

Submission on behalf of: The Wellesley Institute

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1. The Wellesley Institute is an independent research and policy institute dedicated to advancing population health with a focus on the social determinants of health, including housing. In this submission, we focus on housing and homelessness as it relates to Canada's international human rights obligations, including Article 11 of the International Covenant on Economic, Social and Cultural Rights (CESCR).
2. **CANADA HAS FAILED IN ITS COMMITMENTS TO UPR 2009:** Canada's federal government has failed to meet the commitments that it made in its formal response to the Universal Periodic Review (UPR) of 2009 after it took on board recommendations on housing and homelessness. Specifically, Canada has continued to cut housing and homelessness funding, it has failed to develop a collaborative strategy with other orders of government in Canada's federation and its signature national housing and homelessness programs are to be eliminated in fiscal 2013 (March 31, 2014). The federal government's failure to meet its international housing rights obligations and its commitments to UPR 2009 are contributing to a national affordable housing crisis and homelessness disaster.
3. **WELLESLEY INSTITUTE SUBMISSION FOR 2009 UPR:** In the Wellesley Institute's submission to the 2009 UPR, we noted that homelessness and inadequate housing were determined to be a "national emergency" at paragraph 62 of the Concluding Observations of the 2006 CESCR periodic review of Canada and that this finding was confirmed by the United Nation's Special Rapporteur on the Right to Adequate Housing following his fact-finding mission in 2007. We noted that Canada cancelled funding for new affordable housing under its national housing program in 1993 and dismantled most national housing programs in 1996. That left Canada virtually alone among the nations of the world without a national housing plan. Citing government figures, we noted that consolidated federal, provincial, territorial and municipal spending on housing was 0.57% of GDP in 1992. Fifteen years later, Canada's GDP had doubled, but housing spending had shrunk to 0.29% of GDP. We cited government figures to note that one-in-four Canadian households faced unaffordable housing costs and lacked the income to pay for shelter, plus other necessities such as energy, food, medicine, clothing, transportation and childcare. Among renter households, the affordability crisis was more severe. Fully 40.3% of renter households were paying 30% or more.
4. **FEDERAL HOUSING / HOMELESSNESS INITIATIVES 2008 / 2009:** Canada's federal government took several housing and homelessness initiatives after the Wellesley Institute completed our UPR 2009 submission. In September of 2008, the federal government

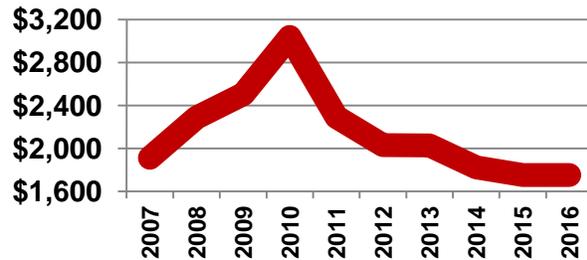
announced a five-year extension of three national programs including the Affordable Housing Initiative (new affordable housing), the Residential Rehabilitation Assistance Program (repairs to existing housing) and the Homelessness Partnership Strategy (transitional housing, shelters and services for those who are homeless). The total promised was \$387.59 million per year until March 31, 2014. In its 'economic stimulus' budget of 2009, the federal government announced funding of \$2.075 billion for affordable housing over two years, plus \$5.7 billion for middle and upper-income home-owners. Also, the federal government announced its Insured Mortgage Purchase Program to assist Canadian mortgage lenders, with a commitment of \$125 billion. The final outlay is estimated at \$69 billion. The federal housing and homeless initiatives of 2008/2009 continued a previous pattern in which the largest share of federal resources are directed at financial institutions and higher-income home-owners, with a very small amount directed at lower-income Canadians who are experiencing precarious housing and homelessness.

5. 2009 UNIVERSAL PERIODIC REVIEW RECOMMENDATIONS: In its 2009 UPR, 68 recommendations were directed at Canada, including four on adequate housing: (47) "Consider taking on board the recommendation of the Special Rapporteur on adequate housing, specifically to extend and enhance the national homelessness programme and the Residential Rehabilitation Assistance Programme" (Malaysia); (48) "Intensify the efforts already undertaken to better ensure the right to adequate housing, especially for vulnerable groups and low income families" (Vietnam); (49) "Continue to address socio-economic disparities and inequalities that persist across the country" (Turkey); and, (54) "Strengthen and enlarge existing programmes and take more and specific measures towards Aboriginals, particularly with regard to the improvement of housing, educational opportunities, especially after elementary school, employment, and that women's and children's rights are better safeguarded, in consultation with civil society" (The Netherlands).
6. CANADA'S FORMAL RESPONSE: Canada took on board recommendations 47, 48 and 49 and, in part, 54, with these commitments: "Canada accepts recommendations 47 and 48. Canada is working to improve housing choice and affordability. Governments are making substantial investments in housing through programs targeting affordability, housing renovation, homelessness and support for existing social housing units. Addressing Aboriginal housing issues on reserve remains a priority. Canada provides support through programs targeting the construction of new housing units, the renovation of existing housing stock, and subsidies for existing rental housing. Since 2006, new funding for Aboriginal people has been dedicated to resolving challenges of poverty and housing." "Canada accepts recommendation 49 and is undertaking measures to respond to the social and economic needs of Canadians. Canada acknowledges that there are challenges and the Government of Canada commits to continuing to explore ways to enhance efforts to address poverty and housing issues, in collaboration with provinces and territories." "Canada accepts recommendation 19, and in part recommendation 54 as we must strengthen and improve Aboriginal programs."
7. FEDERAL HOUSING CUTS 2011: The federal government has made substantial cuts in housing funding since UPR 2009. The short-term initiatives set out in paragraph 4 above were terminated and, in fiscal 2011, the Public Accounts of Canada report a 39% cut in national affordable housing funding from \$3.13 billion in 2010 to \$1.907 billion in 2011.

