



The
**CO-OPERATIVE
HOUSING
FEDERATION**
of Canada

200,000 affordable homes threatened by expiring federal funding

Budget proposals to protect Canada's affordable housing infrastructure

"Without this support, housing co-operatives will be faced with two untenable choices: raise rents to market rates, which those living on fixed incomes—including many families, seniors and people with disabilities—simply cannot afford, or ask other members to pay higher rent."

Mary is a senior who currently receives federal rent support to pay for her housing.

Affordable housing is a key component of a strong, healthy and productive Canadian economy. CHF Canada is calling on the federal government to preserve housing for half a million vulnerable Canadians after federal assistance ends, and to expand Canada's affordable housing infrastructure.

The federal government took prudent steps in Budget 2013 by renewing Canada's Investment in Affordable Housing (\$1.25 billion) and the Homelessness Partnering Strategy (\$600 million). Earlier this year, it announced fairer terms under which most of Canada's affordable housing providers could repay their CMHC mortgages and obtain private refinancing for repairs and renovations.

In Budget 2014 or through separate joint initiatives with other levels of government, the federal government can continue to move forward by implementing two recommendations that protect housing affordability.

1 Replace expiring federal housing assistance to low-income households

By 2020, 200,000 households in affordable co-operative and non-profit projects will lose their rental assistance when federal programs expire. These vulnerable households (including seniors, new Canadians, Aboriginal people, and persons with mental and physical disabilities) rely on federal rent support for secure and affordable places to live, in every region across the country.

The lives of these Canadians will be drastically harmed if federal, provincial and territorial levels of government do not create new cost-

shared housing assistance programs. New programs—administered by provincial and territorial governments (and municipalities in Ontario)—would address the impending loss of housing assistance when the federal operating agreements end.

Provincial, territorial and municipal leaders know that action is urgently needed. In May, Canada's big city mayors made affordable housing a top priority. They asked senior levels of governments to preserve and renovate existing homes. In June, provincial and territorial housing ministers called on Ottawa to provide



long-term funding to meet the challenges associated with the loss of federal social housing funding.

CHF Canada supports these calls from provincial, territorial and municipal capitals. We encourage the federal government to consult with stakeholder groups and provide meaningful investments by maintaining federal funding for rent-geared-to-income subsidies at 2013 levels (\$1.7 billion per year) as the agreements end.

A unique opportunity for Canada's governments to work together to safeguard vital affordable housing infrastructure.

Continuing this assistance will allow recipients to have secure housing, leading to positive social outcomes and taxpayer savings in health, social services and the justice system.

The future does not have to be bleak. The post-operating agreement period should see the federal government as an engaged partner with the provinces, territories and municipalities. There is a unique opportunity for Canada's governments to work together to safeguard vital affordable housing infrastructure.

For more information, go to www.chfcanada.coop/eoa

2 Build more affordable housing

2009 CMHC housing data shows that 13.5 percent of Canadians, or 1.4 million urban households, were living in housing that was inadequate, unsuitable or unaffordable.

With the goal of helping Canadians in core housing need, especially seniors, new Canadians and aboriginals who are renters, the federal government should ensure that provincial and territorial governments remain accountable for the new federal cost-shared funds provided in Budget 2013 through the Investment in Affordable Housing (\$1.25 billion) over five years until 2019.

A new Affordable Housing Framework (AHF) beyond 2014 (after the existing Framework ends) should require that governments receiving transfers agree to provide increased investments in affordable rental housing, including the development of new homes within existing housing co-operatives.

The need for more rental housing has been well-documented. In 2012, the Federation of Canadian Municipalities (FCM) released a report on the alarming shortage of rental housing in 27 municipalities and urban regions across Canada. The report showed that since 2000, the number of rental units declined and the cost of renting has risen more than 20 percent.

Studies have also shown that housing investment has a multiplier effect, with each new home creating four to six person-years of direct and indirect employment. In June 2013, the provinces and territories stated that, between 2010 and 2012, combined Federal-Provincial-Territorial housing spending "added over \$3 billion per year to the economy and created or sustained 35,000 jobs."

Providing shelter leads to long-term savings for Canadian taxpayers and society at large.

Another study has also shown that providing shelter leads to long-term savings for Canadian taxpayers and society at large. For example, a 2007 Simon Fraser University report prepared for the BC Ministry of Health found that permanent supportive housing for persons with severe addictions and mental illness was the most cost-effective solution to ending homelessness. The report indicated that if adequate housing and supports were provided to the average homeless adult, non-housing service costs (such as health, criminal justice and social services), would diminish—leading to an overall 'cost-avoidance' of about \$211 million per year in BC alone.

C O N T A C T David Granovsky, Government Relations Co-ordinator

dgranovsky@chfcanada.coop | www.facebook.com/chfcanada | <https://twitter.com/CHFCanada>

The Co-operative Housing Federation of Canada (CHF Canada) represents over 900 non-profit housing co-operatives, home to more than a quarter of a million Canadians in every province and territory.