



Federal government should take action on health challenges: housing, community innovation / health equity, immigration

**Submission to the Parliament of Canada Standing Committee on Finance
2010 pre-budget consultation process, August 15, 2009**

The Wellesley Institute

The Wellesley Institute is a progressive-centre, independent, non-partisan, and pragmatic urban think tank that works at the national, provincial, and local levels to advance urban health issues. We conduct our work within four pillars: affordable housing, healthcare reform and equity, social innovation, and immigrant health. We do so through rigorous research, pragmatic policy solutions, and community engagement and action.

Our recommendations for the 2010 federal budget:

A) \$728 million for a comprehensive national affordable housing framework, including:

- \$600 million for 10,000 new homes,
- \$128 million to expand federal RRAP program (private housing repairs).

B) \$350 million for national community innovation / health equity initiatives, including:

- \$150 million for a national social innovation fund (social purpose venture fund),
- \$50 million for a new community innovation fund,
- \$135 million to expand the federal homelessness initiative,
- \$15 million for four national health equity demonstration projects.

C) Additional funding for federal immigrant settlement and integration initiatives, including extension of existing and expiring federal-provincial initiatives.

Continuing economic troubles are hurting Canadians

Even before the current recession started, Canadians faced growing poverty and income inequality¹, significant inequalities in health between richer and poorer people², and deep and persistent housing insecurity³. While there are reports of “green shoots” that may signal macro-economic recovery; low, moderate and middle-income Canadians continue to face deep inequities that affect their ability to maintain healthy lives, secure adequate and affordable housing and participate fully in the social and economic life of our country.

¹ Organisation for Economic Co-operation and Development, *Growing unequal? Income distribution and poverty in OECD countries*, Paris: OECD, 2008

² Lightman, Ernie et al, *Poverty is making us sick*, Toronto: Wellesley Institute, 2008

³ Latest statistics in forthcoming *State of Nation's Housing* report from Wellesley Institute

In its January 2009 budget, the federal government set out a multi-billion dollar economic stimulus package and we offer our congratulations on this vitally important action. Included in the federal commitments from the 2009 budget are significant measures that touch on our major areas of concern: affordable housing, community innovation, and immigration / settlement.

We believe two key priorities remain to be fulfilled: assisting Canadians most severely affected by the recession, and building an equitable and innovative economy for the 21st century. We recommend building on current federal funding, programs and services, to move towards an overall framework that guides federal policies and practices and engages important partners (including provinces, territories, municipalities, and private and non-profit sectors).

Towards a national affordable housing framework

Recommendation:

\$728 million within a comprehensive national affordable housing framework, including:

- \$600 million for 10,000 new homes to be matched by other contributions; and,
- \$128 million to expand federal RRAP program (private housing repairs) to an estimated 20,000 additional homes per year to clear the current repair back-log in a timely way.

Rationale:

Canada continues to experience a nation-wide affordable housing crisis. The Wellesley Institute's upcoming State of the Nations' Housing 2009 report⁴, will show that three million Canadian households are precariously housed (using the standard definition of 30% or more of income spent on housing costs combined with Stats Can data).

The 2009 federal budget included a \$1 billion commitment for selected housing initiatives this year, and another \$1 billion next year. These investments are most welcome. However, they are restricted to four categories: social housing repairs, on-reserve Aboriginal housing, seniors, and people with disabilities. Each is important, but there are many other unmet housing needs. Only a truly comprehensive national framework can address the complex housing needs of Canadians.

The \$1 billion in social housing repairs is vitally important for those hundreds in non-market housing. But the dollars won't reach the 244,310 low-income households in substandard private housing (133,940 renter households and 90,375 owner households⁵). While this number is less than 2% of the 12.4 million households in Canada, those households suffer intense concerns.

We recommend an additional \$128 million for the federal private housing repair program (Residential Rehabilitation Assistance Program) to double the current 20,000 units being assisted and reduce the repair backlog, plus allow for a modest expansion of new applicants. The new dollars would also address a looming disrepair issue - aging and deteriorating high-rise stock.

The 2009 budget did not address Canada's non-senior population. Private ownership and private rental markets meet the housing needs of two-thirds of Canadians. However, a significant number of the five million households in the first and second income quintiles (the poorest 20% and 40%, respectively) are effectively priced out of private housing markets. The current annual

⁴ To be released in September of 2009

⁵ Canada Mortgage and Housing Corporation HICO database

plan from Canada Mortgage and Housing Corporation projects that federal spending for the affordable housing will disappear, dropping from \$374 million in 2010 to \$1 million in 2013. Our recommendation calls for federal investments to be ramped up to 10,000 units annually as a down payment on a new national affordable housing framework.

Towards a national social/community innovation/equity framework

Recommendation:

\$335 million for a new initiatives, including:

- \$150 million for a national social/community innovation fund,
- \$50 million for a new community innovation fund,
- \$135 million to expand the federal homelessness initiative and expand its support for community-based programs and services across the country,
- \$10 million for four health equity demonstration projects building on the successful MHCC demonstration project initiative,
- \$5 million in additional funding allocated specifically to health equity

Rationale:

Non-profits play a vital role in Canadian communities and in our economy. They provide vital health and community services, housing, sports and recreation, culture, education, faith and other critical supports. Non-profits contribute about \$90 billion annually to Canada's GDP (including about \$75 billion in wages), more than seven times greater than the contribution from the auto manufacturing sector⁶. Research by the Wellesley Institute, Ontario Trillium Foundation and others shows that non-profits are facing a double bind: the demand for programs and services rises as the recession takes its toll, yet the recession is also cutting into the revenues of the non-profit sector (including grants, donations and fees).

