



## Right to Housing

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Thank you for the opportunity to participate in the pre-budget consultation process.

The Right to Housing Coalition is a Winnipeg-based group of individuals and 58 supporting organizations concerned about the shortage of affordable (including social) housing. We partner with all three levels of government to develop housing policies and programs.

The Coalition was pleased to meet with the Honourable Scott Fielding, M.L.A., Minister of Families, on September 13 to discuss our priorities for Budget 2017. We hope to meet directly with the Finance Minister and to make a presentation at one of the upcoming in-person meetings being held in Winnipeg.

Ensuring all Manitobans can access affordable housing is not only the right thing to do, it also makes economic sense. Investments in affordable housing generate government savings by reducing costs related to homelessness and poverty. A study of homelessness in four Canadian cities found that the cost of institutional responses to homelessness such as prison and psychiatric hospitals can be as high as \$120,000 per person annually, and the cost of emergency shelters as high as \$42,000 annually. In contrast, supportive and transitional housing costs up to \$18,000, and affordable housing without supports costs up to \$8,000. Clearly, cost savings are realized by investing in affordable housing instead of traditional institutional responses.

Further, access to affordable housing is a prerequisite for success in training and employment. Without it, Manitobans would be unable to achieve the stability they need in their lives to participate in the labour market and contribute to the growth of our economy.

Finally, the creation of affordable housing generates employment and training opportunities that can be used strategically to benefit people that are often shut out of the workforce, including social housing tenants. This helps generate new tax revenues and keeps money circulating in the local economy.

Please see our recommendations for Budget 2017 below.

### **Increasing Supply**

Rent-geared-to-income (RGI) and affordable rental housing play an important role in the housing continuum. Right to Housing prioritizes the need to increase the supply of RGI housing, as the private market is unable to offer these low rents that are in high demand.

RGI housing enables the most vulnerable Manitobans to access the housing stability they need to pursue education, training, and job opportunities that lead to economic independence and the ability to move out of subsidized housing.

Priority should be given to locating new builds where supply is most lacking, and to accommodating the needs of the most underserved demographics. For example, there is a large homeless population requiring access to RGI housing with supports. *The Plan to End Homelessness in Winnipeg* recognizes that a healthy supply of affordable housing is central to the plan's success, and critical to efforts to prevent and end homelessness. One of its four key areas for action is to increase the supply of affordable housing. It identifies a need to create 7,500 affordable housing units just to house people who are homeless.

There are also many large low-income families, including Indigenous, immigrant, and refugee families who live with extended family and friends and require housing with three bedrooms or more. Housing costs in the private market are too high for many of these families and those who turn to subsidized housing are often unable to find units with three or more bedrooms.

Ongoing investments in Rent Assist are critical to assisting low-income Manitobans, both working and on EIA, with housing costs. The Province's decision not to claw back Rent Assist after the launch of the Canada Child Benefit is another important commitment. Rent Assist and Rent Supplements should be promoted in communities where there is enough supply to meet the demand for RGI housing through subsidies.

Manitoba Housing should work with Right to Housing and other stakeholders to determine the appropriate combination of new builds and income supports required to meet the need for RGI housing across Manitoba, and then begin to implement a plan to achieve that combination upon completion of the existing plan to add 500 social and 500 affordable units.

### **Recommendations:**

- **Invest resources in Budget 2017 to complete Manitoba Housing's plan to add 500 new RGI and 500 new affordable housing units.**
- **Invest resources in Budget 2017 to reflect the budgetary increase required to maintain the legislated formula for calculating Rent Assist.**

### **Preserving Supply**

Federal operating agreements with housing providers are expiring. The subsidies in these agreements enable housing providers to offer RGI and affordable housing. Some providers will not be viable without the subsidies and will increase rents, reducing Manitoba's supply of RGI housing.

Our understanding is that this government plans to continue to provide funding and planning assistance to support the sustainability of non-profit and co-operative housing providers, as well as the RGI units owned and operated by Manitoba Housing.

These important commitments will help preserve the RGI units offered by housing providers with agreements expiring before March 31, 2017. However, the real crisis begins after 2020 when the majority of RGI units are threatened by expiring operating agreements. The Province should act now to develop a plan to ensure that there is no net loss of these RGI units due to expiring agreements.

**Recommendation:**

- **Proactively work with housing providers and allocate resources in Budget 2017 to ensure there is no net loss of rent-geared-to-income (RGI) housing units due to expiring federal operating agreements.**

The quality of Manitoba's public housing stock must be improved to preserve existing units. *The Plan to End Homelessness in Winnipeg* identifies the need to encourage increased provincial funding to maintain existing social housing stock to meet the needs of the homeless population.

Ongoing investments in capital upgrades to roofs, windows, heating and ventilation systems, water and waste efficiency upgrades, major renovations and overall site improvements are needed. These investments help prevent tenants from being exposed to toxic substances and other problems associated with mould, insect infestations, and inadequate heating and insulation.

In 2009, the Province estimated the need for \$100M in annual investments over ten years to address the current and deferred capital repair requirements in public housing. While it has taken several years to ramp up to that level of annual investment, the Province invested more than \$120M in 2015/16. To make up for under spending in this area in previous years, investments of at least \$126M annually are required to meet the estimated need for capital repairs by 2020.

**Recommendation:**

- **Invest at least \$126M in Budget 2017 to meet the need for capital repairs and maintenance in public housing units.**

**Housing with Supports**

Public housing should connect tenants to resources and opportunities (e.g. mental health services, literacy training, job training, education, childcare, and healthcare) that build capacity and lead to economic independence so that tenants can transition out of public housing. Providing housing with supports, in particular to the homeless population, is a key piece of *The Plan to End Homelessness in Winnipeg*.

Much of Manitoba's public housing is in the inner city where there is a concentration of services and supports to low-income Manitobans. However, many low-income Manitobans

live in public housing outside of the inner city and in rural areas where programs and services are relatively scarce.

Family Resource Centres located in Manitoba Housing complexes are a model of best practice for improving tenants' access to information and services, particularly those living outside of the inner city. They help tenants meet their basic needs and access various programs that improve their quality of life, and funding for this work should at least be maintained in Budget 2017.

The Province should go further to ensure that all Manitoba Housing tenants have access to tenant-driven resource centres that offer comprehensive supports either on site or nearby. This should include exploration of the potential for ensuring that mobile resources and services can be provided in smaller urban communities where Manitoba housing tenants are not geographically concentrated.

**Recommendation:**

- **At least maintain the previous year's investments in Family Resource Centres and work to ensure all Manitoba Housing and Renewal Corporation tenants have access to resource centres that receive sufficient and stable funding to cover basic costs.**

**Leveraging Housing Investments for Targeted Job Creation**

Manitoba Housing has contracted with social enterprises to complete a portion of its maintenance work and capital refresh projects. It currently purchases over \$6M annually in goods and services through social enterprise. Manitoba Housing has collaborated with the social enterprise sector to identify an achievable goal of \$10M annually in purchasing through social enterprise by 2017/18. The bulk of this annual investment represents capital spending that Manitoba Housing would undertake anyway.

This relationship with Manitoba Housing enables social enterprises to provide training and job opportunities for people facing significant barriers to employment, many who live in public housing, who may otherwise be on social assistance or involved in the criminal justice system. Investments in social enterprise have proven their value with an average 2.32 to 1 social return on investment.

**Recommendation:**

- **Allocate funding in Budget 2017 for Manitoba Housing to reach \$10M annually in purchasing from social enterprise.**