



Right to Housing

Keep Public Housing Public

On September 29th, 2020, the Manitoba Government issued two requests for proposals to “conduct a comprehensive inventory and evaluation of the province’s entire housing portfolio”. The announcement also points to the 2017 KPMG report: *“Manitoba Fiscal Performance Review: Phase Two Report– Business Case Social Housing”*. This report has become the province’s roadmap for its housing policy. Rather than addressing the housing needs of low-income Manitobans, the report focuses on saving money by:

- Privatizing public housing
- Reducing shelter benefits while increasing barriers for eligibility to shelter benefits
- Subsidizing private landlords

The KPMG report refers to ‘leading practices’ in Australia, Great Britain and New Zealand, which have privatized their public housing stock. It provides very little detail on the impact of these practices. In the October 2020 CCPA report [“KPMG sends Manitoba Housing down a dead end. Learning the Wrong Lessons from Great Britain, Australia and New Zealand”](#), researcher Doug Smith examines housing policies in these jurisdictions more closely and finds that privatizing public housing has led to an increase in housing insecurity.

Smith found that each of these jurisdictions is experiencing a crisis in the supply and affordability of housing. The crisis is characterized by the following phenomena:

- No significant growth in the public and social housing sector for decades.
- The period of time that people are expected to live in public housing has been shortened.
- The cost to live in social housing is increasing as what are defined by government as ‘affordable’ rents become increasingly ‘unaffordable.’
- Rising costs in the private sector and the social housing sector have led to increases in overcrowding and homelessness.
- Having largely created the non-profit housing sector, government has become disillusioned with it, as the sector comes up against the unavoidable fact that safe, decent, affordable housing for low-income people cannot be provided without subsidy.
- Subsidies to private landlords have proven to be expensive but have failed to relieve housing stress for low-income people.

The housing crises these jurisdictions face arise from complex and inter-related sources. They have been exacerbated by cuts to public housing and reliance on ‘pro-market’ policies—policies that the Manitoba government is now activating. The Province has stopped building new public housing and has begun to transfer the management and ownership of its public housing assets to the private and non-profit sectors. It has also increased rents in public housing while making cuts to the Rent Assist shelter benefit, which low-income households depend on to pay for housing in the private rental market.

Manitoba is heading down the wrong path at the worst possible time. Covid-19 has increased the urgency to ensure that all Manitobans are adequately housed. Increasing access to safe affordable housing requires a well-maintained supply of public housing. Emphasis on investment rather than cutting costs will help Manitoba avoid the pitfalls that have arisen in other jurisdictions that have adopted the policies proposed by KPMG.