

# Canada's National Housing Strategy

## What it Means for Canada's Housing System

### Owning, Renting, Homelessness

David Hulchanski, PhD, Professor  
University of Toronto  
Factor-Inwentash Faculty of Social Work

Politics of Housing, UBC-O  
Kelowna, September 2019



# THE POLITICS OF HOUSING IN THE OKANAGAN AND BEYOND



Join us for a wide-ranging conversation about issues facing Canadians today.

MONDAY, SEPT. 30  
MARY IRWIN THEATRE  
421 CAWSTON AVE.  
7:00-9:00PM

**KEYNOTE SPEAKER: Dr. David Hulchanski**, Professor of Housing and Community Development, University of Toronto

**TALK:** Canada's National Housing Strategy: What it means for homeownership, renting and homelessness.

TUESDAY, OCT. 1  
UBC OKANAGAN  
UNC 200  
4:00-5:30PM

**PANEL DISCUSSION:**  
Social Housing and Homelessness

**SPEAKERS:**  
**Gordon Lovegrove**, UBCO  
**Ken Chau**, UBCO  
**Kyleen Myrah**, OK College,  
Journey Home Taskforce  
**John Graham**, UBCO

TUESDAY, OCT. 1  
KELOWNA PUBLIC LIBRARY  
1380 ELLIS ST.  
7:00-9:00PM  
**With opening remarks from Mayor Colin Basran**

**PANEL DISCUSSION:**  
Sustainability: Indigenous and Green Housing

**SPEAKERS:**  
**John Bass**, UBCV  
**Jaimie Harris**, Heiltsuk Nation  
**Brian Rippy**, OK College  
**Trevor Butler**, Passive House

All talks are free to attend and open to the public, but registration is required at

[politicsofhousing.eventbrite.com](http://politicsofhousing.eventbrite.com)



THE UNIVERSITY OF BRITISH COLUMBIA



# 1. MACRO-CONTEXT: THE HOUSING SYSTEM

# Canada's Housing System

## The 96% & The 4%

# Canada's Housing System: 96 & 4

**Market Housing**  
**96%**

Buy or Rent from  
Private Sector

Housing Subsidies  
Mainly home ownership

**Non-Market Housing**  
**4%**

## **Non-market Housing**

Netherlands 34%

Austria 26%

Scotland 24%

Denmark 22%

Sweden 18%

England 18%

France 19%

**Canada 4%**

Australia 4%

USA 4%

# Myths about Housing Tenure

- There is a single best housing tenure.
- Developed countries are societies of owners.
- Every household wants to own.
- Every landlord owns a lot of property.
- Landlord-tenant relations are conflictive.
- Owners are better citizens than tenants.

Alan Gilbert, “Promoting Rental Housing,” *Finding Room*, 2004.

# Housing System

## Macro Level Contextual Factors

- Income & wealth gap / polarization
- Labour market realities
- Effort focused on addressing social & economic needs? Discrimination?
- Owners/renters income gap
- Policy on housing tenure neutrality

# CANADIAN HOUSING SUBSIDIES

---

Owners  
\$8 billion

---

Private Rental  
\$0.5 billion

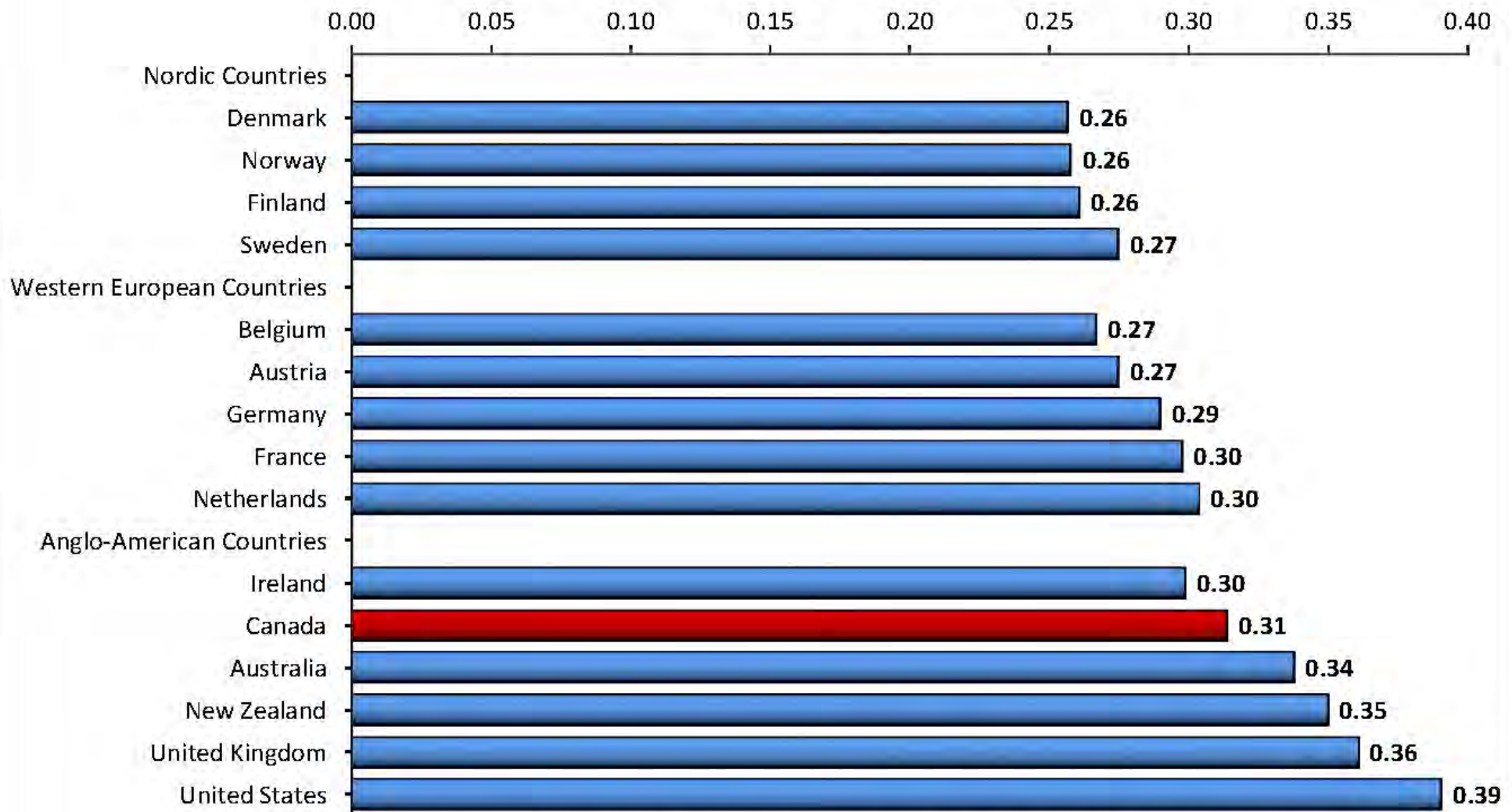
---

Social Rental  
\$2.5 billion

Frank Clayton (2010) *Government Subsidies to Homeowners versus Renters in Ontario and Canada*, Toronto: Federation of Rental Housing Providers of Ontario & Canadian Federation of Apartment Associations.



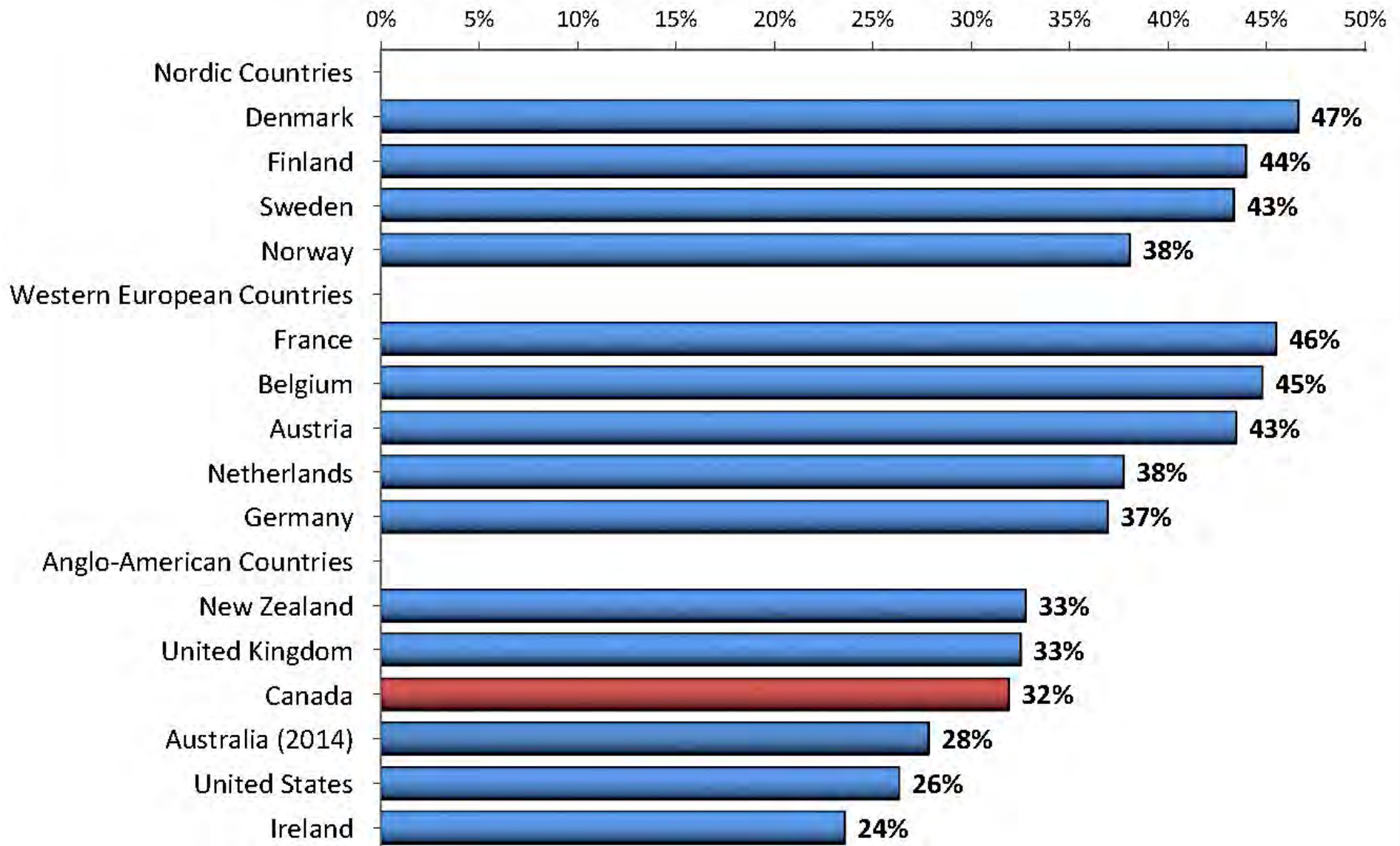
## Gini Coefficient for Fifteen OECD Countries in Three Groups, 2014-2015



**The Gini coefficient** takes values between 0 for a perfectly equal income distribution where every person has the same income, and 1 which refers to a situation of maximum inequality where all income goes to one person. OECD average = 0.30.

