspx>

———. Final Report from the Mayor's Task Force on Housing Affordability. Administrative Report, RTS 9762, October 2, 2012. Accessed June 12, 2016.

http://vancouver.ca/files/cov/Staff_report_to_Council_re_task_force_report.pdf

———. “Get the Facts on Supportive Housing.” Accessed March 20, 2016.

<http://vancouver.ca/people-programs/supportive-housing-in-your-neighbourhood.aspx>

———. Grant to Network of Inner City Community Services Society (NICCSS) for Vancouver Rent Bank 2015 to 2017. Administrative Report, RTS 10947, May 1, 2015. Accessed June 12, 2016. <http://council.vancouver.ca/20150512/documents/a2.pdf>

———. Increased Protection for Renters - Tenant Relocation and Protection Policy and Associated Guidelines. Policy Report, RTS 10987, December 3, 2015. Accessed June 12, 2016. <http://council.vancouver.ca/20151210/documents/ptec4.pdf>

———. Secured Market Rental Housing Policy. Policy Report, RTS 9503, May 8, 2012. Accessed June 12, 2016.

http://vancouver.ca/files/cov/secured_market_rental_housing_council_report.pdf

Vineberg, R. "After 40 Years, Immigrant Settlement Program Needs an Overhaul." Globe and Mail, April 21, 2014. Accessed March 10, 2016.

<http://www.theglobeandmail.com/opinion/after-40-years-immigrant-settlement-program-needs-an-overhaul/article18075025/>

Waterston, S., B. Grueger, and L. Samson. "Housing Need in Canada: Healthy Lives Start at Home." Paediatrics & Child Health 20, no. 7 (2015): 403-13.

Wayland, S. "Addressing the Housing Needs of Immigrants and Refugees in Canada." Canadian Issues (Fall 2010): 22-7.

Wellesley Institute. Federal Election 2015 Health Equity Impact Assessment. Toronto: the Institute, 2015.

Zon, N., M. Molson, and M. Oschinski. Building Blocks: The Case for Federal Investment in Social and Affordable Housing in Ontario. Mowat Research 98. Toronto: Mowat Institute, 2015. Accessed May 12, 2016.

https://mowatcentre.ca/wp-content/uploads/publications/98_building_blocks.pdf