

1. HOUSING

Ensure that accessible, safe, and affordable housing is available to all Manitobans.

Manitobans continue to identify housing as the highest priority area for investment when it comes to reducing poverty.⁴⁴ Stable access to safe and affordable housing improves mental and physical health, and allows individuals and families to participate in the community and access education, training, employment and social services.⁴⁵ Ensuring adequate housing is an important part of an overall strategy to achieve population health. It is difficult to imagine how poverty reduction and social inclusion can be achieved without first addressing housing.

Access to safe and affordable housing is also key to preventing people from falling into poverty and becoming homeless. High housing costs force too many Manitobans to choose between paying for rent and putting food on the table. A job loss or unexpected expense can trigger a financial crisis causing low-income individuals and families to lose their housing. On any given night, it is estimated that there are 2,450 people who are considered homeless in Winnipeg alone.⁴⁶

Manitoba's poverty reduction plan must aim to ensure that all Manitobans can access housing that is safe and affordable. In 2011, 10.3 percent of all households in Manitoba were in "core housing need" —a slight decrease from 11.3 percent in 2006.⁴⁷ The incidence of "core housing need" is even higher for renter households.⁴⁸ After paying rent, many of these households are left with few resources to meet their basic needs, let alone to move forward economically.

The challenge can be addressed by adding to the housing supply, by providing new subsidies that make the existing supply more affordable, and by ensuring existing supply is not diminished. The Province of Manitoba has taken significant steps in all three areas, supporting its own public housing stock as well as housing owned by non-profits and co-operatives.

The federal government must also play a central role by implementing and funding a comprehensive national housing strategy. The Province of Manitoba should work with other provincial jurisdictions to call on the federal government to do so. Municipalities can contribute using the tools and resources at their disposal. In the absence of a federal strategy, the Province of Manitoba must continue to provide leadership and make it a priority to ensure that permanent, safe, and affordable housing is accessible to low-income households. We recommend the following actions:

1-1.A. Beginning in 2016, increase the supply of non-profit, rent-geared-to-income (RGI) housing by a minimum of 300 newly built units each year for five years. Priority should be given to new builds in the North and in high-need urban centres. A portion of new units should be dedicated to larger families requiring three bedrooms or more.

The high demand for affordable housing is combined with low apartment vacancy rates in places such as Thompson (1.7 percent), Winnipeg (2.5 percent), and Brandon (0.9 percent).⁴⁹

Vacancy rates are even lower for affordable units because supply is more limited. The Province of Manitoba's immigration policies have led to an influx of international migrants who are settling in Winnipeg and other urban centres. Inadequate housing and flooding on Manitoba reserves forces many Aboriginal people into urban centres where they need to find an affordable place to live. The growth in demand for housing has contributed to rising housing costs as new builds have not kept pace and as existing units have been lost to condominium conversions among other things. As a result, rental rates across Manitoba have increased by 60 to 65 percent since 2000.⁵⁰ With the cost of housing becoming more unaffordable in the private market, the demand for subsidized, RGI housing has gone up. Some Aboriginal people, immigrants, and refugees live

with extended family and friends. They require housing with at least three bedrooms, but many low-income families cannot access larger units. The cost is simply too high in the private market and those who turn to subsidized housing find that there are not enough units with three or more bedrooms.⁵¹

The need for housing for people with addictions and mental health issues far exceeds what is available through the existing stock. For example, the Canadian Mental Health Association (CMHA) in Brandon provided emergency housing for 113 homeless people last year, including families with young children, and turned away 367 people, including 55 families with children.⁵² Regional CMHAs report having several hundred people on their wait lists for low-income or transitional housing as well as emergency shelter.⁵³ Individuals with mental health issues and other disabilities benefit from housing that provides access to a range of support options, including community mental health services, that allow them to maintain their housing, participate in recovery processes, and maximize their independence. Support options should be comprehensive—providing access to mental health and addictions recovery resources, primary health care, financial assistance, life skills development, and training and job opportunities either in the community or onsite. Housing may also need to contain visitable design features in order to be accessible to some persons with disabilities.

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While some important investments have been made to meet the housing needs of larger families and people with mental health issues and other disabilities, the Province of Manitoba should undertake a needs assessment to determine the appropriate number of units to set aside each year for these demographics. The province should also consider the unique factors that impact the demand for affordable housing in different Manitoba communities when determining where to deliver new housing commitments.