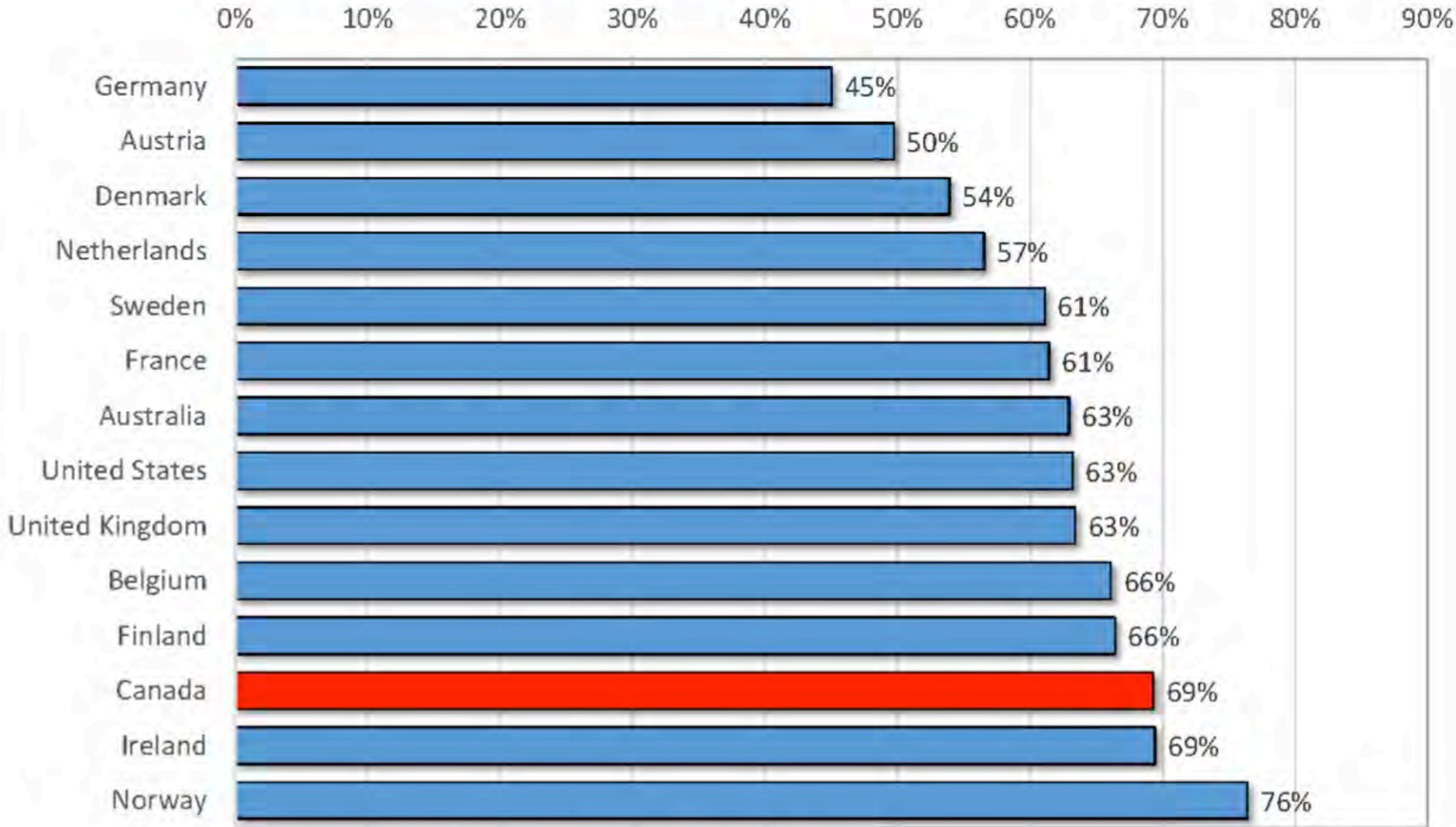
# Total Tax Revenues as a Percentage of GDP, 2015

## Fifteen OECD Countries in Three Groups



# Homeownership Share, 2014 or latest year

## Fourteen OECD Countries



Share of all household tenure types. With or without mortgage.

# Objectives of a Housing System

For an **Inclusive** Housing System

1. stimulate adequate housing **production**
2. help produce a mix of housing **choice**  
(tenure, location, size, quality)
3. assist those who cannot **afford**  
adequate, appropriate housing



Robert Galbraith/Reuters

**PERSPECTIVE**

## **Housing Can't Be Both Affordable and a Good Investment**

**The two pillars of American housing policy are fundamentally at odds.**

NOV 19, 2018

**DANIEL HERTZ**

Senior fellow at City Observatory.

“We say we want housing to be cheap and we want home ownership to be a great financial investment.

“Until we realize that these two objectives are mutually exclusive, we’ll continue to be frustrated by failed and counter-productive housing policies.”

<https://www.citylab.com/perspective/2018/11/housing-cant-both-be-a-good-investment-and-be-affordable/574813/>

# Public Policy since the 1980s, 1990s

**DEREGULATION:** housing finance; rent regulations...

Not ending regulation, but rewriting them to make real estate a more liquid commodity

**FINANCIALIZATION:** full exercise of the political and economic power of those who profit from financial services and instruments, and real estate finance

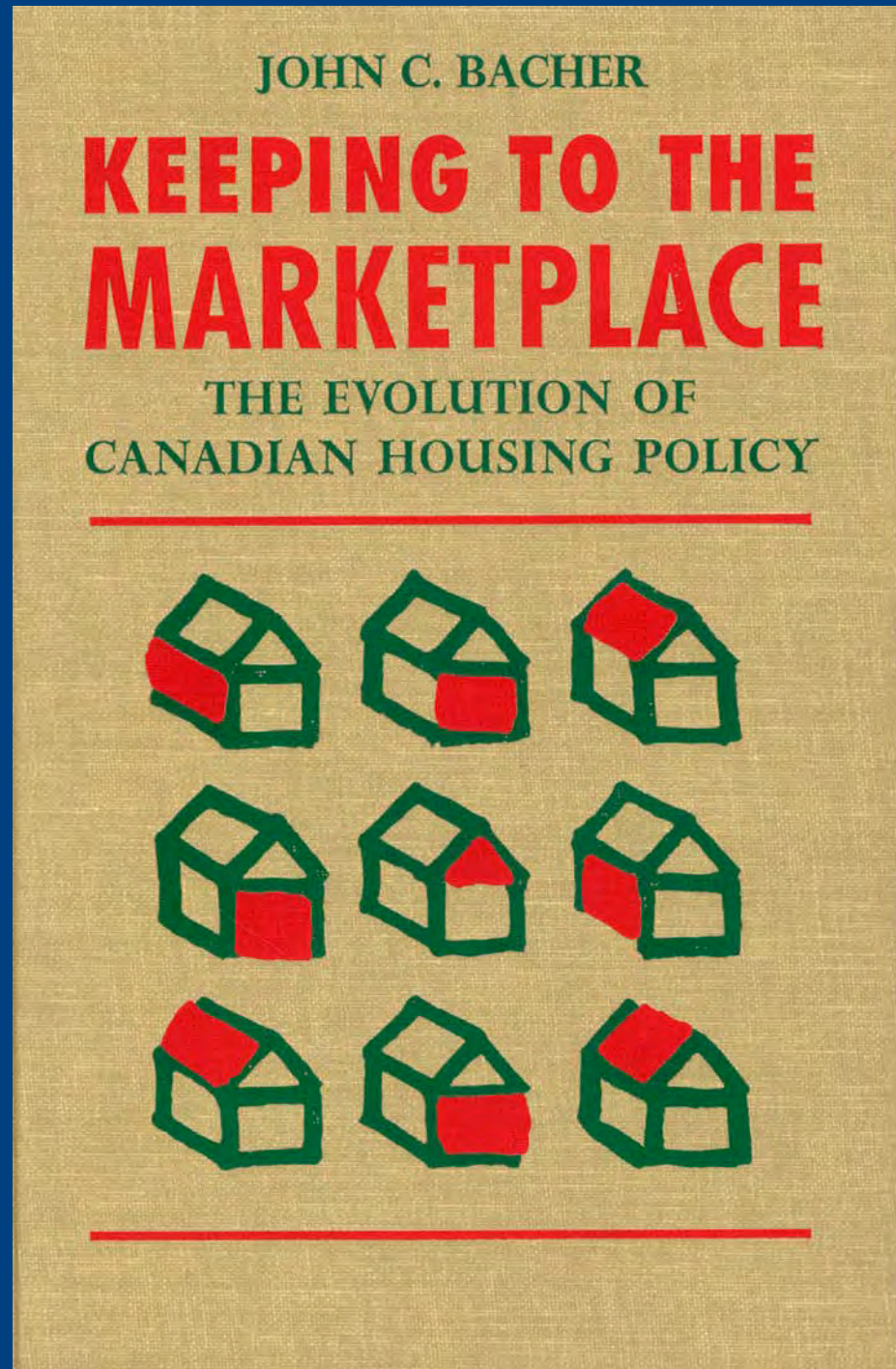
**GLOBALIZATION of HOUSING:** residential real estate dominated by financial networks that are global in scope

**AUSTERITY:** cutback in social supports, tax cuts for wealthy

**REDISTRIBUTION of INCOME** and wealth to highest income individuals

Summary of  
Canadian  
housing policy

*Keeping  
to the  
Marketplace*



# Insider / Outsider Dualisms in the Housing System

- homeowners vs. renters
- stable vs. precarious renters
- affordable vs. unaffordable housing
- highly-indebted vs. less-indebted households
- older vs. younger households
- lower income households in social housing vs. ...
- housed vs. unhoused (dehousing processes)

Rowan Arundel & Christian Lennartz (2019) "Housing market dualization: linking insider–outsider divides in employment and housing outcomes," *Housing Studies*.



# Dualisms: Outsiders in our Housing System

Are more likely to be

- younger
- lower-educated
- from less-wealthy family backgrounds
- from a renter vs. homeownership family
- from a disadvantaged/racialized group

Rowan Arundel & Christian Lennartz (2019) "Housing market dualization: linking insider–outsider divides in employment and housing outcomes," *Housing Studies*.

# Actual Objective of our Housing System

A mechanism for  
increasing wealth and  
income inequalities

Some “countries have come to organise their housing systems as mechanisms for encouraging rentier returns and increasing wealth and income inequalities.” (Maclennan and Miao, 2016)



## 2. CANADA'S HOUSING SYSTEM

# Objective 1 of a Housing System

Does Canada have a  
housing supply problem?

