

Policy Brief:

Gaps in Affordability, Access, and Security Mean Not All Canadians Benefit Equally from the Canada Housing Benefit

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Executive Summary

Canada's National Housing Strategy Act formally recognized housing as a human right in 2019 [1]. However, the current design and implementation of demand-side rent subsidy programs—most notably the Canada Housing Benefit (CHB)—raise concerns about whether they adequately support equity-seeking groups, including people with disabilities, youth, seniors, refugee claimants, women fleeing violence, and households with unstable employment income. This brief argues that while the CHB can provide short-term rent relief, it often falls short of ensuring adequate, secure, and deeply affordable housing for people in greatest need.

Drawing on peer-reviewed studies across multiple provinces, this brief identifies five key concerns: affordability gaps, uneven access for vulnerable groups, limited security of tenure, poor housing conditions, and weak tenant protections. Evidence suggests that CHB benefits have not kept pace with actual rental costs, especially when calculations rely on average market rents and exclude utilities. Restrictive, bureaucratically complex, and uneven eligibility criteria may also limit access for equity-seeking groups mentioned above.

To better align the CHB with a right-to-housing approach, governments need to revise benefit calculations, remove exclusionary eligibility criteria, streamline application processes, strengthen tenant protections, and prioritize long-term investment in rent-geared-to-income non-market housing.

1. Policy Context

The Canada Housing Benefit is a core component of the National Housing Strategy (NHS) [2]. It is designed to provide portable rent subsidies directly to tenants, rather than funding specific housing units. In principle, this model gives recipients more choice in the rental market and can provide immediate affordability support. However, the effectiveness of the CHB depends on whether benefit levels, eligibility rules, housing availability/conditions, and tenant protections are sufficient to meet the needs of low-income and equity-seeking households. In practice, several design and implementation issues limit the CHB's ability to deliver adequate, secure, and affordable housing.

2. Key Findings

2.1. Affordability gaps remain significant

The transition from earlier rent subsidy programs to the CHB has, in some cases, resulted in higher housing cost burdens for tenants. According to the Canadian Housing Survey, the majority of renters are responsible for at least some of their utility costs [3]. However, utility costs are not included in CHB calculations. Although the benefit may reduce shelter costs relative to non-recipients, it is often calculated using Average

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Market Rents (AMRs), which may not reflect the actual cost of available rental units. AMRs are derived from both occupied and vacant units and are not consistently updated, which can lead to an underestimation of current market rents. As a result, many recipients continue to spend more than 50% of their income on housing [4]. Quantitative modelling also suggests that portable subsidies often fall short in protecting tenants from economic hardship [5]. In high-cost private rental markets, the financial assistance provided may be insufficient to prevent rent arrears or broader housing instability. Further, gaps in the housing legal framework contribute to an ongoing violation of tenants' rights, as seen in Saskatoon where rents are often increased indiscriminately within a legal landscape that "prioritizes landlords over tenants in the delivery of justice". [6]

2.2. Eligibility criteria and bureaucratic complexities can exclude vulnerable groups

Eligibility criteria vary across provinces and territories, creating uneven access to the CHB. In some cases, these criteria may exclude individuals and households with the greatest housing need. For example, in New Brunswick, minimum employment income requirements can restrict access for people with disabilities or those unable to maintain stable employment [7]. In Nova Scotia, refugee claimants without permanent residency or citizenship are ineligible [7]. In some cities in Ontario, the delay between application and approval can be as long as 8 weeks, leaving tenants vulnerable to eviction for arrears, and/or causing landlords to refuse to house CHB recipients. Young people, as indicated in one Ontario city report, found the application process burdensome and difficult to complete, with onerous reporting and income-tracking requirements exposing them to losing their benefit without notice [8]. The design of CHB may also disadvantage seniors. In New Brunswick, the benefit was initially restricted to individuals under age 65 [4]. In Nova Scotia, the CHB for renters aged 58 and over was initially calculated using a lower cap of 95% of AMR, offering less financial assistance than the benefit available to younger applicants [4], [7].

2.3. Tenure security is limited

In some jurisdictions, CHB support is time-limited, which can undermine long-term housing stability. For example, in New Brunswick, recipients may receive benefits for a maximum of three years. This may be insufficient for households facing persistent poverty, disability, fixed incomes, or long-term financial constraints [7]. Even in provinces such as Ontario, Nova Scotia and Newfoundland and Labrador, where strict individual time limits may not apply, security of tenure remains uncertain. The bilateral agreements funding the CHB between the federal government and the provinces are set to expire in 2028. This creates long-term uncertainty for recipients who may depend on the benefit to remain housed [7].