The View from Here 2009 called for the creation of 300 units of social housing annually for five years. The Province of Manitoba has responded to this recommendation and other calls from housing advocates to increase the supply of RGI housing. In 2014 it completed a five-year commitment that delivered 790 new units of RGI housing, 710 new units of affordable housing, and new RGI assistance for an additional 710 households. This was followed by another three-year commitment to build 500 new social housing units and 500 new affordable housing units in partnership with the non-profit and private sectors by 2016. Despite these significant investments, Manitoba's current stock of RGI housing does not meet the demand which, based on the numbers in "core housing need," is estimated to be around 43,000.⁵⁴

The Province of Manitoba can help address the need for more RGI housing by committing to 300 new units annually for five years while leading advocacy efforts calling for a national housing strategy. Manitoba has a strong social enterprise sector ready to take on a piece of this work—providing training and job opportunities for people with barriers to employment. There is also an opportunity to build the capacity of non-profit and co-op housing providers to support the development of social housing.

1-1.B. Proactively work with housing providers and invest to ensuring that there is no net loss of rent-geared-to-income (RGI) housing units due to expiring federal operating agreements.

Between now and 2040 the federal government will phase out funding to all non-profit, co-operative, and all provincial and territorial housing providers as program operating agreements expire. As a result, housing providers in Manitoba will lose a total of 63.4 million dollars in annual subsidies that enable them to provide RGI and affordable housing.⁵⁵ Operating agreements were typically designed to provide subsidy only until the mortgage was totally repaid. The assumption

was that housing projects would be able to generate enough rental income to cover operating costs once the major expense of the mortgage was paid off.⁵⁶ The reality is that there are housing providers that are finding that without subsidies, they are not able to remain viable while providing the same levels of RGI housing. This presents a serious challenge for low-income Manitobans who can only afford RGI housing. The loss of even one unit of RGI housing is unacceptable at time when more units are desperately needed. The federal government has shown no indication of an intention to continue to increase funding to the provinces to meet the high demand for low income housing. As a result, the Province of Manitoba has been forced to take action.

The province is committed to continuing to fund the RGI units owned and operated by Manitoba Housing even if the program operating agreement has expired. It has also committed to extending financial supports to urban native housing providers for another five years so they can continue to offer all of their housing units at rents that are geared to income. According to the province, there are 26 non-profit or co-operative housing providers with agreements expiring before March 31, 2017, five of which may require ongoing assistance. The province has committed to providing temporary assistance with business planning to help providers become sustainable without ongoing financial support. It has committed to helping those on the margins of sustainability allowing them time to become viable by providing temporary funding assistance for a few years. In addition the province will ensure a safety net for housing providers by offering financial assistance for capital repairs. Housing providers are expected to maintain their RGI units on a voluntary basis. However, the Province of Manitoba should demonstrate its commitment to affordable housing by proactively engaging with housing providers to indicate its willingness to assist in ensuring RGI units remain viable.

The important commitments outlined above can help to maintain the RGI units offered by housing providers with agreements expiring before March 31, 2017. However, the real crisis will begin after 2020 when the majority of RGI units will become threatened by expiring operating agreements. Housing providers should educate themselves about what the expiry of operating agreements will mean for them and not wait for the Province of Manitoba to begin a discussion around extending subsidies and other supports. There is a need to build capacity among non-profit and co-op housing providers to help plan for maintaining existing RGI units beyond the expiry of their operating agreements. Further, there is a need to monitor and update a database of current social housing providers as agreements expire in order to keep track of what is happening to their stock of social housing units.

1-2. Immediately increase Rent Assist's maximum benefit to 75 percent of Median Market Rent for people on and off Employment and Income Assistance without cutting other income-related benefits, and index the benefit to annual increases in the Median Market Rent.

The affordable housing challenge can be addressed through a multi-pronged approach. Increasing supply is an important piece of the puzzle. Another is to provide rental subsidies to households in existing non-profit, co-operative, or private units. Households on Employment and Income Assistance (EIA) face the greatest housing affordability gap. EIA rates have only modestly increased over the last couple of decades and have not kept pace with inflation and rent increases in the private market.

The View from Here 2009 called for housing-related benefits such as EIA Shelter Benefits and Manitoba Shelter Benefits to be increased by 20 percent and indexed to annual increases in the Rent Increase Guideline. Since then, the Province of Manitoba has improved housing-related income benefits for low-income Manitobans both on and off of EIA. Maximum benefit amounts were increased and more vulnerable Manitobans became eligible to receive benefits with the

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introduction of Rent Aid and the Portable Housing Benefit. While these were important steps, the benefit programs were not available to all EIA recipients and did not sufficiently address the affordability gap. Community advocates were concerned about the ongoing affordability gap faced by Manitoba's most vulnerable citizens on EIA and pushed hard for an increase in EIA Shelter Benefits to 75 percent of Median Market Rent.

