

MARCH 2024

# Housing Supply Mix Strategy 4a: Social Housing

Canada's social housing supply does not meet existing need



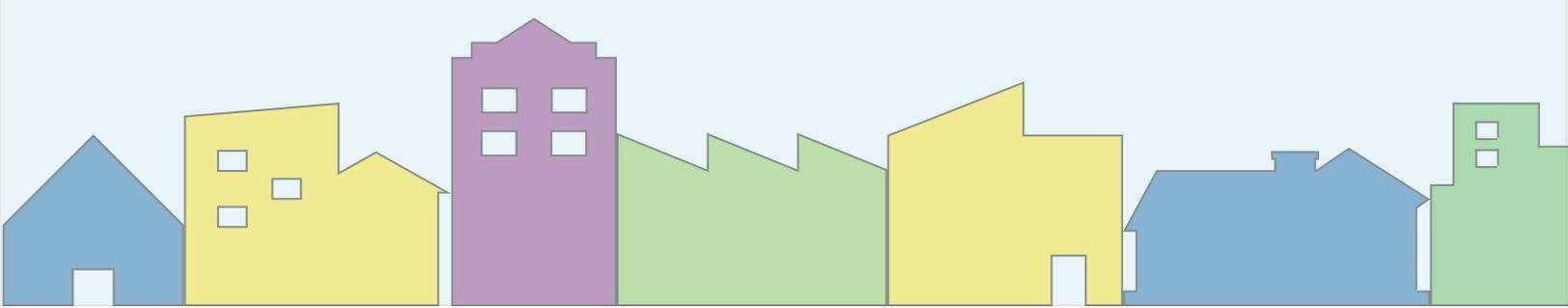
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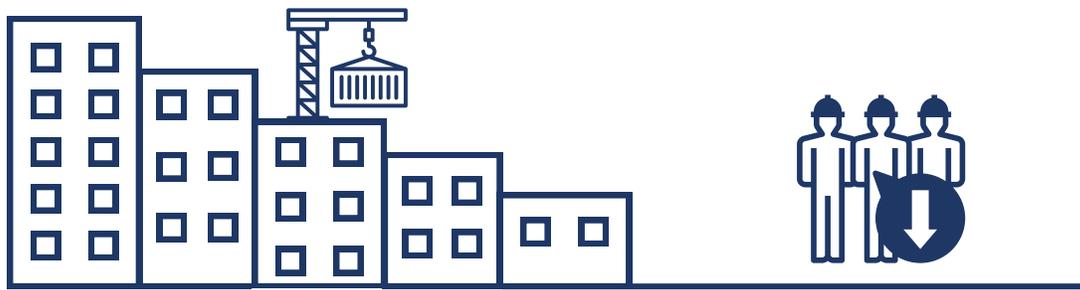


SUPPLY MIX RESEARCH  
SUBMITTED TO THE TASK FORCE  
FOR HOUSING & CLIMATE



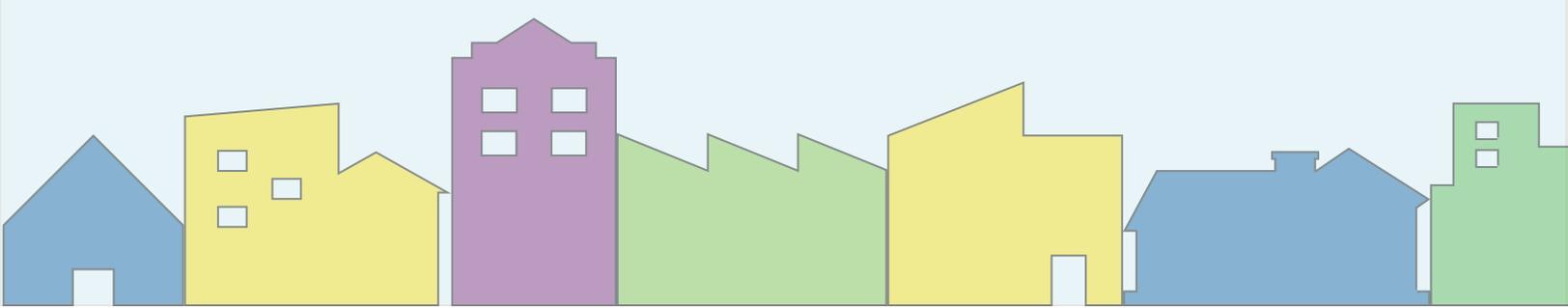
## The Issue

Most of the stock of social housing in Canada (also known as public housing) was built by the federal government in previous decades. Construction declined in the 1980s due to federal cutback to programs, and the responsibility of building social housing was shifted to provinces in 1992.<sup>1</sup> Some provinces, including Ontario, subsequently downloaded this responsibility to municipalities, which often lack the fiscal capacity to keep up with demand. Consequently, there is now a shortage of social housing, and waitlists in major cities across the country can be exceptionally long (ex. 14 years in Toronto through the Toronto Community Housing Corporation and six years in Montreal).<sup>2</sup>

