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April 10, 2015

The Honourable Candice Bergen
Minister of State (Social Development)
Ottawa Canada
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Dear Minister:

Re: Your letter of March 11, 2015

Thank you for your letter of March 11. We are choosing to reply because there are significant differences between our perceptions of what the federal role in housing should and could be and those of your government's. However before going there, it is only right that you know that we do support the initiatives that your government have and are taking. We support in principle the Investment in Affordable Housing's concept of providing federal funding to augment the work of Provinces and Territories to develop housing strategies that suit their local needs. We also acknowledge that the Homeless Partnering Strategy provides token funding to provide some supports for homeless people.

It needs to be said however that the scope and amount invested in these programs is simply not addressing the critical nature of Canada's social housing deficit. While \$1.25 billion sounds like a lot of money in the IAH program, spread over five years and divided between the provinces and territories it amounts to very little. Similarly, \$600 million in the Homeless Partnering Strategy, spread over five years and across the country is even less.

The reality is that the private market is not being provided with the incentives it would require to build the supply of new affordable housing we need. As well the supply of social housing is in peril of being drastically reduced rather than increased. At a time when governments at all levels need to cooperate to sustain the units we currently have, to build the many more units needed to meet the current demand and to plan together for the future housing needs of the country, your government is simply not available for discussion.

In terms of the expiring operating grants to Canada's social housing, significantly reduced now and due to end by 2040, your government is refusing to negotiate with the provinces about how to protect this huge investment in housing infrastructure.

Your statement that “The end dates for these agreements have been known since the agreements were signed and when these agreements mature (the last one in 2038), federal funding will end as planned.”, while reflecting the legal reality, is a shocking statement that illustrates your callous attitude to the housing needs in Canada. It fails to take into account the human cost of such an arbitrary policy. It makes a mockery of your government’s support of the Housing First approach when, by allowing by default the conversion of thousands of rent-geared-to income units to market rental units, your government is creating homelessness at a scale that will be comparable in our history only to the Great Depression.

There are ways that the Federal Government has in the past and can now significantly support the needed supply of social and affordable housing. The billions of dollars of profit generated every year by CMHC is a key. Since 1992-3 these profits have been redirected from being reinvested in housing solutions to federal general revenue. They need to be reinvested in the creation and maintenance of housing, the reason for CMHC from its inception. In the last decade \$ 17 billion have been allocated to the federal bottom line rather than being reinvested in housing. Had this money been invested in housing we would not need the piecemeal solutions that are being implemented now because Canadians would be housed. Another option that a federal government that really cared about housing has would be to use its taxation structure to incent rather than discourage the private sector to become involved in solving the affordable housing supply deficit.

This is a complex and multi faceted issue that cannot be dealt with adequately in a letter. The Right to Housing Coalition would appreciate the opportunity to talk with you further about the issues we see that could be addressed. We are advocating for more open discussion and negotiation between you, your colleagues and other the political parties at all levels of government. Our goal is that by working together, we can achieve substantial improvements in Canada’s housing policies.

Yours sincerely

Clark Brownlee
Coordinator