For an **Inclusive** Housing System

CANADA

# Canadian Housing Starts Jump To Highest Level Since 2007

## Canadian Housing Starts Hit The Highest Level Since 2007

Starts of new housing in Canadian CMAs reached a multi-year high last month. They were 234,238 annualized starts in June, up 3.46% from the same month last year. The last time it was this high was in 2007, and even then it was for only the month of September. Before that we need to go all the way back to 1990 to see this many housing starts for more than a month.

# Objective 2 of the Housing System

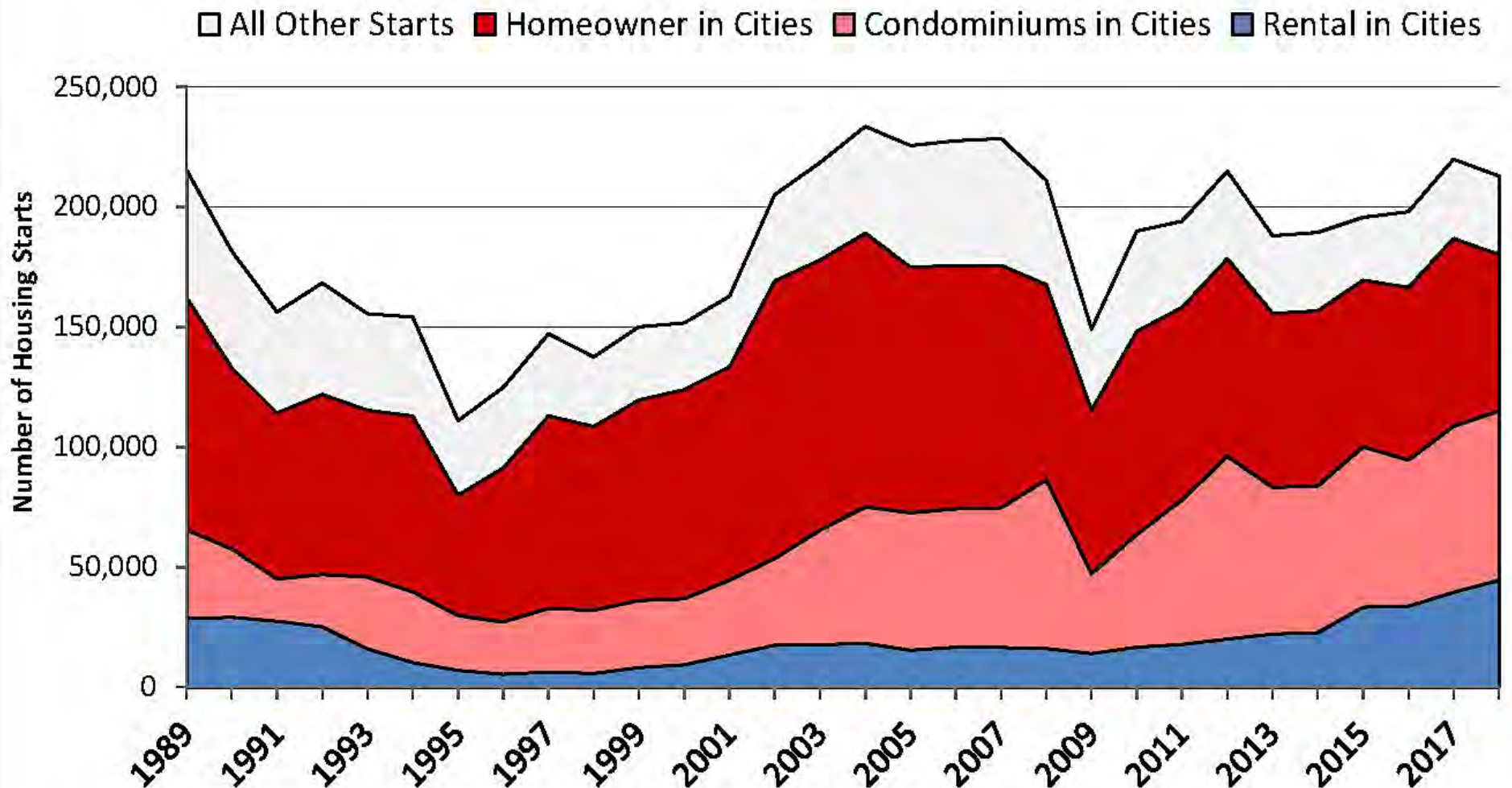
**Does Canada produce an  
appropriate mix of housing**

ownership/rental, family/non-family, special needs, etc.,  
**providing choice?**

For an **Inclusive** Housing System

# Housing Starts by Intended Market, 1989–2018

## Canada, Cities over 50,000 population, and total

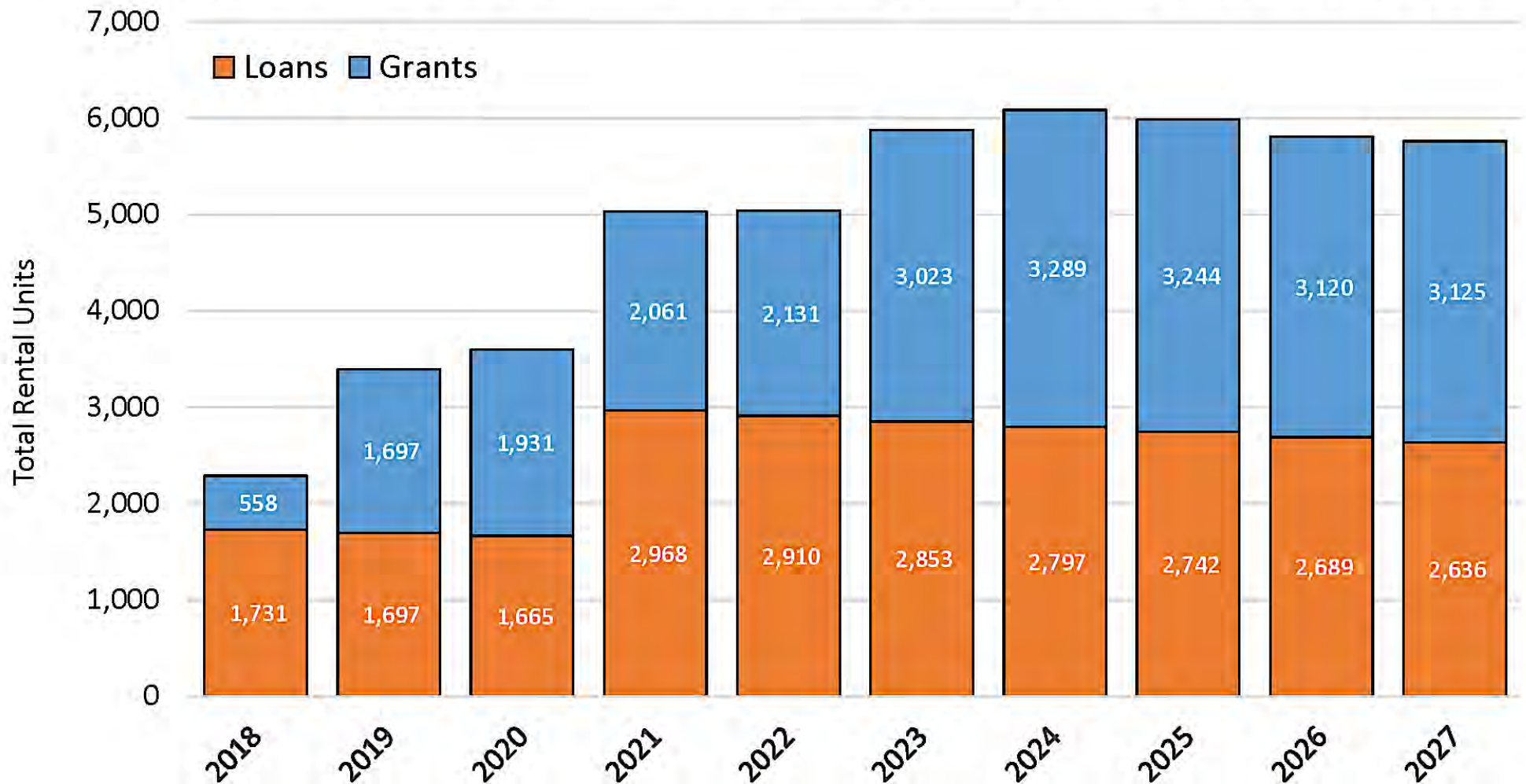


CMHC Starts & Completions Survey data. Rental refers to dwellings constructed for rental purposes, regardless of who finances the structure (for-profit; non-profit). Some condominium units are investor owned and offered for rent. Ownership here refers to detached and semi-detached houses, and row townhouses. Source: Statistics Canada, Table: 34-10-0148-01 and CMHC Housing Market Portal.

# Rental Units to be Funded by National Housing Strategy

## Proposed Loans and Grants, Canada, 2018-2027

CMHC' "high" estimates of new rental units created receiving grants (subsidies) and/or repayable loans



SOURCE: Canada Mortgage and Housing Corporation, special tabulation for the Parliamentary Budget Office, as of February 5, 2019.



## Burnaby Mayor Mike Hurley, August 2019

“It’s a bit of a mystery how you actually get any of the federal funds and we’re working on that,” he says.

“And we got to this point because the federal government pulled all that money out of housing in the late eighties and nineties. That’s why we are where we are right now.”

— Kerry Gold, “[Vancouver needs a huge increase in non-market housing](#),”  
*The Globe and Mail*, August 9, 2019.

# 1996 Liberal Government Budget

The federal government “will phase out its remaining role in social housing”

CMHC will phase out its remaining role in social housing, except for housing on Indian reserves. The first step has already been taken – there has been no funding for new social housing units since 1993. To further clarify jurisdiction in the social housing field, the federal government is now prepared to offer provincial and territorial governments the opportunity to take over the management of existing social housing resources, provided that the federal subsidies on existing housing continue to be used for housing

BUDGET PLAN 1996

43

No, federal leadership in affordable housing has not been “restored” since 2016.

The Liberal Party, while in opposition (1984-1993), prepared a national housing strategy that it's co-authors, as the finance minister and housing minister in the 1990s, ignored.

## TORONTO STAR

OPINION

### Federal Liberal government's complacency on social housing

By Colin Vaughan, 14 December 1998

Much is being said about Ottawa getting back into the social housing business. A good start was made by Alfonso Gagliano to put a sock in it. As federal Minister of Public Works, Gagliano is responsible for the Canada Mortgage and Housing Corporation.

With homelessness reaching crisis proportions and the supply of affordable housing down to a trickle, Gagliano has been under a lot of pressure to come up with some answers. So far, the minister's response has been to fire off dismissive letters to those with the gall to question the federal role.

...

Even so, any signs of life in an otherwise moribund Ottawa are welcome. And if Ontario MPs are in need of ammunition for mounting another assault on the complacent Gagliano, **they need look no further than the 1990 report of the National Liberal Caucus Task Force on Housing. Task Force co-chair Paul Martin said back then that "the lack of affordable housing contributes to and accelerates the cycle of poverty, which is reprehensible in a society as rich as ours."** This one should be an easy sell when the issue finally surfaces at cabinet.