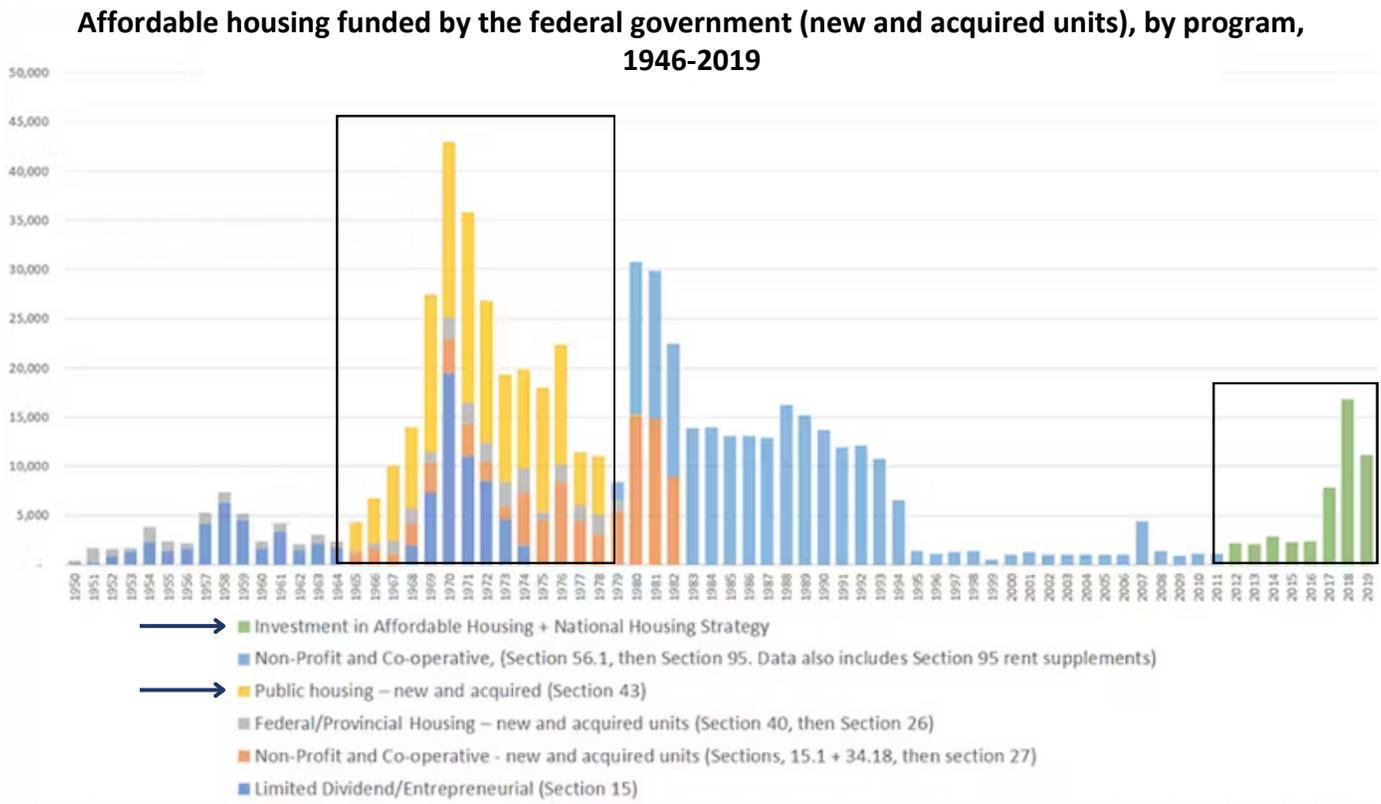


## Recent approaches to closing the social housing gap and solving homelessness are only scratching the surface

Canada's Rapid Housing Program, part of the National Housing Strategy, recently dedicated \$1 billion of federal money to create 3,000 new affordable homes, Canada-wide, for those in greatest need, mostly in the form of supportive housing,<sup>3</sup> as a response to critical homelessness during the COVID-19 pandemic. Advocates consider this a drop in the bucket after five decades of sector neglect. With the shortage of affordable housing having reached a crisis level, in 2023 Scotiabank urged Canada to build more social housing, citing the consequences of not acting: "Shortages in one segment will have — and are having — spillovers across the continuum."<sup>4</sup>



