

# National housing strategy long overdue

By: Tyler Pearce

Posted: 07/4/2016 4:00 AM

Canada has not had a national housing plan since the mid-1990s. In the intervening years, the housing market has all but been restructured. We've all heard about the condo bubbles in Toronto and Vancouver, and the \$1-million, 800-square-foot single detached houses in Vancouver. Young adults can't afford mortgages — at least without major backing from their parents — making home ownership the intergenerational privilege of a shrinking middle class.

Stories of mini-mansions, teardowns and the middle-class squeeze are only part of the housing story, however. What the scandalous stories of million-dollar shacks in Vancouver miss is the pressure on rental housing. Renters are feeling the pinch differently, depending on the area and apartment type they live in, but they are all feeling it. In Winnipeg, rental rates have gone up by an overall average of more than 3.5 per cent in both 2014 and 2015, outpacing inflation. This upward pressure means more people are paying more than the affordability guideline of 30 per cent of their income on rent.

For people who have a very low income, the situation is perilous. For one thing, until this year, the easing of vacancy rates we've seen in Winnipeg in the past couple of years was largely happening at the high end of the market, rather than the lower. Vacancy rates vary by neighbourhood, but units renting at less than \$500 a month (a rare find, and one the quality of which might be questionable at best) have tended to have low vacancy rates, making these units tough to come by. Even as vacancies have eased for some apartment types, affordability is evaporating.

Keep in mind \$500 is in the "affordability zone" for around 13 per cent of Winnipeg households (2010 census data). Yet the average rent for a bachelor apartment in the core area is \$589, with some differences between core area neighbourhoods (\$431 in Lord Selkirk versus \$600 in Centennial, according to a Canada Mortgage and Housing Corp. report in 2015). This is the

average rent for a bachelor. The hard, if obvious, truth is most people living on low incomes end up paying more of their overall income — a lot more.

That's where housing advocates, including non-profit housing providers of affordable and social housing, come in — or should come in. But the truth is, providers of non-profit housing are pinched, too. At affordable rates, these providers are not covering costs, and many are coming to the end of operating agreements that date back to before the 1990s. The result has been increased pressure to phase out rent-geared-to-income units in favour of affordable units that are no longer affordable to people with no other options. In addition, housing providers report frequent and expensive apartment turnovers, making their operating costs high. Tenants struggling to pay rent and put food on the table, unsurprisingly, can require on-site social supports. Where the work of social services ends, non-profit providers — often their on-site managers and caretakers — find their work unwittingly begins. Any de facto social work and emergency services is an added cost.

Despite the pinch of housing providers, in the past 20 or so years where the federal government has ignored housing (as best it could, anyway), provinces and housing advocates have filled the void. For their part, advocates across the country have managed to create a network of ground-level analysts and providers who can explain supply issues and affordability issues as they affect housing accessibility and cost. Likewise, they can speak to the interconnected social and housing needs of a specific population, such as low-income, indigenous, newcomer and seniors. Manitoba advocate group Right to Housing has examined, among other things, the effects of taxation and incentives on supply across the housing continuum.

These advocate groups, which include the Canadian Housing and Renewal Association on a national level, have called on the federal government to save us a seat at the table for discussions about a new national housing strategy. Federal and provincial governments have taken the important first step to formulate a strategy to address the new reality in Canada and advocacy groups want to be part of that process.

Tyler Pearce is chairwoman of Right to Housing's federal working group. Find out more about right to housing at [righttohousing.ca](http://righttohousing.ca).