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What is in the 2016 Budget for seniors on housing and what should we be asking going forward?

I. What is in the 2016 Budget on Housing

First let's look at how the Budget plans to deal with housing.

- 1. Overall:** \$2.3 billion over two years, starting in 2016–17. Of this \$2.2 billion is in social infrastructure, including \$739 million for First Nations, Inuit and northern housing. A significant portion of the \$2.3 billion investment will be allocated to provinces and territories.
- 2. National Housing Strategy Commitment:** Perhaps one of the most significant promises is “the Government will consult with provinces and territories, Indigenous and other communities, and key stakeholders in the coming year to develop a National Housing Strategy.”
- 3. Doubling The Investment In Affordable Housing Initiative:** “Under this initiative, provinces and territories match federal investments and have the flexibility to design and deliver programs that are tailored to address local housing needs and pressures.” The amount here is \$504.4 million over the next two years is for to “support the construction of new affordable housing units, the renovation and repair of existing affordable housing, measures to support housing affordability such as rent supplements, and measures to foster safe, independent living”. The Government claims “this increased support is expected to benefit more than 100,000 Canadian households.”
- 4. Increasing Affordable Housing for Seniors:** Budget 2016 proposes to “provide \$200.7 million over two years, starting in 2016–17, to support the construction, repair and adaption of affordable housing for seniors. While funding will be provided under the Investment in Affordable Housing initiative, provinces and territories will not be required to cost-match these investments. This investment is expected to help improve housing conditions for more than **5,000 low-income senior households.**”
- 5. Supporting Energy And Water Efficiency Retrofits And Renovations To Existing Social Housing** “The Government provides ongoing support to 570,000 social housing units across Canada. Many of these units are older, equipped with less efficient energy and water systems and are urgently in need of repairs. To support these necessary retrofits

and renovations, Budget 2016 proposes to provide \$573.9 million over two years, starting in 2016–17.

6. **Providing Rent Subsidies For Federally Administered Social Housing Providers:** “The Government provides support for social housing through long-term operating agreements with social housing providers. As these agreements expire, some federally administered social housing providers may struggle to continue serving low-income households without increasing rental rates. Budget 2016 proposes to reallocate \$30 million over two years, starting in 2016–17, to help these providers maintain rent-geared-to-income for households living in social housing. This additional support would be provided on a time limited basis until long-term approaches to help the social housing sector achieve self-reliance can be developed through consultations with provinces, territories and stakeholders.”
7. **Supporting The Construction Of Affordable Rental Housing**
 - a) **Affordable Rental Housing Innovation Fund** “To encourage the construction of affordable rental housing, Budget 2016 proposes to invest \$208.3 million over five years, starting in 2016–17, in an **Affordable Rental Housing Innovation Fund**, to be administered by the Canada Mortgage and Housing Corporation. Funding would be used to test innovative business approaches—such as housing models with a mix of rental and home ownership—to lower the costs and risks of financing affordable rental housing projects. This investment is expected to support the construction of up to **4,000** new affordable housing rental units over five years, and is being made over and above investments in affordable housing under the Government’s social infrastructure commitment.”
 - b) **Affordable Rental Housing Financing Initiative** “Going forward, Canada Mortgage and Housing Corporation will also consult with stakeholders on the design of an **Affordable Rental Housing Financing Initiative** to provide low-cost loans to municipalities and housing developers for the construction of new affordable rental housing projects. Up to \$500 million in loans would be available each year for five years. This initiative would encourage the construction of affordable rental housing by making low-cost capital available to developers during the earliest, most risky phases of development. This initiative could support the construction of more than **10,000** new rental units over five years.
8. **Supporting Shelters For Victims Of Violence** “Budget 2016 proposes to provide \$89.9 million over two years, beginning in 2016–17, for the construction and renovation of shelters and transition houses for victims of family violence. While funding will be provided under the Investment in Affordable Housing initiative, provinces and territories will not be required to cost-match these investments. This unprecedented investment is expected to support the construction or renovation of over 3,000 shelter spaces over the next two years.
9. **Homelessness Partnering Strategy** “Budget 2016 proposes to

invest an additional \$111.8 million over two years, starting in 2016–17, in the Homelessness Partnering Strategy. Through this Strategy, the Government provides direct support and funding to communities across Canada for projects to prevent and reduce homelessness, including Housing First initiatives that help homeless Canadians secure stable housing while providing them with support for underlying issues, such as mental health or addiction.”