**Figure 1: Federally Assisted Affordable Housing Units** <sup>5</sup>

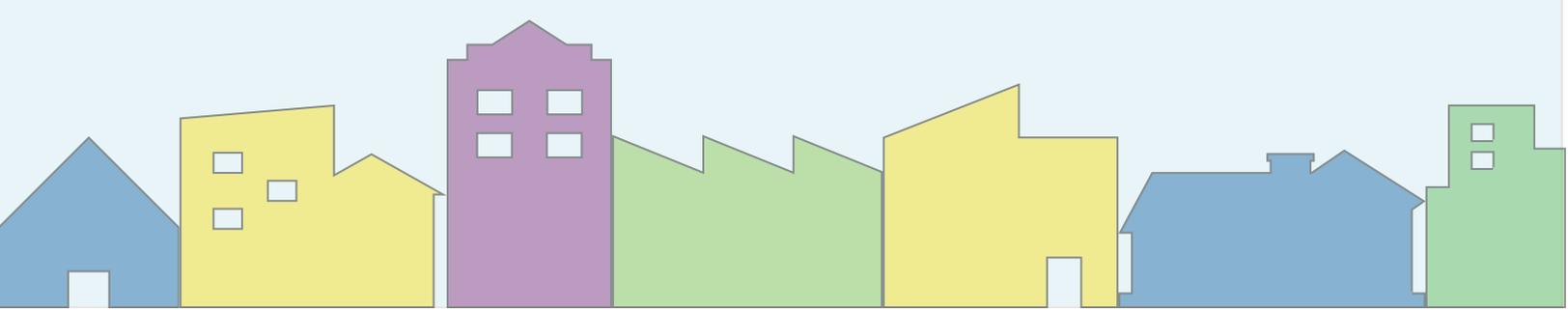


Government subsidized public (social) housing began in the 1950s and peaked in the 1970s. The Rapid Housing Program most significant investment in 35 years - mostly supportive housing. Original graph by Brian Clifford, to which we have added boxes to identify period of social housing growth.

## Research and Findings

### Canada’s social housing supply needs to double, at minimum

The Scotiabank report estimates Canada’s social housing stock represents 3.5% of the current housing supply mix. It recommends social housing stock double to 7.5%, to be in line with OECD countries. The 2023 National Housing Accord report states, “Canada must double the existing social housing stock... to bring the country up to OECD and G7 averages,” suggesting 655,000 new units, roughly 11% of the CMHC target of 5.8 million homes. <sup>6</sup>



The Canadian Housing and Renewal Association (CHRA) also recommends doubling social housing to achieve 8% of the supply mix, specifying that 20% of new housing would need to be social housing to maintain doubling the stock to 2030.<sup>7</sup> Of note, 20% of new housing supply by 2030 would need to be social housing to maintain 8% of the supply mix by 2030.<sup>8</sup> In addition, the CHRA suggests that 10% of new social housing needs to be indigenous led.

## We need to diversify our system for social and affordable housing

Social housing is dependent on subsidies and perpetually marginalized on the edges of the private market. Experts agree that catching up after five decades of disinvestment will require multiple strategies, including creating many new rent-geared-to-income (RGI) social housing units, preserving existing unsubsidized affordable housing and subsidizing rent for people living in non-social housing.

## Key Recommendations for Social Housing by the Task Force for Housing and Climate

Top recommendations in the National Task Force on Housing and Climate's *Blueprint for More and Better Homes* include:

- Combine low-cost leases with other federal incentives and an expanded Rapid Housing Initiative to develop innovative mixed-income housing on acquired properties. (Federal)
- Increase social assistance shelter allowances for low-income recipients and persons with disabilities to be able to afford their shelter costs. (Provincial)
- Explore the feasibility of a conversion strategy for older long-term care homes being demolished for redevelopment into supportive housing (also a preservation strategy).
- Identify and allocate suitable municipal land for the development of non-market housing, including supportive living units. (Municipal)



# Endnotes

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2. Mary Vallis, "How Long Do Canadians in Need Have to Wait for Affordable Housing? Depends Where They Live," *CBC*, (13 Jul. 2023), [www.cbc.ca/news/canada/subsidized-housing-canada-need-1.6906053](http://www.cbc.ca/news/canada/subsidized-housing-canada-need-1.6906053).
3. CMHA, "Types of Housing", *CMHA*, (2024), <https://ontario.cmha.ca/documents/types-of-housing/>
4. Rebekah Young, "Canadian Housing Affordability Hurts," *Insights & Views*, (2023), <https://www.scotiabank.com/ca/en/about/economics/economics-publications/post.other-publications.insights-views.social-housing--january-18--2023-.html>
5. Chart retrieved from Carolyn Whitzman and Alexandra Flynn, "ANALYSIS: Housing is a direct federal responsibility, contrary to what Trudeau said. Here's how his government can do better," *CP24*, (August 2023), <https://www.cp24.com/news/analysis-housing-is-a-direct-federal-responsibility-contrary-to-what-trudeau-said-here-s-how-his-government-can-do-better-1.6510360>
6. Tim Richter, Mike Moffatt, and Michael Brooks, "The National Housing Accord: A Multi-Sector Approach to Ending Canada's Rental Housing Crisis," (2023), [https://assets.nationbuilder.com/caeh/pages/453/attachments/original/1692060486/2023\\_National\\_Housing\\_Accord.pdf?1692060486](https://assets.nationbuilder.com/caeh/pages/453/attachments/original/1692060486/2023_National_Housing_Accord.pdf?1692060486)
7. Ritcher et al, "The National Housing Accord..."
8. R. Sullivan, "Federal Housing and Regional Planning Workshop Notes" [Workshop]. *Canadian Housing and Renewal Association*, (2023, June 13).

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