

# IMPLEMENTING THE RIGHT TO HOUSING IN CANADA

## BUDGETING AND ALLOCATING RESOURCES

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Canadian  
Centre for  
Housing Rights



THE NATIONAL  
RIGHT TO HOUSING  
NETWORK

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**CCHR** is Canada's leading organization working to advance the right to housing by serving renters to help them stay housed, providing education and training about housing rights, and advancing rights-based housing policy through research, policy development, advocacy and law reform.

**NRHN** is a group of over 350 key leaders, thinkers, subject matter experts and people with lived experience of housing precarity and homelessness, with a mission to fully realize the right to housing for all and eliminate homelessness in Canada.

August 2023

# A FEDERAL STRATEGY TO SECURE THE RIGHT TO HOUSING IN CANADA

The right to adequate housing is derived from international human rights law and is a right which Canada is obligated to implement and protect as a signatory to various human rights law instruments, including the [International Covenant on Economic, Social and Cultural Rights \(ICESCR\)](#). As a part of its obligation to implement the right to housing, [Canada must demonstrate](#) that it is taking sufficient measures to realize the right to housing for every individual in accordance with its maximum available resources.

Canada committed to implementing the right to housing domestically by adopting the [National Housing Strategy Act \(NHSA\)](#) in July 2019. Under the NHSA, the federal government recognizes the right to adequate housing as a fundamental human right and commits to the “progressive realization of the right to housing” as recognized in the ICESCR. This means that the [government must commit](#) the “maximum of available resources” and utilize “all appropriate means” to eliminate homelessness and ensure access to adequate housing for all “in the shortest possible time.”



The NHTSA requires the federal government to adopt and maintain a National Housing Strategy (NHS) based on these commitments in the NHTSA.

It establishes three mechanisms for the implementation of the right to housing through a participatory approach. These mechanisms include the [National Housing Council](#) to advise the government on the development of sound housing policy (the first members appointed November 22, 2020), the Review Panel, and the [Federal Housing Advocate](#).

These mechanisms ensure participation of rights holders and are to work together to hold the government accountable through consultation, monitoring, and review to ensure that the systemic issues which have exacerbated the housing crisis nationally are addressed and overcome.

## THREE MECHANISMS FOR THE IMPLEMENTATION OF THE RIGHT TO HOUSING



# CANADA'S NATIONAL HOUSING STRATEGY

The current [National Housing Strategy \(NHS\)](#) was adopted in 2017 and is undergoing review to identify how it needs to be altered and improved to comply with the requirements of the NHSA.

The 2017 NHS commits to removing 530,000 families from housing need and reducing chronic homelessness by half. It is intended to employ a human rights-based approach built upon the fundamental human rights principles of accountability, participation, non-discrimination, and inclusion but does not explicitly recognize the right to housing as required by the NHSA.

## THE GOALS OF THE 2017 NHS ARE TO:

- ① Address the housing needs of the most vulnerable;
- ② Promote community building; and,
- ③ Encourage partnership.



The 2017 NHS also sets out targets for how to improve housing outcomes and reduce homelessness nationwide. It states that it aims to “strengthen the middle class,” “create a new generation of housing ownership in Canada,” and promote more diverse communities built with mixed-income, mixed-use, accessible, and sustainable housing to drive economic growth.

The NHS was originally a 10-year, \$40 billion plan, though funding commitments in the 2019/20/21 budgets made it a 10-year \$70+ billion plan. The estimated planned annual spend is \$3.7 billion per year which represents a \$1.2 billion per year (50%) increase in nominal spending versus a 10-year historical average. Since the NHS was launched in 2017, the federal government made a further commitment in the 2020 Throne Speech to eliminate chronic homelessness by 2030.

The strategy is primarily administered by the [Canada Mortgage and Housing Corporation \(CMHC\)](#) which has been given \$3.31 billion to address housing affordability, and by [Employment and Social Development Canada \(ESDC\)](#) which has \$357 million to fund activities to address homelessness, in partnership with the provinces and territories, as well as municipalities.



