



Fast

# FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES – MANITOBA

SEPTEMBER 27, 2012

## Homelessness – Moving toward real solutions

**T**his week, as we think about homelessness in our communities, let us commit ourselves to solutions. Real solutions. Beyond the spontaneous generosity of bus drivers or the fundraising of CEOs who will be sleeping out downtown. While these actions bring attention to homelessness, they do not address systemic issues that only public policy can resolve.

The causes of homelessness and poverty are complex. Yet, some parts of the solution are quite simple – for people to not be homeless, they must be able to afford a home, and housing must be available.

Rents continue to rise, low cost housing in the private market is scarce, and waitlists for social housing are long. The result is that those without the means to pay market rents simply do not get housed.

In an attempt to bridge this gap, low-income individuals and families often dip into their food budget to pay their rent, leaving them little choice but to rely on food banks and soup kitchens to feed their families, cutting corners on food that often leads to poor nutrition and poor health.

Others rely on the kindness of friends and family. Some ‘crash’ in other people’s homes, some seek emergency shelter beds, and others end up on the streets.

### What to do?

There are many things that need to be done. On the supply side, we need more social housing. An increase in private sector rental housing is also needed. But even if more units are built, rents are unlikely to be

set at rates affordable to very low income households.

On the demand side, those who are most vulnerable need more income. This is especially true for individuals and families who rely on Employment and Income Assistance (EIA). Fully 57 percent are people living with disabilities, another 24 percent are single parents, and many others are older adults.

The Province of Manitoba has allowed the EIA rental allowance to fall far below market rents. Right now, depending on the size of your family and the number of rooms you might require, the gap between what EIA recipients receive and median market rents ranges from \$200 to \$600.

Since 1992, when the EIA rental allowance was about 75% of median market rent, rents have increased by 60-70% while the allowance has only increased marginally. Targeted increases in a few categories have happened, but they do not cover all recipients and even for those who benefit, they still are simply not enough. The affordability gap is too big, and it keeps getting bigger.

The Province resists increasing EIA rates stating that education and employment are the pathways out of poverty. This may be true in the long term, but this does not negate the need for adequate affordable housing right now. We must acknowledge that stable housing is a prerequisite for education and employment.

If we create a “rock bottom” that is under water, people will be drowning before

there is an alternative.

CCPA-MB

309-323 Portage Ave.

Winnipeg, MB  
R3B 2C1

phone

(204) 927-3200

email

ccpamb@policyalternatives.ca

website

www.policyalternatives.ca/  
manitoba

blog

www.policyfix.ca

twitter

@ccpamb

continued...

they ever have a chance to climb out. The stability that comes with having a safe, affordable place to live must be a minimum under which no individual or family should fall.

Celebrity sleepouts and charitable acts of kindness remind us of the problem, but sustainable solutions must come through public policy. A good place to start is by increasing the EIA rental allowance, something that is obviously long overdue

The Province bears responsibility for the inadequate EIA Housing Allowance rates, but the public has responsibility too. We can make it clear that we expect the Province to ensure that all Manitobans have adequate shelter. Our silence on this matter means that we accept the status quo.

### **Many are beginning to speak out.**

Make Poverty History Manitoba stands with over 100 organizations from across Manitoba, representing many sectors including social services, business, labour, community organizations and faith communities. We are calling for the Province to raise the EIA rental allowance to a minimum of 75% of the median market rent. This is in line with what was in place in 1992, when EIA rates began to erode. Rates should also increase annually by the rate of inflation to ensure that we don't fall behind again.

This increase will save lives and stabilize families. It will create a solid foundation for those who are able to walk the pathways out of poverty through education and employment.

We will be told that the Province cannot afford the \$18.5 million annual price tag. It can—we can. In fact, we can't afford not to. The costs associated with poverty, homelessness, and family instability are far greater than the investment required.

And because people living in poverty spend every dollar they receive, this will also be a direct investment into our local economy – at least \$2 in local economic activity for every dollar invested in a rental allowance increase.

The increase in the EIA rental allowance is long overdue. We need our elected leaders to take action immediately, and we all need to contact our leaders to ensure that they do so.

*Kirsten Bernas is the spokesperson for Make Poverty History Manitoba's – Increase the EIA rates campaign.*

CCPA-MB  
309-323 Portage Ave.  
Winnipeg, MB  
R3B 2C1

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(204) 927-3200

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manitoba

**blog**  
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