Since most federal dollars were matched by provinces, territories, municipalities, non-profit and private housing organizations, the combined loss added up to more than \$3.5 billion in one year. Included in the federal cuts were: 97% cut in Affordable Housing Initiative (new affordable homes) from \$452 to \$16 million; 94% cut in national low-income housing repair program from \$674 to \$37 million; 27% cut in on-reserve Aboriginal housing from \$215 to \$156 million; and, 5% cut in assisted housing from \$1.7 to \$1.6 billion.

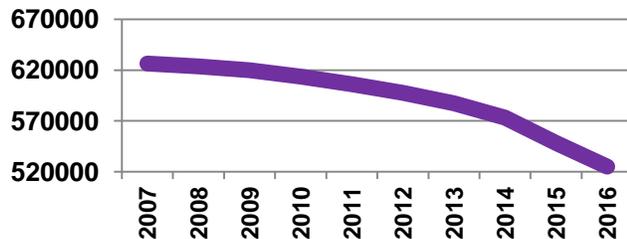
8. LONG-TERM HOUSING CUTS:

Federal investments in affordable housing have been eroding for more than two decades. The temporary uptick in funding in the 2009 federal budget has been reversed, and the long-term downward trend continues. The current corporate report from Canada Mortgage and Housing Corporation, the federal government’s housing agency, confirms that the two-decade erosion of federal affordable housing investments is continuing to grow worse. The latest numbers (chart above) show that federal housing program expenses, including the affordable housing initiative, were \$3.6 billion in 2010 as the short-term affordable housing investments from the 2009 stimulus budget reached their peak. Funding was cut by more than one-third in 2011, and those cuts will continue to get worse through 2016. By 2016, consolidated federal housing investments will be cut to \$1.8 billion – down 52% in six years.



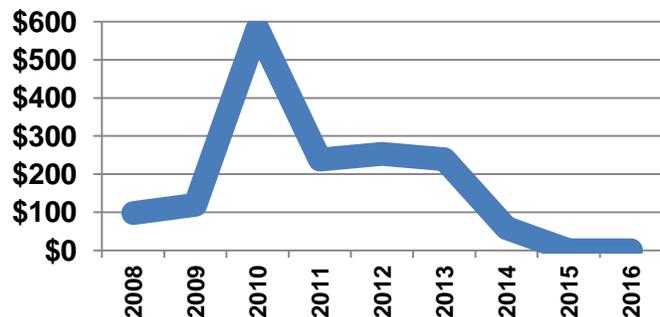
9. DROP IN SUBSIDIZED HOUSING:

The CMHC corporate plan reports that the number of households assisted under federal programs will be cut by almost 100,000 - from 623,700 households in 2008 to 525,000 in 2016 (chart at right). That cut of 16% in the number of federally-subsidized households comes at a time when most communities across Canada report that the after-shocks from the 2008 recession are continuing to cause deep housing and homelessness distress. The affordable housing wait list for the City of Toronto hit an all-time record of 86,604 households (159,965 individuals) in August of 2012. Toronto’s wait list has set a new record every month, year after year, since the fall of 2008.



10. NO NEW AFFORDABLE HOUSING

BY 2016: The federal government’s affordable housing investments are delivered through the Affordable Housing Initiative. CMHC reports that funding for this initiative will fall from \$582 million in 2010 to zero in 2015 (chart at right). By 2016, consolidated federal housing investments will have



been cut to \$1.8 billion – a cut of 52 percent in just six years. The planned housing cuts come at the same time that CMHC is reporting that its net income will rise to \$1.6 billion annually by 2016. The financial impact of the federal housing cuts is large. Many of the federal dollars leverage a dollar or more from provincial and municipal governments, and a dollar or more from affordable housing providers – which adds up to an annual loss of \$5.6 billion in affordable housing investments in 2016 and every year after. That lost funding could finance the development of more than 22,000 affordable homes annually.

