

Homelessness: Our national disgrace

A Crisis in Our Nation's Streets

Many Canadians felt that positive change would follow November 2001's signing by the federal government, provinces, and territories of the Affordable Housing Framework Agreement. The federal government committed \$680 million over five years to pay for new housing initiatives, with the provinces and territories agreeing to match funding. Unfortunately, the actual implementation has not matched expectations:

- While the \$680 million was targeted to low and moderate-income renter households, some provinces use average market rents to determine an affordable rent;
- Some provinces have used loopholes in the framework agreement to not provide matching dollars; and
- Research shows that six of the ten provinces have actually cut housing spending in 2002-2003, meaning that the new federal money is simply replacing provincial dollars, leading to no net gain in new housing.

The One Percent Solution

The One Percent Solution was launched in 1998 by the Toronto Disaster Relief Committee (TDRC). It calls on governments to restore and renew housing spending to one percent of the total budget—approximately the level spent in the mid-1990s.

Three Recommendations:

- \$2 billion from federal government matched by another \$2 billion from the provinces and territories;
- Restore and renew all government programs aimed at resolving the housing crisis and homelessness disaster; and
- Extend the federal homelessness strategy with immediate funding for new and expanded shelters and services.

Five Key Components of the One Percent Solution:

- supply (new social housing supply);
- affordability (rent supplements for low-income households in new and existing social units);
- supports (additional supportive housing units);
- rehabilitation of substandard housing; and
- emergency relief (double annual spending on services and shelters for the homeless).

There is broad agreement regarding the key elements of a new national housing program. For instance, the Federation of Canadian Municipalities has the following recommendations:

- 20,000 units of new housing, 10,000 units of rehabilitated housing;
- \$300 million to support the Affordable Housing Framework Agreement;
- \$150 million for homelessness initiatives; and
- \$500 million over five years for a new housing rehabilitation fund.

Positive Momentum

Education and advocacy by the Toronto Disaster Relief Committee, the National Housing and Homelessness Network, and other allies, have led to significant responses by the federal government:

- Additional funding for the rehabilitation of substandard housing through the Residential Rehabilitation Assistance Program;
- Development of the federal homelessness strategy in 1999 (\$753 million for services and temporary shelters over three years);
- Establishment of the Affordable Housing Framework Agreement in 2001 (\$680 million for new affordable housing over five years – the first new federal funding since 1993);
- Growth in the number of housing and homelessness initiatives in a number of Ontario municipalities (Ottawa, York, Waterloo, London, Hamilton, and Toronto);
- Positive developments at the provincial level in Quebec and Manitoba in the past few years; and
- Although total funding is still short of the \$2 billion goal, a growing number of housing projects and services have been created across Canada. There is positive momentum, especially at the federal and municipal levels, for more funding and stronger housing programs.

The Community Needs to be Involved

The One Percent Solution campaign will provide an opportunity to refine the specific elements of the program design, details, and costs. Community based groups that provide housing and services for the homeless, those at risk of homelessness, and low-income tenants, will be part of the policy formation and program design process.

The contents of this Fact Sheet are based on a presentation by Libby Davies to the National Union's 2003 Equality Leadership School. Libby is the NDP Member of Parliament for Vancouver East and has been advocating for national affordable housing strategy for over two decades.

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