

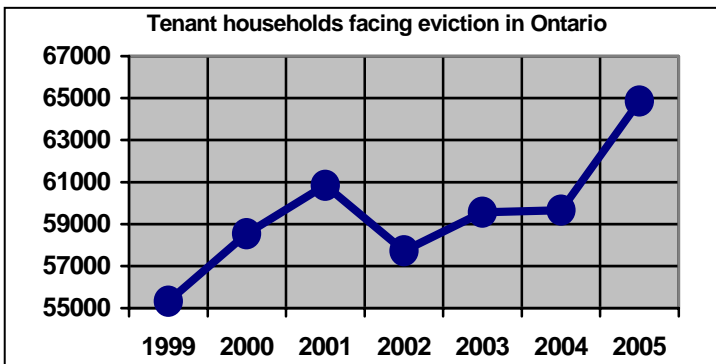
March 19, 2007

## **Wellesley Institute Ontario pre-budget backgrounder: Growing housing need requires more funding; 14 cents per day won't build many new homes**

Almost two million Ontarians are looking for housing relief as Finance Minister Greg Sorbara releases the 2007 budget on March 22. Provincial housing spending slumped to a mere 14 cents per person per day in 2006 – and has flat-lined since massive funding cuts before 2002.

### **Housing and homelessness: Facts and figures**

→ **MILLIONS AT RISK OF HOMELESS:** Tens of thousands of Ontarians use homeless shelters annually, and at least double that number are “hidden homeless”. Canada Mortgage and Housing Corporation estimated that 599,700 households (1.6 million women, men and children) were in “core housing need” in 2001, which puts them at risk of homelessness. This is up from 432,922 million households in 1991. The number in acute need increased at three times the rate of population growth.



→ **SHRINKING INCOMES – RISING RENTS:** Renter households are caught in the squeeze between higher rents and dwindling incomes. The real median renter household income in Ontario fell from \$33,300 in 1990 to \$27,800 in 2004<sup>1</sup>. The average rent for a two-bedroom apartment rose from \$672 in 1992 to \$919 in 2006<sup>2</sup>. An all-time record of 66,746 households faced eviction in 2006<sup>3</sup>.

→ **FEW AFFORDABLE RENTAL HOMES:** The overall number of rental units in Ontario’s 21 major municipal areas fell by 13,061 from 1995 to 2005, even though the population (and the need for new rental homes) grew over that decade<sup>4</sup>. Meanwhile, the number of “active” households on social housing waiting lists is estimated at 122,426<sup>5</sup>.

<sup>1</sup> Statistics Canada and Canada Mortgage and Housing Corporation, 2006

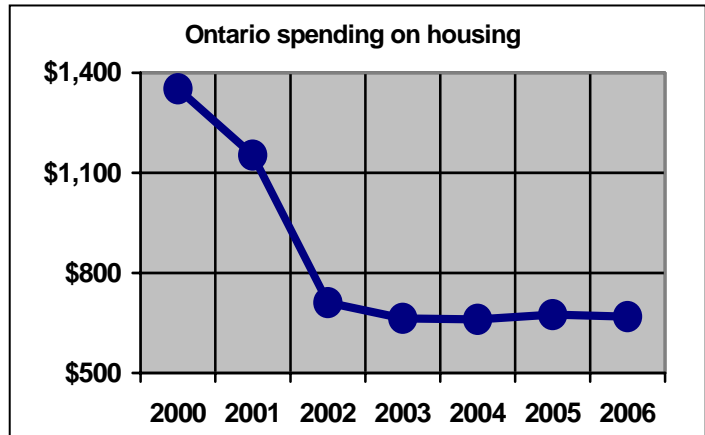
<sup>2</sup> Canada Mortgage and Housing Corporation, 2006

<sup>3</sup> Ontario Landlord and Tenant Board, 2007

<sup>4</sup> Where’s Home? 2006, ONPHA and CHF Canada – Ontario Region

<sup>5</sup> Ontario Non-Profit Housing Association, 2006

→ **PROVINCIAL HOUSING SPENDING**  
**FLATLINED:** Despite growing need, Ontario spending on housing has been flat-lined at less than \$700 million in recent years<sup>6</sup>. In February, Ontario Premier Dalton McGuinty announced that his government would no longer block \$392.5 million in federal housing dollars allocated to Ontario. While the six-month delay has been lifted, the province has yet to announce specific plans for the money, which has to be committed within two years.



### **Ontario delivers a fraction of the homes it has promised**

The Ontario government has delivered only about 10% of the affordable homes that it has promised in the 2003 provincial election, and just a fraction of those promised in federal-provincial housing agreements.

Promised by Harris government at May 2002 signing of federal-Ontario Affordable Housing Program agreement	Promised by McGuinty Liberals during 2003 provincial election campaign	Promised by McGuinty government at April 2005 re-signing of federal-Ontario Affordable Housing Program agreement	New homes built as of February 2007 <sup>7</sup>
<b>10,500 new homes</b>	<b>26,600 new affordable and supportive homes - plus - 35,000 rent supplements</b>	<b>11,060 new rental and supportive homes; 4,500 ownership units; 5,000 rent supplements</b>	<b>2,341 new rental and supportive homes; 356 ownership units 6,670 rent supplements<sup>8</sup></b>

### **What’s needed in budget 2007: \$1.9 billion for affordable housing**

The Ontario Alternative Budget is a fiscally and socially responsible financial plan for Ontario that calls for \$1.9 billion in new provincial housing funding: \$600 million to upload housing back to the provincial level where it belongs; \$220 million for 45,000 rent supplements, \$830 million for capital grants for 8,300 new truly affordable homes; and \$260 million for a social housing rehabilitation fund.



The Wellesley Institute has extensive background info on housing and homelessness, including our **Blueprint to End Homelessness in Toronto**, at [www.wellesleyinstitute.com](http://www.wellesleyinstitute.com)

The **Wellesley Institute housing and homelessness wiki** is at [wiki.wellesleyinstitute.com](http://wiki.wellesleyinstitute.com)

The **Ontario Alternative Budget**, plus technical papers (including a background paper on housing) are posted on the Canadian Centre for Policy Alternatives web site at [www.policyalternatives.ca](http://www.policyalternatives.ca)

**Where’s Home? 2007** is the latest update in Ontario’s most comprehensive housing review. It is posted at CHF Canada Ontario Region web site at [www.chfcanada.coop](http://www.chfcanada.coop) and at the Ontario Non-Profit Housing Association web site at [www.onpha.on.ca](http://www.onpha.on.ca)

<sup>6</sup> Ontario Ministry of Finance Spending Estimates, 2000 to 2006

<sup>7</sup> Ontario Ministry of Municipal Affairs and Housing, 2007

<sup>8</sup> Ontario Ministry of Municipal Affairs and Housing, 2006