11. **ERODING HOUSING AFFODABILITY:** General Comment #4 on the right to adequate housing under article 11(1) of the CESCR sets out a number of dimensions to this right, all of which are important in the Canadian context. For instance, cultural adequacy is a key for Aboriginal housing, while habitability is a key concern as much of the nation’s affordable housing stock is aging and a significant portion is in a state of poor repair. However, most experts agree that the lack of affordability is the biggest housing issue facing Canadians. Roughly two-thirds of Canadians live in private ownership housing, and slightly less than one-third in private rental housing. About 5% live in social housing – including non-profit, co-operative and municipal housing. The private ownership and rental markets are increasingly out of reach for low, moderate and middle-income households. RBC Economics reported in August of 2012 that an owner household needs an income of \$79,000, plus a down payment of \$91,300, to qualify for a modest detached bungalow. The median income for owner households in Canada is \$75,200. Canada Mortgage and Housing Corporation reported in June of 2012 that a renter household needed an income of \$35,480 to afford a typical two-bedroom apartment. The median income for renter households is \$39,500. Median incomes for owners and renters have fallen since 2008, even as housing costs risen.
12. **ALMOST NO COLLABORATION WITH OTHER ORDERS OF GOVERNMENT:** In its formal response to UPR 2009, Canada’s federal government promised to collaborate with provincial and territorial governments on housing and homelessness. In Canada, the main structure for inter-governmental collaboration is the Canadian Intergovernmental Conference Secretariat. From 2009 to 2012, the secretariat reports that there have been 274 inter-governmental conferences on issues from health to taxation, immigration to sports and recreation. There have only been three sets of meetings on housing – two in 2009 and one in 2010. No meetings were held in 2011, and none are planned for 2012 or subsequent years. In 2001, the federal government signed a short-term Affordable Housing Framework Agreement with provinces and territories. Bilateral housing deals, pursuant to the 2001 framework agreement, were also signed. The term of the original agreement has lapsed. In 2005, Canada’s provincial and territorial governments proposed a framework for a renewed national housing agreement, but the federal government has yet to either assent to this proposed framework, or offer its own revised housing framework.
13. **NO NATIONAL HOUSING PLAN:** Canada is a signatory to the International Covenant on Economic, Social and Cultural Rights, along with numerous other human rights instruments that set out the right to housing. In 1973, when Canada amended its *National Housing Act* to create a new national housing program, it asserted that: “Good housing at a reasonable cost is a social right of every citizen... This must be our objective, our obligation and our goal.” The 1973 NHA led to the development of more than half a million good quality co-op and non-

profit homes over two decades. At the provincial level, tenant protection laws (including rent regulation) were introduced in many parts of the country, along with additional social housing programs. Canada has a long history of successful and cost-effective housing initiatives, including programs aimed at specific populations, such as Aboriginal people, women, and people with special physical or mental health issues. From 1945 to 1985, Canada's federal government, and many sub-national governments, supported the development of a wide array of housing initiatives including non-profit and co-operative housing, tenant protection legislation, rent regulation legislation, rental housing protection legislation and human rights legislation to prevent discrimination in accommodation.

14. **MASSIVE EROSION IN HOUSING:** In the past two decades, there has been a massive erosion in public housing spending and in legislated housing protection. Since 1996, when the federal government announced plans to dismantle most of its remaining national housing programs, Canada has not had a national housing strategy. Instead, it has a patchwork of short-term initiatives that are inadequately funded and poorly co-ordinated.
15. **STEPS TOWARDS COMPLIANCE WITH HOUSING RIGHTS STANDARDS:** Canada has signed the CESCRR and numerous other international legal instruments that recognize the right to housing, but it has failed to incorporate this international right into domestic law. Successive international housing reviews have called on the federal government to ensure that this international right is written into domestic law and that appropriate steps are taken with provincial, territorial and municipal governments to ensure that they realize their housing rights obligations. Bill C-400, *An Act to provide for secure, adequate, accessible and affordable housing for Canadians*, is scheduled for second reading debate at the time of preparation of this submission. The federal government is expected to oppose this draft legislation, which seeks to incorporate Canada's international housing rights obligations into domestic law, and sets in place a structure to ensure that the federal government collaborates with provincial, territorial, municipal, Aboriginal, non-profit and private sectors to create a new national housing plan. The Ontario Human Rights Commission, in its ground-breaking work in 2008 called *Right at Home* sets out a coherent agenda for action that includes a new national housing framework, the incorporation of international housing rights standards into domestic law and 47 detailed recommendations that run the spectrum from income assistance programs to building standards to tenant protection legislation.
16. **OUR RECOMMENDATIONS:** The Wellesley Institute urges that the Government of Canada take the following steps to come into compliance with its housing rights obligations: (1) Incorporate the international right to housing into domestic law; (2) Take action to implement the many recommendations from previous CESCRR, UPR and Special Rapporteur reviews; (3) Immediately commit to renew and enhance the federal housing and homelessness programs that are due to expire in fiscal 2013; (4) Implement a multi-year affordable housing investment plan, with clear targets, to increase affordable housing spending to meet the diverse housing needs of Canadians. Housing insecurity is widespread and homelessness is on the rise. The impact is measured in poor health and premature mortality of the growing number of precariously-housed Canadians. Canada can become a leader again in housing rights. This country has the fiscal capacity and we have a history of successful housing initiatives.