*Colin Vaughan reports on politics and urban affairs for CITY-TV.*

### Finding Room: Housing Solutions for the Future



### Report of the National Liberal Caucus Task Force on Housing

Paul Martin M.P.

Joe Fontana M.P.

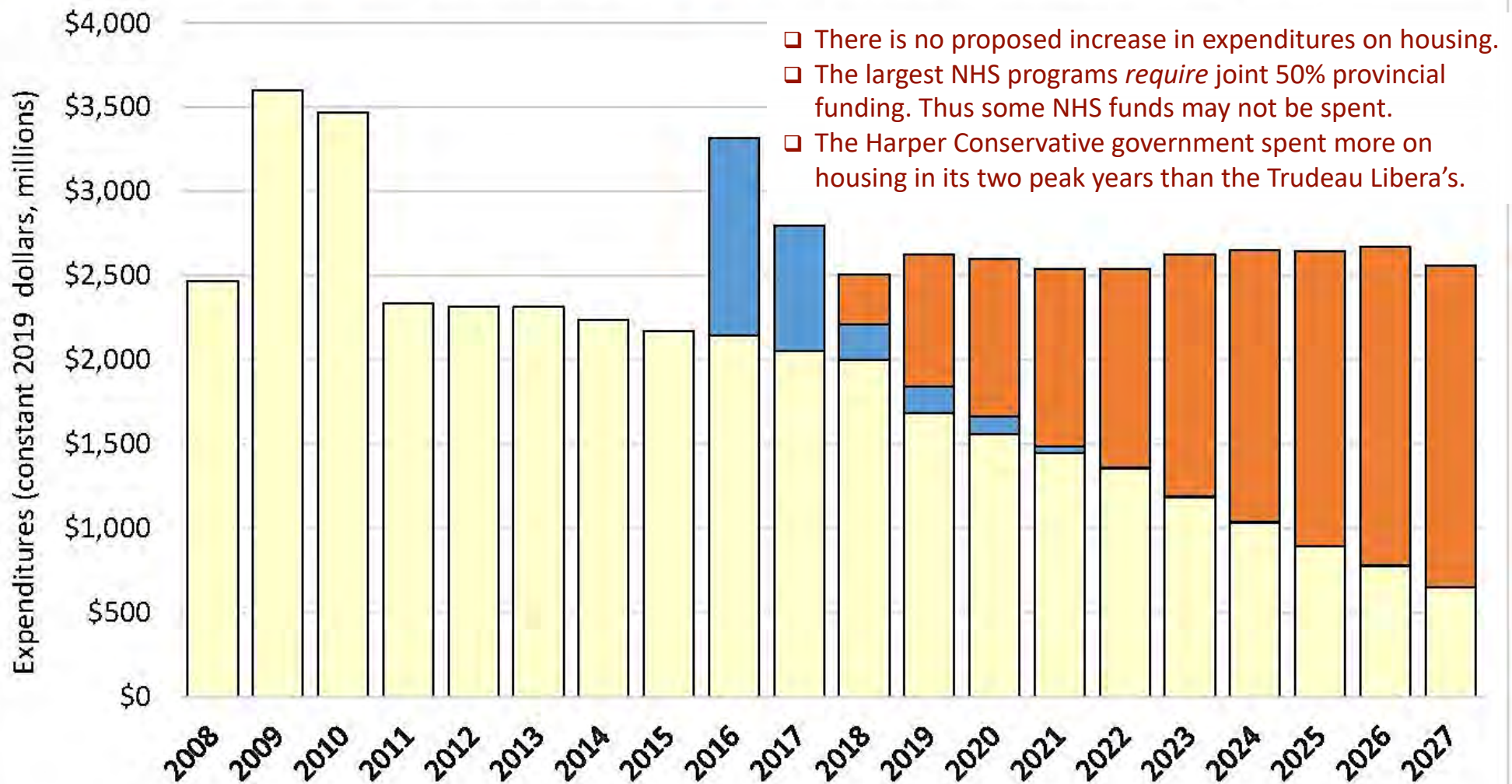
May 14, 1990

May 1990

# Federal Housing Expenditures, Canada, 2008-2027

Actual and planned, by program funding history (adjusted to 2019 dollars)

■ Pre-2016 programs 
 ■ Budget 2016 programs 
 ■ National Housing Strategy (NHS) programs



- There is no proposed increase in expenditures on housing.
- The largest NHS programs *require* joint 50% provincial funding. Thus some NHS funds may not be spent.
- The Harper Conservative government spent more on housing in its two peak years than the Trudeau Libera's.

**SOURCE:** Canada Mortgage and Housing Corporation, special tabulation for the Parliamentary Budget Office, budget actuals and forecasts as of February 5, 2019. **Note:** Expenditures after 2019 are deflated to the 2019 dollar baseline under the assumption that the observed annual rates of inflation for 2011 to 2019 will be replicated year-by-year for 2019 to 2027. Years furthest from 2019 have greater adjustment than years closer to 2019.

