



October 24, 2017

Dear Minister Duclos,

Two years ago, Canadians warmly welcomed the Government of Canada's announcement that it would develop a National Housing Strategy.

We commend governments and CMHC for taking a consultative approach and inviting Canadians from all parts of the country to share their experience, aspirations and advice. The Let's Talk Housing consultations undertaken by CMHC were extensive and conclusive. The same consultative approach will also be important in ensuring that the National Housing Strategy is delivering the intended outcomes.

Overwhelmingly, housing experts, civil society, people with lived experience and other Let's Talk Housing respondents identified affordability as the most pressing challenge facing Canadians - ranking it as the top issue more than twice as much as any other.

With work on the National Housing Strategy nearing its culmination, we urge the federal and provincial governments to adopt a balanced mix of policies and programs designed to deliver real improvements in housing affordability, particularly for those in greatest need, with measurable and time-bound outcomes. Specifically, we call on all governments to ensure the Strategy will:

- **Tackle housing poverty and homelessness** - a national, portable housing benefit should become a cornerstone of both the National Housing Strategy and Canada's Poverty Reduction Strategy. Aligned with other investments, a properly designed portable housing benefit, cost-shared with the provinces and of sufficient scale, will set Canada on track to significantly reduce homelessness and deep core housing need and lift tens of thousands of households out of poverty – without inflating rents.
- **Create more affordable housing**– it's time we dealt with housing as a system. To address the wide variety of housing needs in different housing markets across Canada, the Strategy should include tools and incentives that make housing affordability the role of everyone, not just any one part of the housing system. Affordability is a goal to which all housing sectors can contribute, across all tenure forms.

The Co-Investment Fund announced in the last budget is a start. So is the Rental Construction Financing initiative. But a fuller toolkit – including tax mechanisms in addition to financing, grants, and land – will leverage much more funding, which can build more and better projects, renew existing assets, and create a more entrepreneurial, sustainable and flexible system. An assertive, system-based approach will shift the balance of investments



from grants to equity and financing, allowing government to share both the risks and the rewards. And, incenting any developer – nonprofit or market - who meets underwriting criteria to build housing that is affordable will more effectively drive the outcomes the government seeks.

- **Fix and retrofit our existing affordable housing stock** – in addition to investing in new affordable housing, we must revitalize the existing stock and ensure its sustainability. Enhancing the capacity of social housing providers and enabling them to become more entrepreneurial will help their economic viability. Ensuring mechanisms to facilitate the repair and retrofit of market rental that is affordable is also essential to preserve the existing supply of housing that meets the needs of low- and moderate-income households.

Investing in energy retrofits and conservation will, over time, help the bottom-line, while reducing carbon emissions. But supply-side measures alone will not be enough. Continuation of assistance to low income tenants is essential for maintaining the stability and viability of housing providers.

As Canadians in communities all across this country – not just the big city markets – clearly indicated, the high cost of housing is strangling other important family needs. For many, the high cost of housing is pushing them into poverty.

We mustn't lose this opportunity to improve the lives of the 1.5-million households who struggle with housing affordability each year.

Thank you for the time, energy and dedication that you have brought to this critical issue. We are counting on all governments to deliver on a National Housing Strategy that provides both a roadmap for the future and real results for Canadians.

Sincerely,
Dina Graser and Pedro Barata
Co-chairs

On behalf of the National Housing Collaborative:

