



RECOMMENDATION 1

NEW SUPPORTS FOR RENTERS LIVING WITH LOW INCOMES

Even prior to the pandemic, food banks have been reporting every year that the high cost of housing is one of the main reasons people walk through their doors looking for support.

In 2021, a national poll showed that 46 per cent of Canadians ranked the cost of housing as the largest obstacle to affording food—up from 21 per cent only a year before.⁵⁶

Just under 70 per cent of all food bank clients live in private rental market housing in 2021, an increase from 60 per cent in 2010. Within that group, the vast majority are people who live within the lowest income group and spend well over 50 per cent of their income on rent and utilities.⁵⁷ Spending this proportion of income on housing is considered a “crisis” level, as it leaves little over for other basic needs such as food and puts people at risk of homelessness.⁵⁸ We were therefore encouraged to see the federal government introduce the National Housing Strategy (NHS) in 2017, something that Food Banks Canada had advocated for over many years.

As part of the NHS strategy, the federal government committed to spending around \$20 billion (equally matched by the provinces and territories for a total of \$40 billion) over 12 years, with the ultimate goal of removing 530,000 (half of) households from core housing need and reducing the number of chronically homeless people by half by 2030.⁵⁹

Those were positive developments and sound government policy, yet very little, if anything, has been done since the strategy was announced to help people who currently need the support of food banks because of their high housing costs.

Most of the NHS investments have been put towards loans for the development of market housing rather than directly addressing the needs of the people who most need help. A 2019 Parliamentary Budget Office report found that the NHS changed very little in terms of how much funding the government invested in affordable housing. In

⁵⁶ Charlebois, S. (2021, April 16). *Food affordability faces perfect economic storm*. Canadian Grocer <https://canadiangrocer.com/food-affordability-faces-perfect-economic-storm>

⁵⁷ See http://rentalhousingindex.ca/en/#affordability_prov

⁵⁸ BC Non-Profit Housing Association, *Families feeling the impact*.

⁵⁹ Government of Canada. (2017). *A Place to Call Home – Canada's First National Housing Strategy*, retrieved from

<https://epppdscrmssa01.blob.core.windows.net/cmhcprodcontainer/sf/project/placetocallhome/pdfs/canada-national-housing-strategy.pdf>



fact, it found that the NHS actually slightly reduced the funding slated for those in core housing need.⁶⁰ Meanwhile, the erosion of affordable housing far outpaces its creation: for every affordable unit created, four are removed from the market.⁶¹

The pandemic and its repercussions have undoubtedly only amplified a problem that was already urgent across the country.

Since the beginning of the pandemic, we believe that the CERB and other pandemic-related supports, combined with local and provincial moratoriums on evictions and deferred payments, have stemmed the tide of renters having to seek help from their food banks, but we expect that to change. Furthermore, in many areas with high housing costs, the number of visits to food banks went up rather than down during the early months of the pandemic.

More recently, as government supports have been wound down and payments have come due, food banks have seen an increase in new clients needing support due to the high costs of housing.

Without immediate government action to support renters, we fear this trend will only get worse over the coming months and years.

Our recommendations

- **Immediately implement a national rent support program based on an expanded version of the Canada Housing Benefit so that Canadians who are struggling to afford their rent can access support while the rest of the National Housing Strategy takes effect.**
- **Significantly increase the amount that the federal government plans to invest in the Canada Housing Benefit so that everyone who is living on a low income becomes eligible for the benefit (remove any cap limit on how many eligible citizens can apply).**
- **Introduce new investments and address an important omission of the National Housing Strategy, to build supportive housing for people with mental and physical health disabilities, particularly for low-income and marginalized populations.⁶²**
- **To address the rate at which the stock of affordable housing units is being reduced, the government must explore new and faster ways to acquire affordable housing and should consider community-targeted funding and non-market solutions to housing acquisitions.**

60 Segel-Brown, B. (2019, June 18). *Federal program spending on housing affordability*. Office of the Parliamentary Budget Officer. <https://www.pbo-dpb.gc.ca/en/blog/news/federal-program-spending-on-housing-affordability>

61 Housing Policy and Research Exchange. (2021, July 30). *Getting to 2030—Examining how Budget 2021 helps Canada achieve its housing goals, and what we need to do from here* [Submission to Canada's Minister of Families, Children and Social Development and Canada Mortgage and Housing Corporation]. Maytree. <https://maytree.com/publications/getting-to-2030/>

62 Canadian Centre for Policy Alternatives. (2018). *Alternative Budget 2019: No time to lose*. <https://www.policyalternatives.ca/afb2019>