Canada was once at the forefront of voluntary sector initiatives. We now lag behind the United States, Great Britain and Australia. Great Britain has a cabinet-level Office of the Third Sector, the Obama administration has an Office of Social Innovation in the White House, and the Australian government is negotiating a new national compact for non-profits. We recommend that Canada create a ministry or senior-level secretariat for the third sector.

While Canada has a variety of programs and practices at the federal level, there is no coherent or comprehensive framework or effective way for non-profits to navigate the confusing and often contradictory rules and procedures, and far too few dedicated programs. Some federal initiatives to assist non-profits are “add-ons” to other programs. For instance, the federal government had a short-term capital programs fund for non-profits that was embedded within the federal infrastructure program. There were tight restrictions and significant red tape attached to the dollars – and non-profits were required to compete with municipalities and others for the funds.

One model of an effective partnership between the federal government and community-based programs and services is the federal homelessness initiative (originally the Supporting Community Partnerships Initiative, now the Homelessness Partnering Strategy). Over the years, the program has supported a great number of critical community programs in 61 municipalities

⁶ Statistics Canada

across Canada. The federal government does not dictate the priorities for local communities, but allows local entities (sometimes a community coalition or a municipal government) to develop local plans that meet local needs. Our recommendation calls for doubling the federal homelessness initiative to allow it to expand throughout Canada and meet growing needs due to inflation and growing needs.

The Senate Subcommittee on Population Health recently released a comprehensive report on restructuring federal government policy to address the foundations and harsh impact of health inequalities⁷. The federal government should act on its key recommendations, including:

- additional resources to the Public Health Agency of Canada to act as a “research and policy node” on effective policy and programs to address health disparities,
- increase resources to recognize the need for enhanced and systematic equity-relevant data collection, effective interventions research, evaluation and other research needed to help identify health-disadvantaged populations’ needs, and monitor progress.

Wellesley Institute research demonstrates that a great deal of innovative front-line service delivery can effectively address the needs of health disadvantaged communities, including: community health centres, other community-based agencies, hospitals, social services, cross-sectoral collaborations, enhanced interpretation, and peer-based health ambassadors. These and others provide services in innovative and integrated ways, such as hub-type community centres providing primary health care, health promotion, employment and skills training, literacy and adult education, settlement support, and other related social services.

However, little systematic research has been done on the outcomes of such equity-driven service provision, the key ‘success factors’ that underlie the most dynamic programmes, and the policy and institutional frameworks needed to enable local front-line innovation and equity-focused initiatives. More community-based needs assessments, service evaluation and outcomes research should be funded to focus on local equity interventions and innovation.

We recommend that the federal government increase funding to the Public Health Agency of Canada by \$15 million annually to enable it to:

- invest in applied research designed to identify effective intervention and policy/program directions to reduce health disparities;
- develop forums and infrastructure to exchange research and program information, identify and assess promising practices, and elaborate the success conditions and defining features of effective equity-driven interventions and innovation;
- invest in demonstration and evaluation projects of social determinant–directed service interventions and hub-type integrated service models across the country, building on the model being successfully used by the Mental Health Commission of Canada in its national homelessness pilot project.

⁷ Available at <http://www.parl.gc.ca/40/2/parlbus/commbus/senate/com-e/popu-e/rep-e/rephealth1jun09-e.pdf>

Towards a more equitable immigration strategy

Recommendation:

Additional funding for federal immigrant settlement and integration initiatives, including the extension of existing and expiring federal-provincial initiatives.

Rationale:

The WI is investing \$1 million in ongoing research initiatives with the residents of the St Jamestown neighbourhood on immigrant health. Our research, and the work of many others, demonstrates that immigrants arrive in Canada with better health than resident Canadians, but after five years in our country, their health is poorer than resident Canadians.

Newcomers experience a range of physical, social, economic and cultural factors in their neighbourhood that affect their physical, mental and emotional health and wellbeing. Economic and communication difficulties associated with being a newcomer to Canada are some of the issues associated with mental health and wellbeing.

Immigration remains integral to Canada's social, cultural and economic development. Since 2001, an average of 240,000 newcomers arrived in Canada each year, making Canada one of the leaders of immigrant-receiving countries in the world. Today, roughly two-thirds of Canada's population growth comes from net international migration. An important shift in the characteristics of recent immigrants is that more are coming from countries where official languages other than English and French are spoken. Therefore, large numbers of new immigrants have completed their schooling in their home countries in a language other than English or French. We know that language plays an important role in immigrant integration.

We also know that integration is an inevitable process wherein immigrants and the communities in which they settle mutually adapt to one another. Language is only one of a set of inter-related issues facing immigrants who are seeking to make a home in Canada. The issues of professional certification, Canadian experience and other practical challenges remain daunting.

The federal government recognizes its role in supporting immigrants both through direct federal programs, and also through various agreements with provinces. More is required, including additional funding in the areas of integration, credentialing and cross cultural support.

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