The Province of Manitoba responded in Budget 2014 with the introduction of Rent Assist. This program replaces the EIA Shelter Benefit and Rent Aid programs and is available to eligible low-income Manitobans on and off of EIA. With this initiative, individuals on general assistance and persons with disabilities now use up just over 60 percent of their total EIA income (including Rent Assist) to pay for rent in a low end private market bachelor or one bedroom suite.⁵⁷ After paying for housing, these individuals are left with between approximately \$260 and \$330 per month to pay for food and other expenses such as clothing, personal needs, and household supplies. These figures are based on the assumption that the individual is paying rent that is equal to 75 percent of Median Market Rent—individuals renting in the private market will be paying higher rents, which will leave them with even less to make ends meet. For example, individuals on general assistance use up 82 percent of their total EIA income to pay for the average rent for a private market bachelor suite. It's not just people on EIA who are struggling. Working Manitobans are also finding it hard to keep up with rent increases, even with annual increases to the minimum wage. For example, an individual needed to work 54 hours per week at minimum wage to afford the average rent for a one-bedroom apartment in Winnipeg in 2013.⁵⁸

The Province of Manitoba is committed to increasing Rent Assist's maximum benefit amount over a four-year period, with the target set at 75 percent of Median Market Rent.⁵⁹ While many low-income Manitobans will continue to struggle to afford Median Market Rent, a fully implemented Rent Assist will have a significant impact. This benefit will be available to low-income Manitobans both on and off EIA, an approach that is similar to that employed in a guaranteed annual income model. The community sector is committed to working with the province to ensure the 75 percent target is met and that Manitobans can easily access the benefit. It is important that increases to Rent Assist not be made at the expense of other benefits received by EIA participants. This will help prevent a reversal of the progress that has been made to close the housing affordability gap for low-income Manitobans.

1-3. Ensure all Manitoba Housing and Renewal Corporation tenants have access to resource centres that receive sufficient and stable funding to cover basic costs (e.g. space and core staffing) by 2020.

Public housing can do more than just address the housing needs of low-income Manitobans who cannot afford to be housed in the private market. Public housing can also connect tenants to resources and opportunities that address the inter-related factors that contribute to their poverty and social exclusion.⁶⁰ Much of Manitoba's public housing is situated in the inner city where there tends to be a concentration of resource centres providing services and supports to low-income Manitobans. However, public housing units situated outside of the inner city and in rural areas where programs and services are scarce and where the high cost of transportation creates a barrier that prevents low-income Manitobans from accessing services elsewhere.⁶¹

The Province of Manitoba has partnered with communities to respond to this challenge with mechanisms that connect Manitoba Housing and Renewal Corporation tenants to important resources and opportunities—counseling and mental health services, child care, food skills, healthcare, literacy training, education, job training, recreation, etc. Family Resource Centres located in Manitoba Housing and Renewal Corporation complexes outside of the inner city

have been viewed as a model of best practice for improving tenants' access to information and services.⁶² These resource centres bring services and information on site based on needs that have been identified by tenants. They also connect tenants to service providers off site and create opportunities for tenants to come together and build a sense of community.

The Province of Manitoba should ensure that all Manitoba Housing and Renewal Corporation tenants have access to tenant-driven resource centres that offer comprehensive supports either on site or nearby. The province should also explore the potential for mobile resources and services in smaller urban communities where Manitoba housing tenants are not geographically concentrated. Recent research suggests that there should be focused effort to ensure resource centres address the need for child care services, adult education programming, and supports for tenants with mental health issues and other disabilities.⁶³

1-4. Invest at least \$118 million annually between 2014/15 and 2019/20 to meet the need for capital repairs and maintenance in public housing units.

The quality of Manitoba's public housing stock needs to be improved to preserve existing units and ensure Manitobans have access to quality affordable housing options. Investments in upgrades can help prevent Manitoba housing tenants from being exposed to toxic substances in their homes that have a direct impact on their health. Problems with mould and inadequate heating and insulation can create and exacerbate poor health conditions like asthma and other respiratory disease. Serious insect infestations can cause illness requiring medical treatment and hospitalization.⁶⁴

In 2008, after more than a decade of neglect, the province began to significantly increase investments in capital upgrades to roofs, windows, heating and ventilation systems, water and waste efficiency upgrades, major renovations and overall site improvements. Investments increased from around \$9 million annually in the years prior to 2008 to around \$80 million annually since 2012. Investments in recent years approach the \$100 million annual investments over ten years that the province estimated to be needed in 2009 to address the current and deferred capital repair requirements in public housing. Community groups commend the province for recent investments despite limited federal commitments. They call upon the province to invest \$118 million annually to meet the estimated need for capital repairs in public housing by 2020 so that this public asset will continue to benefit Manitobans.

The building of new and the upgrading of old social housing units should continue to integrate targeted procurement to create training and employment opportunities for people with multiple barriers. These community economic development initiatives help provide new and lasting opportunities for local people and enterprises, and the community encourages this kind of approach to be integrated whenever possible.

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