2.4. Portable benefits do not guarantee adequate housing conditions

Unlike some older rent subsidy programs that required government agreements and unit inspections, the CHB does not typically tie financial assistance to the condition of the dwelling. As a result, recipients may receive support while still living in inadequate housing. Some CHB recipients report living in units in need of major repairs, including with rodent infestations, broken heating or cooling systems, and holes in ceilings [4]. This raises concerns about whether the CHB can meet the standard of adequate housing if it does not ensure that subsidized units are safe, accessible, and in good repair. The unrealistic AMR limit means that tenants can only afford units in distressed and often unsafe neighbourhoods, exposing them to a higher risk of property crime and violence. These are also areas more likely to be "food deserts", to have poor transit infrastructure, and less access to good schools and adequate health services [8].

2.5. Tenant protections remain weak

Some tenants relying on portable subsidies face reported discrimination and have limited power to claim their rights. Tenants may fear that complaining about necessary repairs will lead to harassment, unannounced inspections, or renovations [4]. In tight rental markets, landlords may also use informal strategies to remove subsidized tenants. For example, some landlords may focus on tenants' behaviour or introduce new rules, such as restrictions related to pets, as a pathway to eviction [7]. These dynamics limit the ability of CHB recipients to benefit from the program in practice, even when they are formally eligible.

3. Policy Implications

3.1. Portable subsidies must be complemented by structural and income-security reforms

The CHB can provide short-term affordability support, but portable rent benefits are limited in markets with low vacancy rates, rising rents, and discrimination against tenants receiving social assistance or housing subsidies. When benefits are tied to AMRs rather than actual rental costs, they fail to reflect the real prices tenants face. Without stronger rent regulation, vacancy control, landlord licensing, and tenant protections, public subsidies risk being absorbed by rising private rents. Direct assistance, such as the CHB, should therefore not be treated as a substitute for long-term investment in non-market housing [5]. At the same time, expanding the supply of affordable and non-market housing at the scale required to address housing challenges will take years. In the interim, adequate income support remains necessary to help low-income renters meet their immediate housing costs [9]. Governments must consider alternative or complementary approaches to delivering income support to renters. One example of how governments might reconsider the current direction of CHB is Maytree's proposed Canada Renters Credit. The proposal would provide a refundable federal tax credit for low-income renters, while refocusing the CHB on households with the greatest housing needs [10]. A more fundamental policy alternative is the introduction of a national *Basic Income Guarantee* that establishes an income floor based on need and household size. Although not designed specifically as a housing program, this broader approach could help renters meet their housing costs more consistently while reducing reliance on fragmented, administratively complex, and potentially stigmatizing benefit programs [11].

3.2. Housing policy must centre lived experience

Current NHS programs can be rigid, top-down, and disconnected from the realities of poverty. Policies need to be co-designed and constructed with tenants, front-line workers, disability advocates, women's shelters, refugee-serving organizations, seniors' advocates, and others with direct experience of housing insecurity. Lived experience is particularly important for understanding the real cost of utilities, the need for accessible housing, the impact of disability on employment, and the risks faced by people fleeing violence or living with insecure immigration status [4], [7].

4. Key Recommendations

- A. **Reform benefit calculations.** CHB calculations should reflect actual rents, household income, household size, local market conditions, and utility costs.
- B. **Remove exclusionary eligibility rules and streamline application processes.** Governments should eliminate employment requirements, status-based barriers, age restrictions, and other criteria that exclude high-need groups from accessing support. Reporting requirements need to be moderate and feasible for tenants living with multiple disadvantages.

- C. **Strengthen tenant protections.** CHB reform should be paired with stronger protections against discrimination, retaliation, poor housing conditions, renovations, and informal eviction practices.
- D. **Improve housing quality requirements.** Public subsidies should not support inadequate or unsafe housing. Governments should consider mechanisms to ensure that CHB-supported housing meets basic adequacy, repair, accessibility, and safety standards.
- E. **Shift long-term investment toward non-market housing.** Portable subsidies should be treated as a short-term affordability tool, not the primary solution to housing insecurity. Governments should increase investment in rent-geared-to-income, social, non-profit, co-operative, and other forms of non-market housing.
- F. **Evaluate complementary income-support models.** Governments should examine alternative or complementary approaches to supporting low-income renters, including nationally consistent and less administratively burdensome income benefits, while ensuring that these measures do not replace investment in affordable and non-market housing.

5. Conclusion

The Canada Housing Benefit can provide important short-term rent relief, but its current design and implementation limit its ability to advance the right to adequate housing for equity-seeking groups. Without more inclusive eligibility rules, realistic benefit calculations, stronger tenant protections, and deeper investment in non-market housing, the CHB will remain a limited affordability measure rather than a rights-based housing solution. Canadian governments should also consider whether broader and more accessible income-support mechanisms could complement targeted housing benefits while longer-term structural reforms are implemented.

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