# THE FUNDING BREAKDOWN AS OF AUGUST 2021

- ▶ \$225 million per year for urban, rural, and northern Indigenous housing, which includes \$42 million per year for Missing and Murdered Indigenous Women (MMIW) and Girls' Shelter Initiative.
- ▶ \$3.6 billion to support the [National Housing Co-Investment Fund](#), a \$13.17 billion, 10-year low-cost repayable loan program that will fund the creation of 60,000 new housing units and the repair or renewal of 240,000 housing units.
- ▶ \$2.5 billion for [Reaching Home – Canada's Homelessness Strategy](#), which includes \$2.2 billion over 10 years (2018/19 to 2027/28) to prevent and reduce homelessness, and \$299.4 million from the 2020 Fall Economic Statement.
- ▶ \$2.5 billion for the [Rapid Housing Initiative \(RHI\)](#).
- ▶ \$9.5 billion for Legacy Social Housing Funding.

- ▶ \$15.1 billion for federal/provincial/territorial initiatives, including \$7.4 billion in provincial/territorial cost-matched dollars, \$1.1 billion [Provincial / Territorial Priority Funding](#), \$4.3 billion [Federal Community Housing Initiative \(FCHI\)](#), \$2 billion Canada Housing Benefit (CHB), and \$300 million for Northern Territories – not cost matched.
- ▶ \$12 billion for the [Rental Construction Financing Initiative](#).
- ▶ \$574 million in support for the Community Housing Sector.
- ▶ \$1.4 billion for Improved Homeownership Options ([Shared Equity Mortgage Provider \(SEMP\) Fund](#), [First-Time Home Buyer Incentive](#)).
- ▶ \$541 million for Data, Innovation, and Research ([Solutions Labs](#), [Demonstrations Initiative](#), [Housing Supply Challenge](#), [Housing Research Scholarship Program](#), [CMHC Housing Research Award Program](#), [Collaborative Housing Research Network](#), [NHS Research and Planning Fund](#), [Expert Community on Housing \(ECOH\)](#), [National Housing Conference](#)).

# MEASURING FEDERAL PROGRESS: CRITICAL GAPS IN THE NHS

As Canada's first National Housing Strategy, the NHS represents an important advancement. In practice, however, critical shortcomings and gaps have been identified that must be addressed to meet the requirements of the commitments to the right to housing in the National Housing Strategy Act.

Importantly, some civil society organizations and experts have pointed out that the existing funds are not being applied through a rights-based approach to prioritize those in greatest housing need. As one of the goals of the NHS is to strengthen the middle-class, the strategy is not being applied in a way that would prioritize lower-income households who are in greatest need. In fact, in 2019 the Parliamentary Budget Officer found that [the NHS is actually reducing funding targeted to lower-income households](#).

The [NHS has received criticism](#) from civil society organizations, academics, and other experts who have argued that the investments set aside to tackle the housing crisis are not enough to end homelessness and reduce core housing need by 2030, as required under the [2030 Sustainable Development Goals](#).

Experts have criticized the fact that in the early stages of the NHS, investments were put into the later years of the strategy. As such, experts believe that the NHS does not currently align with Canada's international obligations to use its maximum available resources to implement the right to adequate housing in the shortest possible time.

It is important to note that maximum available resources go beyond financial resources and encompass legislative measures that would prevent the loss of affordable housing stock due to the financialization of housing, as a result of Real Estate Investment Trusts (REITs) and other private actors investing heavily in rental housing and driving prices higher as a result. Therefore, in order for the NHS to be truly effective it must also regulate the actions of private actors in the housing market.

Another [major concern](#) voiced by advocates is how some of the programs under the NHS, such as the Rapid Housing Initiative, aid large corporate landlords like REITs in securing financing to build housing units that may not be affordable. This is because such programs have lenient affordability standards which result in the government funding housing that is not actually affordable to those in greatest need. Critics have pointed out that this negates the commitments in the NHTA which are to reduce housing need and homelessness by creating adequate and affordable housing.

## **EXCLUSION OF MARGINALIZED INDIVIDUALS AND GROUPS**

A further concern is that studies have shown that capital funds such as the Rental Construction Financing Initiative (RCFI) are [not reaching women, girls, and gender-diverse persons](#), who have been determined to be most in need based on the result of a Pan-Canadian survey carried out by the National Women's Housing and Homelessness Network, particularly those who are Indigenous, racialized and have disabilities. There are also concerns that the NHS leaves out groups from its list of priority groups who are known to be vulnerable to homelessness. Some of the groups left out include rural, remote and northern communities as well as people who have interacted with the criminal justice system, who are disproportionately Indigenous and racialized.

There is also a concern that a focus on “chronic homelessness” results in the exclusion of women whose experiences of homelessness are less likely to be in the form of “living rough” and are often hidden.

## ACCESSING FEDERAL LOANS

A further concern of the NHS is that the process to access federal loans is holding up construction on many projects, and the need for cost matching is rendering some developers and municipalities incapable of accessing the funds, resulting in funding not being used. For example, in the three years following 2018-19, CMHC did not use \$574 million in allocated funding including \$465 million allocated for the National Housing Co-Investment Fund, and \$135 million allocated for the Rental Construction Financing Initiative, with these shortfalls offset by greater spending on the Urban Native Housing Program (\$122 million more than planned).

Between 2018-19 and 2027-28, CMHC plans to spend \$3.3 billion per year to address housing affordability which represents a \$1 billion (42%) increase in nominal spending per year on average. There will be significantly greater time-limited planned spending in 2021-22 because of the Rapid Housing Initiative.

As of the date of this publication, there is no policy in place for the preservation of existing units, so the push is for the NHS to fund non-profit organizations to purchase at-risk buildings, preventing them from being sold to private developers and preserving affordable units in the process. It is hopeful that a more targeted program will be developed in 2022 to address these needs.

Over the same period, ESDC plans to spend \$357 million each year on activities to address homelessness which represents a \$239 million (203%) increase in average annual nominal spending per year. There will be significantly greater time-limited planned spending from 2020-21 to 2023-24.



## PROVINCIAL CONTRIBUTIONS

The provinces are tasked with establishing legislative and policy frameworks, setting provincial interests for housing, partnering with service managers to ensure financial accountability through service agreements, providing annual reports on province-wide progress, contributing to funding for affordable housing and homelessness programs, and engaging the federal government and federal funding streams in doing so.

Between 2018-19, and 2027-28, over 80% of the committed federal-provincial funding for provincial housing programs will expire. The plan is to replace them with three new programs under the NHS, which are expected to result in \$4 billion of spending (\$2.9 billion in federal funds, \$1.1 in provincial funds) as these programs are established as bilateral agreements with the different provinces and territories.

These programs include the [National Housing Co-Investment Fund](#), which is a program that supports the repair of existing housing and the construction of new housing through low-interest loans and contributions, with each project under the program requiring support from another level of government (this is often referred to as “cost sharing”). [The Federal Community Housing Initiative](#) is another cost sharing program which matches provincial and territorial contributions to programs that support the expansion, repair and renewal of community-based housing. Finally, the Canada Housing Benefit is a program that aims to provide an average of \$2,500 per year to eligible households to address housing need. This program will be cost-matched by provincial and territorial governments.

# SECURING THE RIGHT TO HOUSING THROUGH NHS FUNDING MECHANISMS

The gaps and shortcomings in the 2017 NHS indicate that Canada is falling short in meeting the commitments in the NHSA to use its maximum available resources and all appropriate means to implement the right to adequate housing for all, and particularly for those in greatest housing need. While the federal government must take steps to ensure that the NHS and its funding streams better align with the commitments in the NHSA and international human rights standards and guidelines, there are also actions that individuals and civil society organizations can take to advance the right to housing.

Individuals can contact their Members of Parliament, Members of Provincial Parliament, and Municipal Government Officials to ensure that all levels of government are fulfilling their funding commitments under the NHS to allocate and spend available funds to create adequate housing that is safe, accessible, and affordable. Canadians can also claim their right to housing by using the mechanisms created under the NHSA to identify and challenge systemic barriers.

One of those mechanisms, [the Federal Housing Advocate](#), can receive submissions on systemic housing issues from impacted communities and is obligated to investigate these issues and provide recommendations to the new Minister of Housing to ensure that the funding that is available is taken advantage of by the provinces, territories and municipalities that are responsible for the delivery and implementation of housing and homelessness programs and related services.

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