



WELLESLEY INSTITUTE  
a decade of advancing urban health



# Wellesley Institute 2008 Federal Election Housing Primer

Michael Shapcott, Director of Community Engagement  
September 2008

## Housing insecurity at record levels

- One-in-four Canadian households pay 30% or more of their income on housing – that's three million households, or close to eight million women, men and children.
- Housing is the biggest expense for low, moderate and middle-income households; housing costs over the past decade grew faster than inflation even though incomes were stagnant.
- High housing costs are a key reason that 720,231 people across Canada lined up at food banks in March of 2007.
- In the early 1980s, more than 10 out of every 100 new homes in Canada were truly affordable. By 2007, less than one-in-one-hundred new homes were truly affordable.
- Canada's rental vacancy rate has been below 3% (the danger zone) since the year 2000.
- More than 300,000 Canadians experience homelessness annually; the number of shelter beds in Canada jumped by 22% in one year to 26,872 in 2007.

## Federal investments lowest in two decades

- Federal housing investments of \$2 billion in 2008 are at their lowest level since 2002. On a per-capita basis, or as a percentage of Canada's Gross Domestic Product, federal housing investments in 2008 were at their lowest level in two decades.
- Federal per capita spending on housing of \$61 is about half the \$115 average per capita among the ten provinces.
- Compared to our partners in the Organization for Economic Co-operation and Development, Canada has slipped from number two in 1980 to number seven in 2003.
- In 2006, the United Nations called housing and homelessness in Canada a "national emergency", a finding confirmed by the UN Special Rapporteur on the Right to Adequate Housing after his official fact-finding mission to Canada in 2007.

## Key federal investments set to expire

- The federal homelessness program (Homelessness Partnering Initiative – \$135 million annually) expires in fiscal 2008. Hundreds of programs and services in 61 communities will be forced to wind down in the fall of 2008.
- The federal housing repair program (Residential Rehabilitation Assistance Program - \$128 million annually) expires in fiscal 2008. Tens of thousands of homes are assisted annually.
- The \$1.4 billion in affordable housing investments authorized by Parliament in 2005 (Bill C-48) has been fully allocated and no new affordable investments are scheduled.
- From 2004 to 2012, net income for Canada Mortgage and Housing Corporation (the federal housing agency) will rise by 49% to \$1.4 billion annually, but CMHC affordable housing spending will drop by 95% to a mere \$8 million for the entire country in 2012.



45 Charles St. E. Suite 101  
Toronto, ON, M4Y 1S2  
416-972-1010  
[contact@wellesleyinstitute.com](mailto:contact@wellesleyinstitute.com)  
[www.wellesleyinstitute.com](http://www.wellesleyinstitute.com)