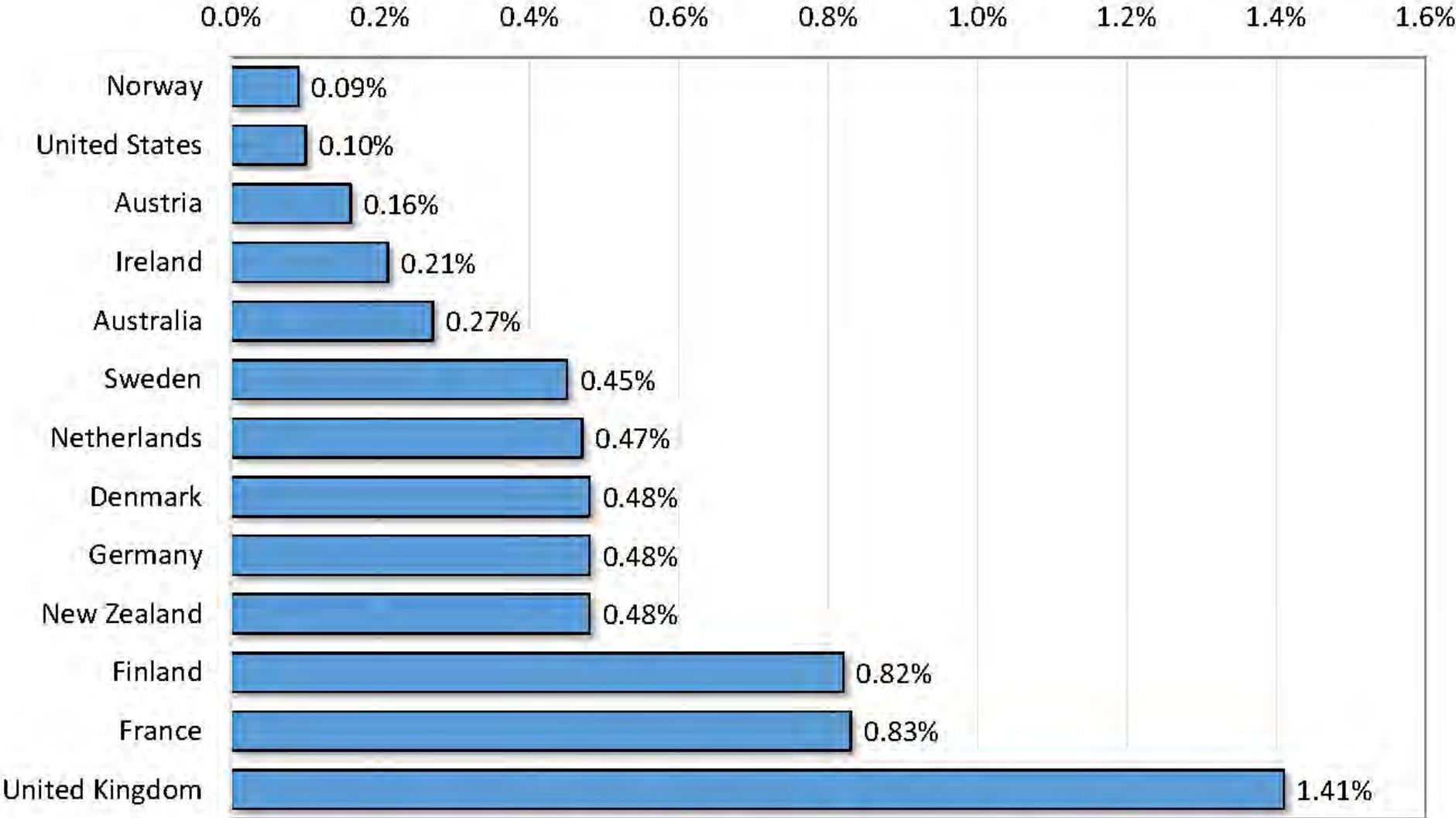
# Objective 3 of a Housing System

**Does Canada assist those who cannot afford adequate housing appropriate to their household's needs?**

For an **Inclusive** Housing System

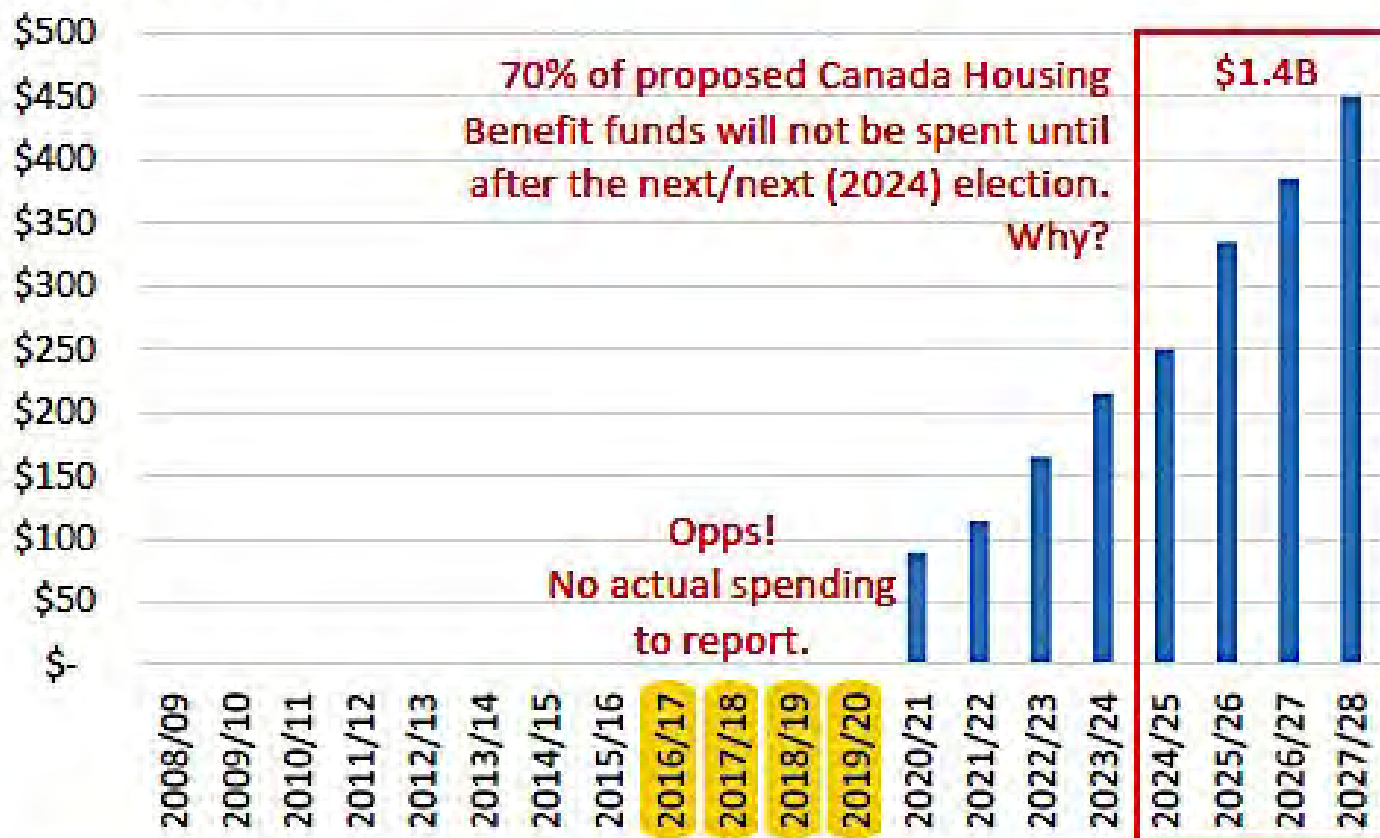
# Housing Allowance Share of GDP, 2015 or latest year

## Thirteen OECD Countries



Total government spending as a percent of Gross Domestic Product (GDP). There is provision of housing allowances in Canada but data on public spending are not available.

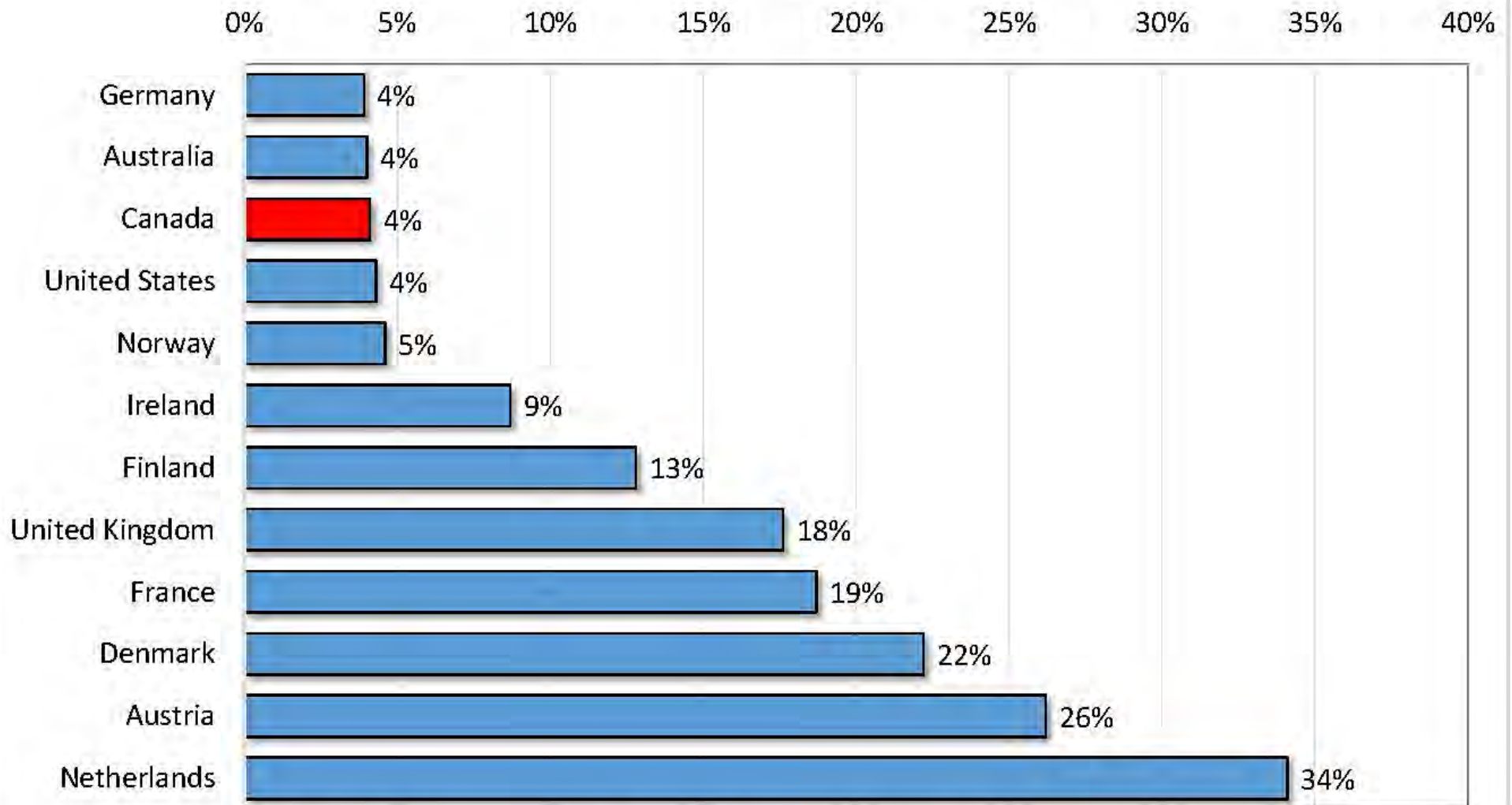
## CMHC Actual and Planned Spending on Canada Housing Benefit (\$M)



Source: PBO based on figures provided by CMHC in response to IR0405

The federal government is assuming that provinces and territories will meet the matching requirement, so the federal government is only budgeting to cover about half the cost of this benefit.<sup>38</sup>

# Social Rented Housing as a Share of All Housing Twelve OECD Countries, 2015 or latest year



Share of all household tenure types. Social rental housing defined as "the stock of residential rental accommodation provided at sub-market prices and allocated according to specific rules rather than according to market mechanisms". Source: OECD Affordable Housing Database, PH 4.2.1.



# Has homelessness been reduced over recent years?



*Photo taken inside All Saints Church 24-hour winter respite centre last month.*

## Plight of the homeless a 'national disaster'

Coalition to issue an appeal today for all governments to take immediate emergency action

BY LAURIE MONSEBRAATEN  
SOCIAL POLICY REPORTER

Tonight, up to 4,700 people in Toronto won't have a bed of their own to sleep in.

About 4,200 will find shelter in a hostel, leaving the rest to sleep outside as the temperature drops to about 5 C.

That's a national disaster and all levels of government must take immediate emergency action, according to a Toronto-based coalition of social activists, academics and business people.

Urban homelessness deserves the same attention governments paid to victims of last winter's ice storms in Eastern Canada, says the Toronto disaster relief committee in its appeal to be released today.

"This is a national disaster," said Cathy Crowe, a community health nurse in downtown Toronto. "The extent of human suffering and the number of people dying is unacceptable."

Crowe, a spokesperson for the committee, says governments are ignoring the threat of diseases such as tuberculosis, HIV/AIDS and hepatitis, which are related to people's homelessness.

The disaster relief committee is calling for mobile homes in



ANDREW STANWICK/TORONTO STAR/LE PICTO

**VERNON CROW, 1958-1998:** The homeless man, photographed while living on the streets of Toronto in 1992, was found dead in an alley a week ago today. He was shirtless on a chilly night.

'Winter's pretty scary for me. I've seen lots of my friends die in the winter, lots of them'

— VERNON CROW IN 1992

### ■ City-owned units sit empty, A7

Crow was found shirtless in an alley on a night when the temperature dipped to 7 C.

Although there are no reliable national figures on homelessness, a 1987 survey by the Canadian Council on Social Development estimated that between 130,000 and 250,000 people across the country were

### How to help Toronto's victims

- Reopen the Moss Park Armoury as a 24-hour emergency shelter to handle overflow from existing shelters.
- Open smaller buildings to meet the needs of families, women and children, youth, aboriginal people and those with addictions and chronic illnesses such as HIV and AIDS.
- Suspend bylaws and policies that limit the location of services or housing for the poor or that prevent homeowners from creating basement apartments.
- Designate several parks as refuges for the homeless and provide

seasonal Out of the Cold program.

"This continuing growth in demand is beginning to overwhelm the hostel system," Jagt warned in a report to be discussed by city politicians today. "Clearly, something more or different needs to be done."

The increasing desperation of city officials dealing with the problem underscores the need for serious, multi-government

National Symposium on Homelessness and Housing  
Toronto, Ontario  
March 25 - 26, 1998

Support for this event has been provided by:

CMHC • SCHL

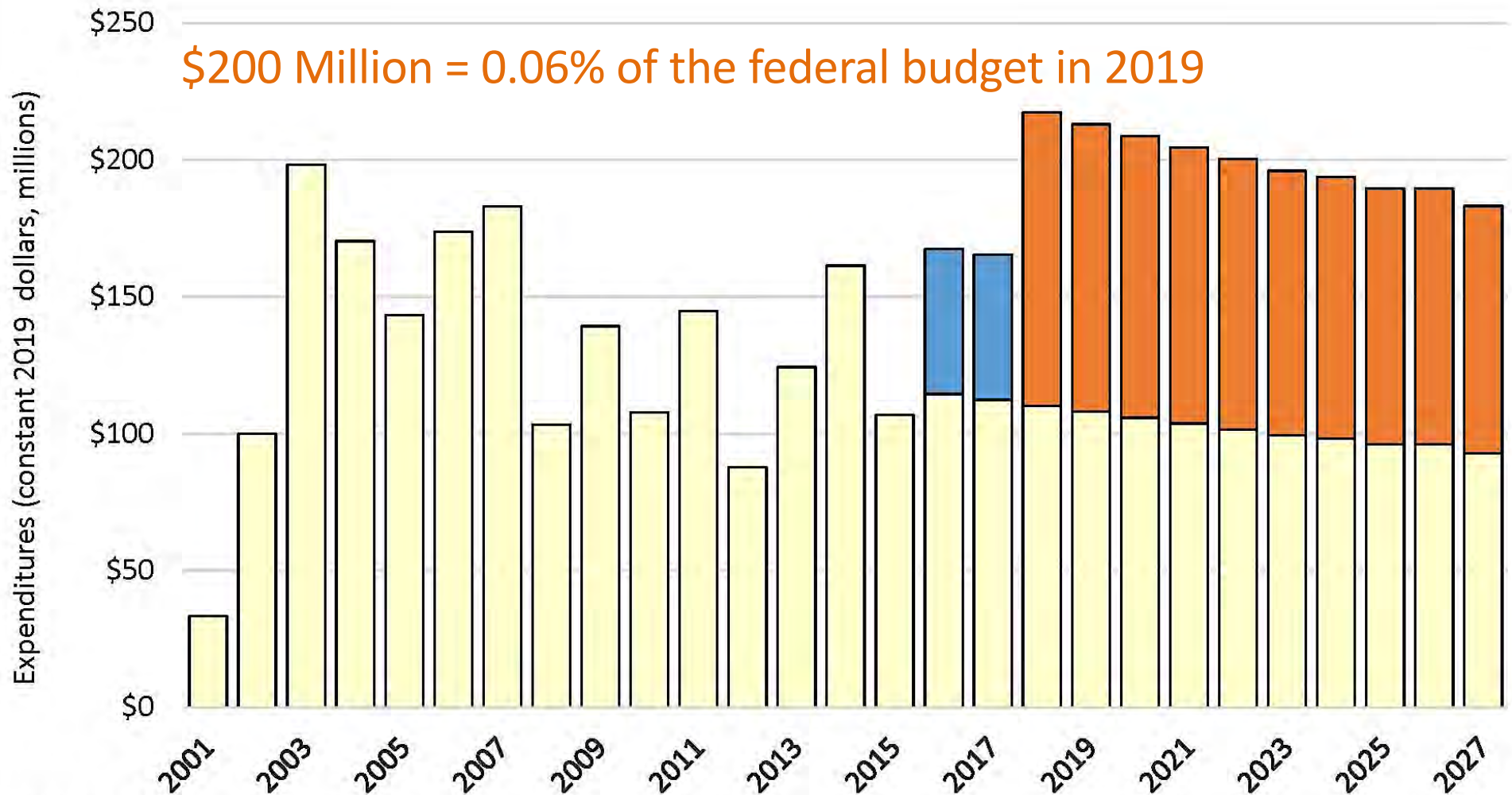
Human Resources Development Canada

Développement des ressources humaines Canada

# Federal Expenditures on Homelessness, Canada, 2001-2027

Actual and Planned, by Program Funding History (adjusted to 2019 dollars)

□ Pre-2016 actual & baseline   ■ Budget 2016   ■ National Housing Strategy (NHS)



**SOURCE:** Public Accounts of Canada, various years to 2018. CMHC National Housing Strategy forecast, total \$2.13 billion over ten years, 2018 to 2027.

**Note:** Expenditures after 2019 are deflated to the 2019 dollar baseline under the assumption that the observed annual rates of inflation for 2011 to 2019 will be replicated year-by-year for 2019 to 2027. Years furthest from 2019 have greater adjustment than years closer to 2019.

# 'Federal spending on homelessness has been doubled by the Trudeau Government.' Really?



**Jean-Yves Duclos**  @jyduclos · 11 Jun 2018

The Government of Canada's redesigned **homelessness strategy**, will double support for communities to address the needs of those experiencing or at risk of **#homelessness**. #Housing #cdnpoli



Parliamentary Budget Office: it is a \$86M/year (62%) increase over the five-year historical average.



### 3. NATIONAL HOUSING STRATEGY: RHETORIC VS. REALITY



*“we have already helped more than almost one million Canadians access homes”*

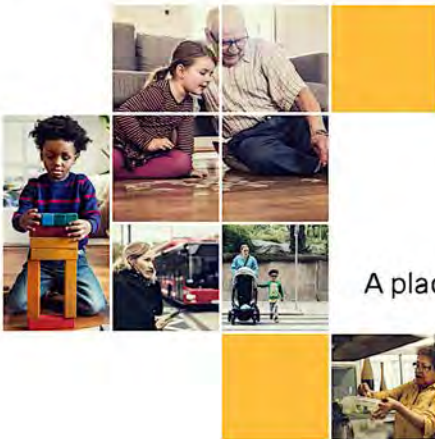
*– Prime Minister Justin Trudeau in House of Commons, 2018*

*“Obviously we double counted to rhetorical advantage”*

*– MP Adam Vaughan, Toronto Star Interview, 2019*



## Canada's National Housing Strategy



A place to call home

[placetocallhome.ca](http://placetocallhome.ca)

Canada



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER  
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

## Federal Program Spending on Housing Affordability

Ottawa, Canada  
18 June 2019  
[www.pbo-dpb.gc.ca](http://www.pbo-dpb.gc.ca)

Confusing Rhetoric, November 2017

Facts, Financial Realities, June 2019

# 2015 Election Promise



## 162. Affordable National Housing Strategy

WHEREAS Canada does not have a long-term national plan for housing;

WHEREAS the LPC at its 2012 convention adopted a priority resolution calling for development of a comprehensive national housing strategy;

WHEREAS access to affordable quality housing is a first step in reducing poverty, hunger and homelessness, especially among vulnerable populations including low income seniors, new immigrants, Aboriginal peoples and persons with disabilities and illness;

WHEREAS affordable housing for young families is an important step to commence a middle income life style with improved health and wellness and which allows children to more fully benefit from the education system;

WHEREAS affordable housing has many different interpretations, any meaningful definition must reflect local community needs ranging from accessible social housing through rental apartments and houses to low-income and middle-income family homes;

BE IT RESOLVED that a national housing commission be struck to work in conjunction with all levels of government and social housing and private sector housing providers to create a national housing action plan that would produce affordable, safe housing for Canadians at all income levels;

BE IT FURTHER RESOLVED that the objectives of the national housing action plan be the elimination of waiting lists for affordable housing; the reduction of the cost of housing for middle and lower income earners; and the stabilization of the economy with job-creating investment in housing infrastructure;

BE IT FURTHER RESOLVED that this plan will provide sustainable and predictable tax measures to support the development of market rental housing and that governments ensure existing affordable housing and homelessness investments are permanent.

## Liberal Party National Policy Convention 2014

“create a national housing action plan that would produce afford-able, safe housing for Canadians at all income levels

“objectives of the housing action plan

- elimination of waiting lists for affordable housing
- reduction of the cost of housing for middle and lower income earners



# Campaign Promises

September 2015  
Liberal Party's  
housing platform  
released



A Liberal government will

“restore federal leadership in affordable housing”  
with

“a comprehensive National Housing Strategy.”

# National Housing Strategy & its \$40B Budget announced 26 months after 2015 Election



**Liberals earmark \$40B for 10-year national housing strategy, introduc...**

The federal government has announced the details of its ten-year national housing strategy that includes the introduction of a National Housing

[cbc.ca](http://cbc.ca)

# Annual Inflation Claims about the National Housing Strategy's Budget

*According to the*

2017 budget: \$11 billion

2018 budget: \$40 billion

2019 budget: \$55 billion

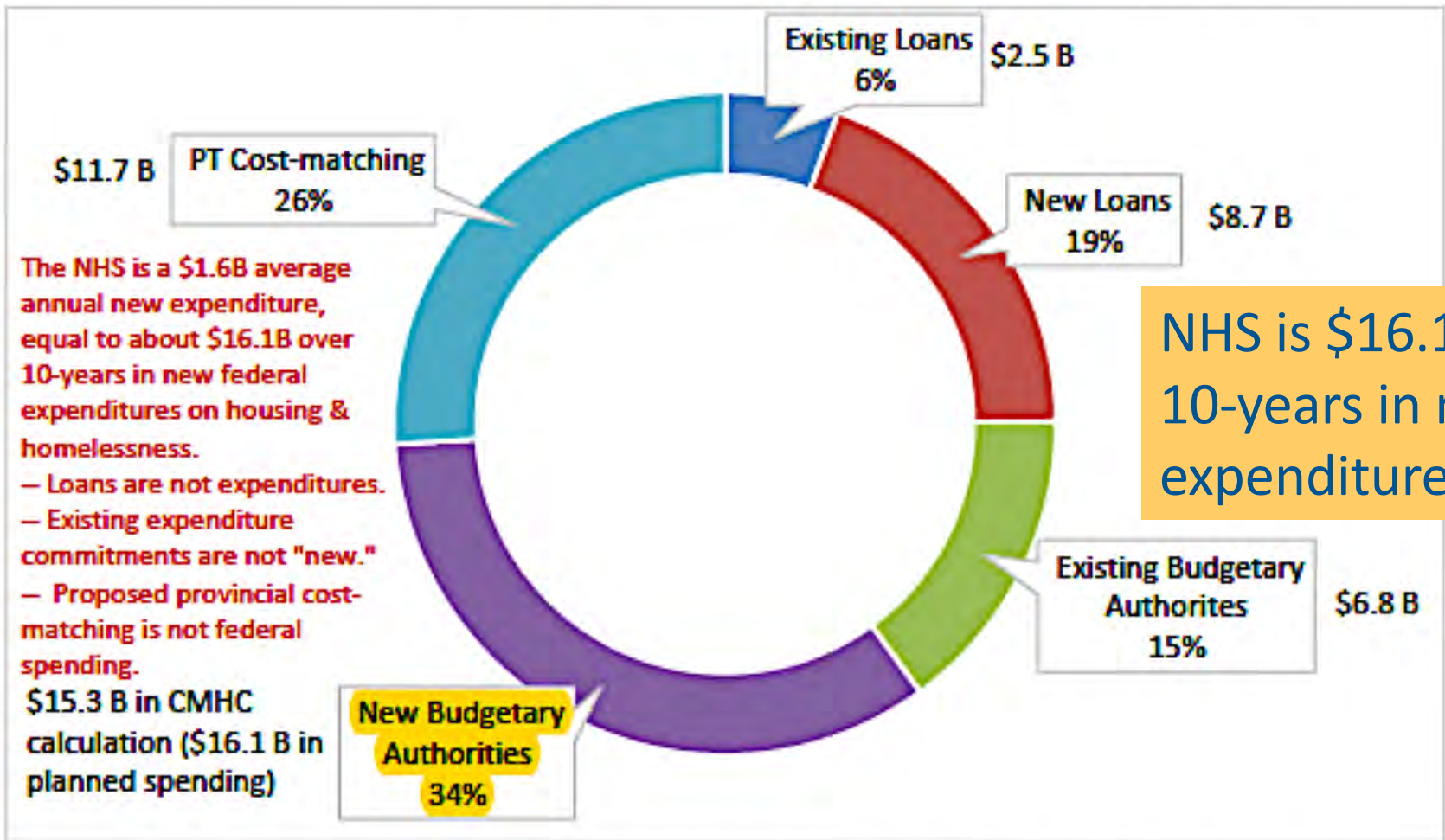
Actual Budgetary  
Expenditures on NHS  
programs as of 2018

\$0.00



Figure 2-4

Breakdown of figures added by CMHC to produce headline commitment under the National Housing Strategy



The NHS is a \$1.6B average annual new expenditure, equal to about \$16.1B over 10-years in new federal expenditures on housing & homelessness.