Table 2.1

AFFORDABLE HOUSING INVESTMENTS

millions of dollars

	2016–2017	2017–2018	Total
Doubling the Investment in Affordable Housing Initiative	261.6	242.8	504.4
Increasing Affordable Housing for Seniors	100.3	100.4	200.7
Supporting Energy and Water Efficiency Retrofits and Renovations to Existing Social Housing	500.0	73.9	573.9
Supporting Shelters for Victims of Violence	60.0	29.9	89.9
Tackling Homelessness	57.9	53.9	111.8
Subtotal	979.8	500.9	1,480.7
<i>Additional Investments in Housing for First Nations, Inuit and Northern Communities¹</i>	<i>356.2</i>	<i>382.8</i>	<i>739.0</i>
Total Investments Funded Through Social Infrastructure Commitment	1,336	883.7	2,219.7
<i>Additional Investments to Support the Construction of Affordable Rental Housing²</i>	<i>13.1</i>	<i>72.6</i>	<i>85.7</i>
Grand Total	1,349.1	956.3	2,305.4

II. What should we think of this budget and what should we be asking

While the new housing components of the budget are a big step forward from the last government, they still remain far too little as far as funds committed. With interest rates at an all time low, governments should be borrowing much more money to build and to encourage the building of much more affordable housing. Housing is one area of investment where tenants and buyers start paying back the costs immediately and directly unlike many other forms of infrastructure. While it is nice to see seniors are mentioned here in the housing section, with average home prices in Canada at \$500,000 (with of course big differences with Vancouver/Toronto and the rest of the country), \$1.15 billion is a drop in a bucket in terms of possible new home construction or renovations, whether it be flats, townhouses, or other single family units.

Our asks

1. **Make a national seniors' housing strategy a component of the new national housing strategy.** Seniors organizations need to be part of the process announced by the government.
2. **Triple the seniors' low income housing budget on an annual basis. \$100 million a year for seniors' housing is not nearly enough!** The government says it will help only 5000 low income seniors with this money. This is a drop in the bucket when we have almost 6 million over 65 and around 11.1% in low income! In 2013 there were 579,000 over 65s in low income.
<http://www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=2060041&pattern=&csid=>
3. **Assure that part of the new affordable housing units, announced in the 2016 federal budget, are allocated to seniors.** While we need purpose built seniors housing (see#4), seniors also want to live in mixed housing based on mixed incomes and on mixed ages.
4. **Partner with the provinces, territories, indigenous governments, municipalities, and private sector to reach the goal of providing the purpose-built seniors housing for 18.5% of over-75's as Quebec has now – in all of Canada within 10 years.** In Canada, there are, according to the annual study

(2015) by CMHC¹, only a total of 224,342 spaces for seniors in Canada. Just less than half of these spaces are in Quebec (111,973). This represents in Quebec a rate of 18.5% of seniors over 75 in seniors' homes. In Ontario, which has one of the poorest rates of only 5.2%, there are only a total of 53,680 spaces! This is less than half of Quebec's total and less third of the rate of Quebec. The overall Canadian rate for over 75s is 8.9% which is still very low and which is why we must as a first step reach the Quebec rate on a Canada-wide level.

5. Develop comprehensive programs with the provinces, territories, indigenous governments and municipalities to help seniors stay in their own homes. Most seniors today remain in their own homes but many need programs that will help them with aging in place.

a) Assuring that low income Canadians can remain in their own home with subsidies to units, home tax deferrals and other programs to assure they can

b) Making improvements to help them make their homes seniors friendly. While some provinces have home improvement tax credits or grants, these kinds of programs are generally very limited.

c) Providing the home care and other health services that will allow seniors to stay in their own homes and not be forced into long term care facilities which for many seniors are not the right place for them and are extremely costly as well as blocking services that could be used by others who really need this kind of care.

d) While many seniors live with others in their own home, many do not and live alone. Of these seniors, many are increasingly isolated and alone. Networks need to be created that will keep all seniors in contact with sources of help, friendship and activity.

e) Creating programs to allow seniors who want to share housing with other seniors. This can help some seniors stay in their own home by providing a new source of income and allow other seniors to remain in a home environment with other seniors.

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<https://www03.cmhc-schl.gc.ca/catalog/productDetail.cfm?cat=160&itm=31&lang=en&sid=IDM5SENLinTR1QWmKQVCGOL1Vgdm0vMH4mtDE0wVeGofcoNHVhtKZ65xhZukiGLg&fr=1454704723199>