- Loans are not expenditures.
- Existing expenditure commitments are not "new."
- Proposed provincial cost-matching is not federal spending.

\$15.3 B in CMHC calculation (\$16.1 B in planned spending)

NHS is \$16.1B over 10-years in new Fed. expenditures

Source: PBO based on figures provided by CMHC in response to IR0405

In the 2019 election year federal budget we are told the NHS is now \$55+ billion, by tossing in more proposed loans.

Since Budget 2019, CMHC has revised the "\$40 billion" headline commitment to "\$55+ billion" reflecting the \$10 billion in additional loans planned in Budget 2019.

# HULCHANSKI: Trudeau's housing spending is smoke and mirrors

APRIL 5, 2017 | BY DAVID HULCHANSKI

April 2017



THE  
GLOBE  
AND  
MAIL

OPINION

## No, Ottawa has not put forth a national housing strategy

DAVID HULCHANSKI

CONTRIBUTED TO THE GLOBE AND MAIL

PUBLISHED DECEMBER 4, 2017

December 2017

In a year when the high cost of housing dominates the headlines, this year's **federal budget** is promoting a bright shiny object: the allocation of \$11 billion for housing.

Well before budget day, we were told to expect that \$11 billion. On budget day, there it was, in all its glory.

[www.spacing.ca](http://www.spacing.ca)

# National Housing Strategy Document

- There is no assessment of Canada's housing system, what works well, what does not.
- It notes that 1.7 million people are in housing need and 25,000 are homeless.
- Many Canadians feel a growing sense of housing insecurity.
- A national housing strategy would explain why this is the case and identify appropriate remedial actions.

## Did the federal government really help 1 million Canadians find housing?

By **Alex Ballingall** Ottawa Bureau  
Tues., Jan. 29, 2019



OTTAWA—The Liberals' pointman on housing admits Justin Trudeau's claim the government has helped 1 million Canadians find an affordable place to live stems from figures that were inflated "to rhetorical advantage."

Prime Minister Trudeau tells Housing of Commons that "we have already helped more than almost one million Canadians access homes."

MP Adam Vaughan explains: "I mean, obviously we've double counted to rhetorical advantage, but that's how much money is in the system. That's why it's \$5.7 billion. We've done a hell of a lot of stuff."

# 2018 Budget: “530,000 households will be removed from [housing] need.” How was this calculated?

**Table 13: NHS programs’ contributions to 530,000 household target**

Target of 530,000 household whose housing need is reduced or eliminated			
Program	Program Target	Program Contribution to 530K	Assumptions
<b>Federally and Provincially Delivered Initiatives</b>			
National Housing Co-Investment Fund & P/T Priority Funding	300,000 units repaired (240,000 and 60,000 units respective)	10,000 households removed from housing need This is highly questionable -->	3% of the repaired units will reduce housing need for a household
<b>Federally Delivered NHS Initiatives</b>			
National Housing Co-Investment Fund	60,000 new units built 240,000 units repaired 2,400 new affordable units created for people with developmental disabilities 4,000 shelter spaces 7,000 new affordable units created for seniors	17,400 new affordable units + 2,000 shelters beds	30% of new units will be affordable
Federal Lands Initiative	4,000 new units built	1,200 new affordable units	30% of new units will be affordable
Federal Community Housing Initiative and	55,000 social and community housing units maintained	20,900 households whose housing need is eliminated (Aspirational target)	No households in social and community housing should be in need. The 2011 National Households Survey estimated that 38% of social and community housing units were in housing need
Affordable Rental Housing Innovation Fund	4,000 affordable housing units built	4,000 new affordable units	All new units will be affordable
Rental Construction Financing Initiative	10,000 new units built	3,000 new affordable units	30% of new units will be affordable

**Federal:**  
46,500 housing units over 10 years.  
=  
4,650 / year



# 2018 Budget: "530,000 households will be removed from [housing] need." How was this calculated?

Provincially and Territorially Delivered Initiatives				
<b>Provincial / Territory</b>  50,000 ?? 125,400 ?? 300,000 ??  All "creative" fabrications; false; vast exaggeration of the likely impact of what the federal government is actually doing to meet serious housing need.	Canada Community Housing Initiative and P/T Priority Funding	50,000 households whose housing need is significantly reduced or eliminated through a combination of new units and rental supplements <b>(Aspirational)</b>	50,000 households whose housing need is significantly reduced or eliminated <b>(Aspirational Target)</b>  What does this mean??	Based on an analysis of IAH historical data which included an application of <b>assumptions on efficiency gains</b> . All units created will be <b>affordable</b> . <b>?????</b>
	Canada Community Housing Initiative	330,000 social and community housing units <b>maintained</b>  These are existing, occupied housing units; their housing need is already reduced or eliminated.	125,400 households whose housing need is eliminated. <b>(Aspirational target)</b> Their existing "reduced need" will be "eliminated"?? Show us the research supporting this claim!	No households in social and community housing should be in need. The 2011 National Household Survey estimated that 38% of households living in subsidized housing were in housing need. <b>?????</b>
	Targeted Northern Housing Fund	3,000 housing affordability supports provided households assisted	3,000 households whose housing need is reduced or eliminated	Housing need will be reduced or eliminated for all households supported
	<b>Canada Housing Benefit</b>	300,000 housing affordability supports provided	300,000 households whose housing need is reduced or eliminated	Housing need will be reduced or eliminated for all households supported

A note about the CHB: By year 5 (2024/25) program spending is estimated to be \$500mil (50% Fed; 50% P/T). Assuming no administration costs: \$500 mil / 300,000 households = \$1,700 per HH per year = average of \$140 per month. This is not significant rent payment assistance to low-income households in most places in Canada, and especially in most larger metropolitan areas. Why pretend this helps with obtaining adequate housing; why not simply better fund any existing financial assistance program that targets low-income households? No new administration costs.

**Table 13 Source:** Produced by CMHC. It is from documentation provided to the Parliamentary Budget Office (PBO) by CMHC in February 2019 in response to PBO's request for housing data and explanation of certain housing activity and financing claims; obtained under the *Access to Information Act* by D. Hulchanski, University of Toronto, May 2019. Document title: "Response to the Parliamentary Budget Officer - Part 2," undated.

# PBO Report: Conclusions



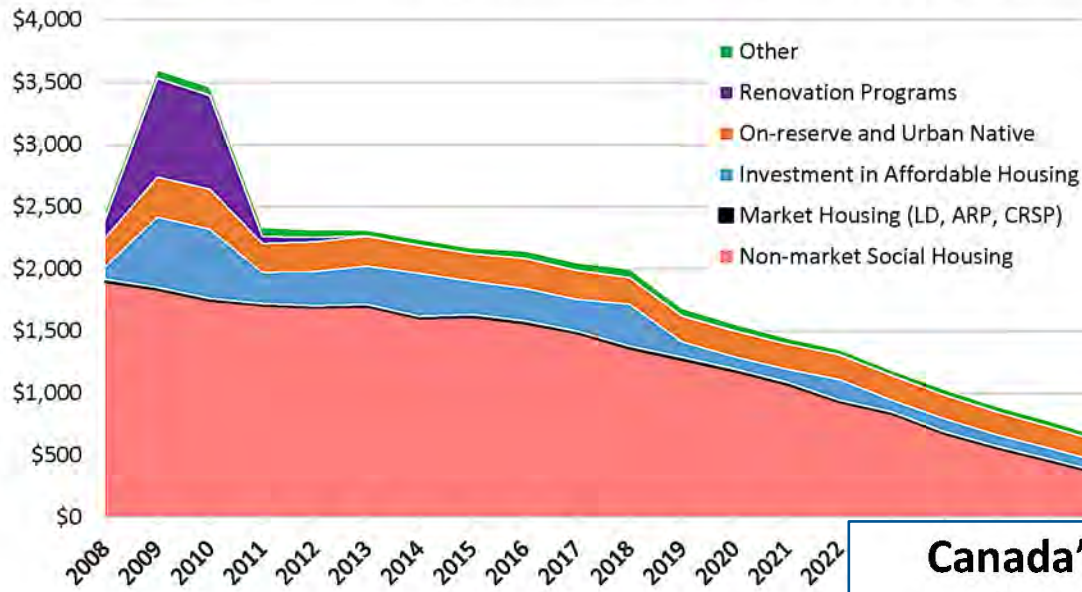
- a \$325 million/year (14%) reduction in funding for Assistance for Housing Needs programs intended to help low-income households
- a \$167 million/year (12%) reduction in funding for transfers to the provinces and territories
- a \$175 million/year (30%) reduction in funding for federal community housing (social housing)
- a \$664 million/year increase in funding for Financing for Housing programs which are not necessarily targeted to low-income households

# PBO Report: Conclusions



- It is not clear that the NHS will reduce the prevalence of housing need relative to 2017 levels.
- Overall, the NHS largely maintains current funding levels for current activities and slightly reduces targeted funding for households in core housing need.
- CMHC's assumptions regarding the impact of NHS outputs on housing need do not reflect the likely impact of those programs on the prevalence of housing need.

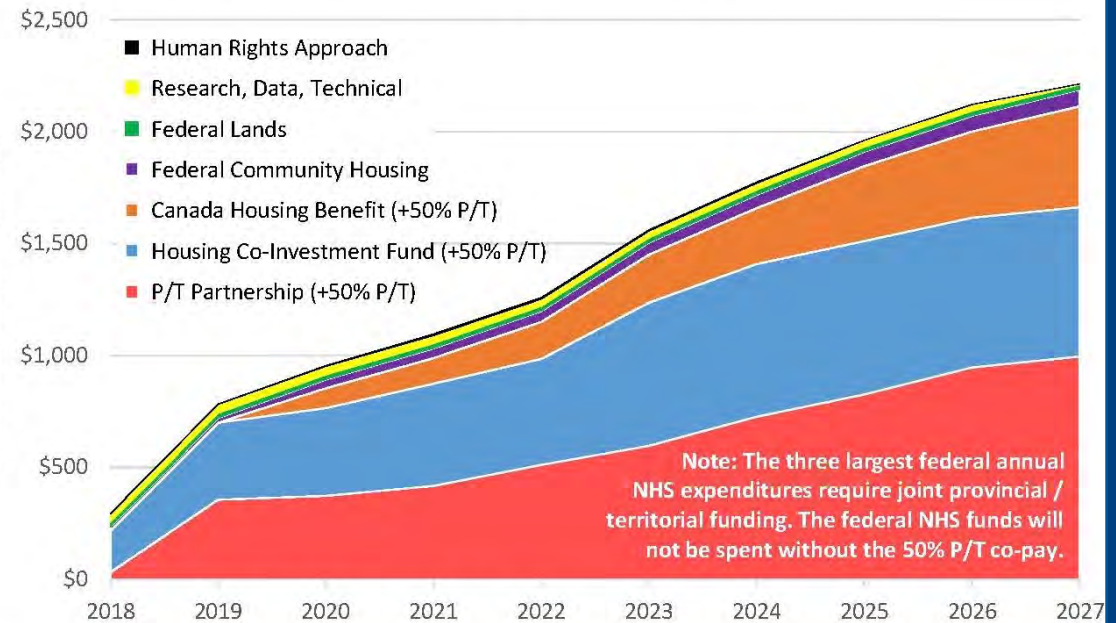
## Canada's Pre-2016 National Housing Programs Actual and Committed Federal Expenditures, 2008-2027



From 2016 to 2027 the stream of subsidies on pre-2016 housing programs declines annually because there is no renewal of any.

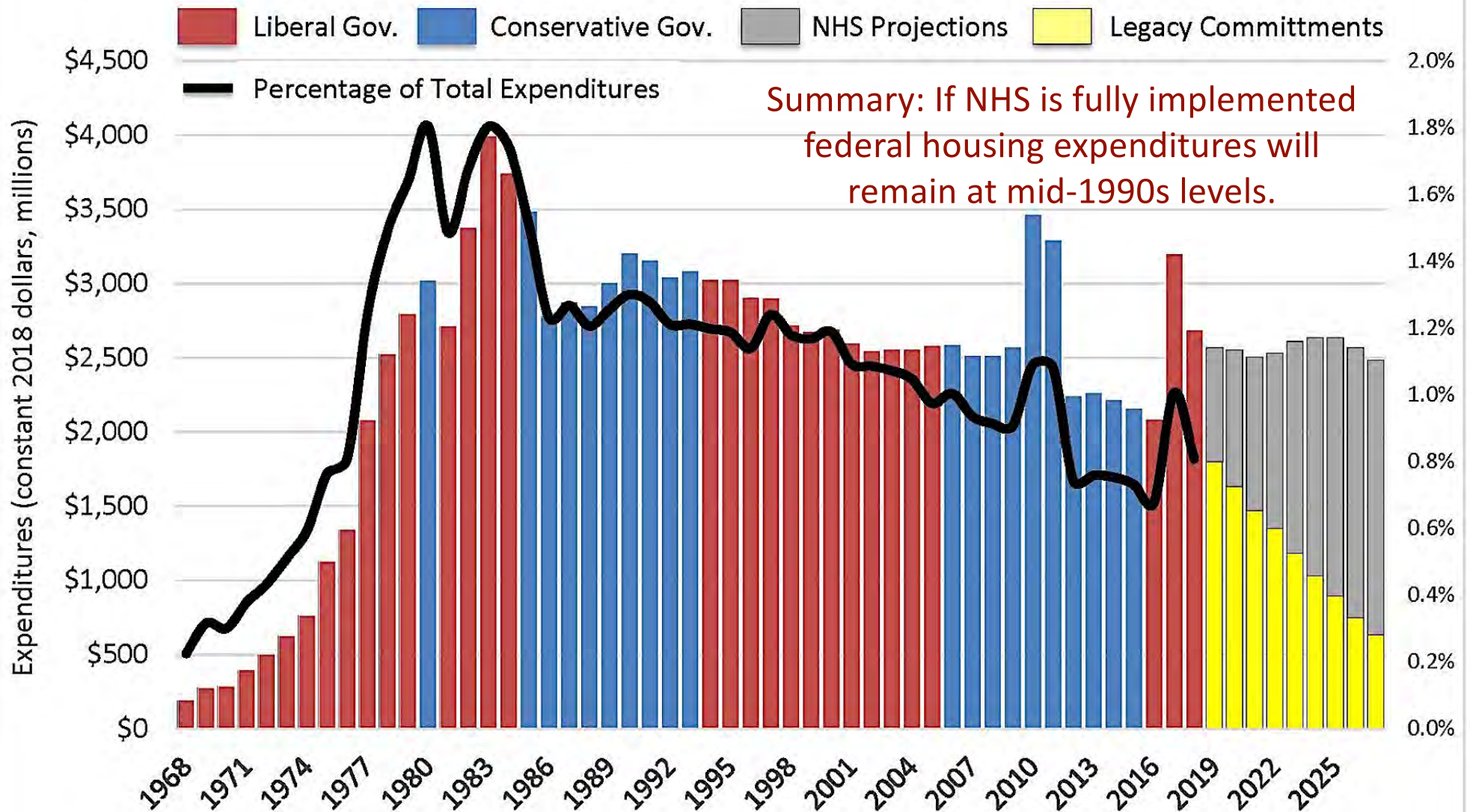
Proposed NHS spending will increase but the overall total will remain about the same as in the past, \$2.5 billion. With no social housing supply program.

## Canada's National Housing Strategy Programs Proposed Federal Expenditures, 2018-2027



# Housing Program Expenditures, Canada

Actual 1968–2018, and National Housing Strategy Projections, 2019–2027



Source: CMHC, Canadian Housing Statistics, various years; for 2016-2018, Public Accounts of Canada; Canada, Fiscal Reference Tables. National Housing Strategy budget forecast from CMHC special tabulations, February 2019.

## SUMMARY

# The 2017 National Housing Strategy

- No systemic change in the nature and outcomes of Canada's housing system
- New or rebranded programs are funded at a historically low % of the federal budget
- New programs enhance corporate real estate profit taking from land and housing
- The 1990s LPC policy of a small federal government role in assisted housing is continued

## SUMMARY

# What will the NHS do if implemented?

1. Most of the existing social housing stock will be protected; will receive subsidy renewals for rent-gearred-to-income residents and some rehabilitation subsidies.
2. There will be additional annual supply of new expensive rental housing but too few to have any noticeable or significant impact.
3. What else? The annual expenditures are too low to have much impact.

# There is no One Solution: Examples

1. Develop a comprehensive housing strategy
2. Restrict foreign ownership
3. Close the tax havens
4. Rental price controls
5. Use municipal powers
6. Limited ban on AirBNBs
7. Housing co-operatives
8. Zero-interest capital loans
9. Affordable housing tax levy
10. Municipal levy on properties bought by non-residents
11. Municipal levy on empty houses or second homes
12. Escalating property transfer tax on high-end properties
13. Housing Speculation Tax
14. Investment tax on people who avoid capital gains tax
15. Federal inheritance tax
16. Affordable housing land bank
17. Housing First
18. Creativity in affd housing supply
19. Student housing
20. Sociable homes
21. New villages
22. A Cdn affd housing alliance

Guy Dauncey, 2016

<https://thepracticalutopian.ca/2016/12/03/canadas-housing-crisis-twenty-two-solutions/>



# Macro Level: Year-by-year reverse the negative trends



GOVERNMENT: Fair, inclusive policies

**LABOUR MARKET: Wages, Regulations**

**HOUSING SYSTEM: Cost of Housing**

**TAXES & TRANSFERS: Fair Distribution**

**DISCRIMINATION: Effective Protections**

# Implications of High Property Ownership

- Owners are the majority of voters
- Governments take extensive measures to prevent land and house prices from falling
- Owners expect & defend unearned housing wealth gains & inequalities that flow from them
- Owners resist the taxation of 'scarcity rents', speculation, unearned capital gains, etc.
- Housing and land values are allowed to rise faster than household income

Maclennan and Miao, 2016

# Adequate Housing is a Human Right

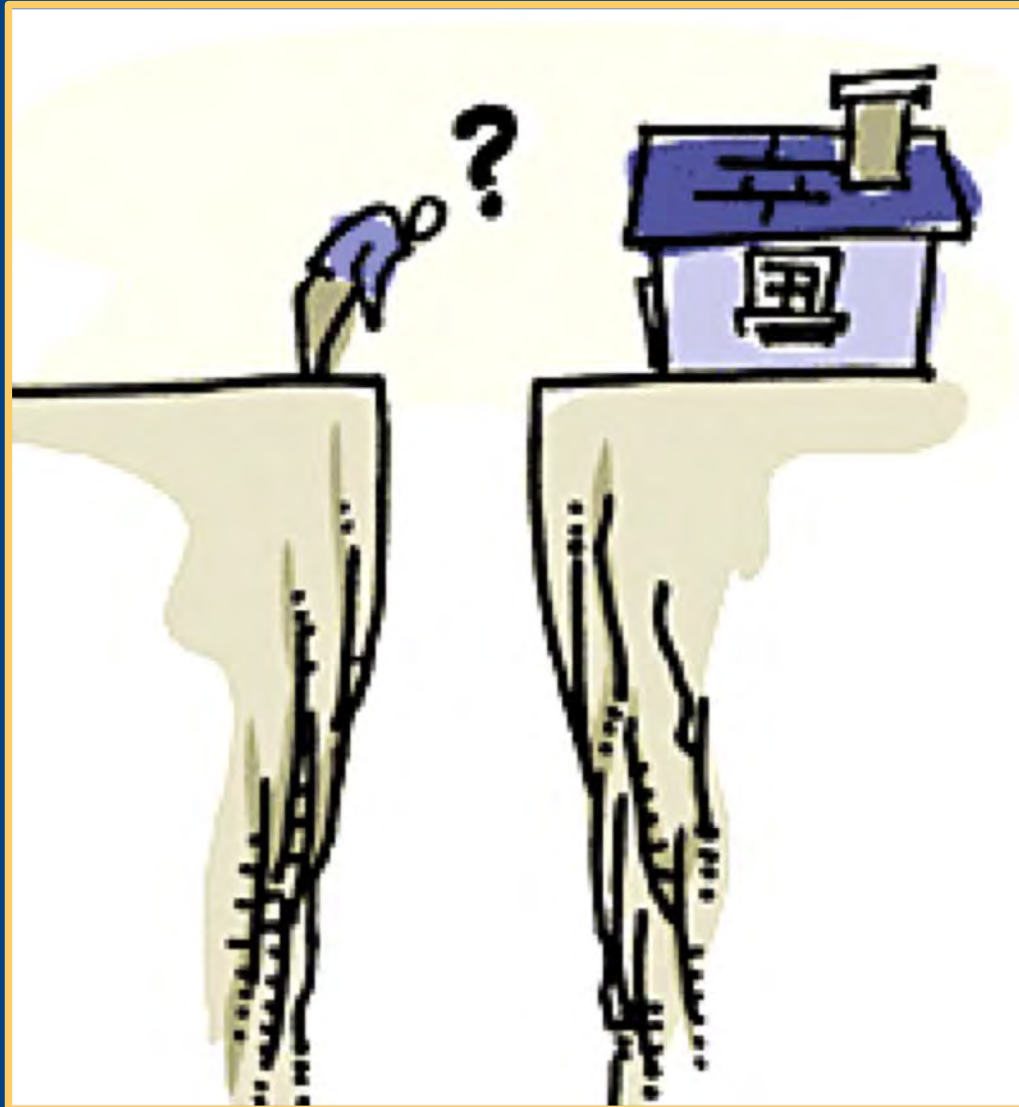
In Canada, it is not a justiciable human right

## Article 25

---

Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in

*Universal Declaration of Human Rights, 1948*



David.hulchanski@utoronto.ca @Hulchanski