

Speech to National Club – September 22, 2009
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INTRO

Good morning ladies and gentlemen.

Thank you very much for inviting me here this morning to talk to you about the important topic of affordable housing and the important contribution it can make towards a prosperous Ontario.

In my work as Executive Director of the Ontario Non-Profit Housing Association, people often tell me what a complicated world the affordable housing sector is. While it may seem that way because of the myriad of housing programs and their complicated rules, housing is really a simple matter – it's about the bricks and mortar and making it affordable and it's about the people who live in that bricks and mortar and helping them to live independent and productive lives.

My main objective in the short time I have here today is to hopefully “un-complicate” this world and help you understand the need for increased investment in community-based housing and the benefits this increased investment can bring.

WHO WE ARE

Let me first tell you a little about who we are. Located in 220 communities across Ontario, the 760 members of my association provide more than 160,000 units of non-profit housing to over 400,000 people across the province. That's roughly the size of St. Catherine's, Ontario.



They house many different types of low-income tenants: seniors, families with children, the working poor, victims of violence and abuse, people living with physical disabilities, HIV/AIDS, mental illness or addictions and the formerly homeless or hard-to-house. All these people have one thing in common. Like you and me they seek to live in a safe environment that they can call home.

Our members provide community-based non-profit housing which is operated by local community groups like local businesses, faith-based and agency organizations as well as municipalities. Non-profit housing is not a charity. It is very much a business working on the model of earning revenues to meet ongoing expenses. Tenants in non-profit housing pay rent, typically based on their income level. And non-profit housing providers are corporations that are governed by boards of directors made up of people from the community like you and me.

While we have a few large municipal members, for the most part, our membership mirrors the demographics in Ontario and is made up of small non-profit providers who have seen the increasing need for affordable housing in their community and responded to it by building and managing housing for low-income people.

THE NEED FOR HOUSING

The title of this session is certainly appropriate because, as a sector, we do have a number of challenges and opportunities ahead of us. Out of the many challenges, the one that should concern us all is how we are going to meet the ever-increasing need for more affordable housing across this province.

And if there is any doubt about need, let me give you a few facts.



An annual research report which we produce tracks the number of households waiting for subsidized housing across the province – and year after year, our report shows that the need for affordable housing is growing. Our most recent report, conducted in early 2009, showed that almost 130,000 households are on waiting lists for assisted housing.

Unfortunately, many of these households will be waiting a long time. In Toronto, the wait time is 5 to 6 years for seniors and low-income families. In Ottawa it is up to 5 years, in Peterborough up to 13 years and in Peel Region, as long as 20 years. In effect, if you had toddlers today, they'd be grown adults by the time housing is available for you. As a consequence, many people don't even bother putting their name on the list because it is so long so 130,000 is really just a minimum.

But the need for affordable housing goes beyond waiting list numbers. Many are what we refer to as the working poor – those that have a job but simply don't have enough to make ends meet. Information from the 2006 Census indicates that 1 out of every 5 tenant households in Ontario spends more than 50% of their income on rent. That means over 260,000 renter households are forced to make difficult decisions between necessities like paying the rent or feeding their kids. These households in effect face an increased risk of economic-based homelessness.

And with today's economic crisis and high jobless numbers, we anticipate that these statistics will only get worse in the years to come.

If we had the time, I could spend more time quantifying the need for more affordable housing. But let me instead focus on what this means for us all.



For one, the low level of access to community-based affordable housing means many households are forced to live in inadequate accommodation. And with that their children (Ontario's workforce of tomorrow) have no place to do their homework or study.

For many schools, inadequate housing is becoming an increasingly common problem for students. Living in a shelter or moving from place to place is hardly conducive to educational stability and can contribute to poor student performance. The trauma of homelessness and housing instability can have lasting effects on a child's educational performance, leading to lower levels of educational success and potentially employment issues later in life.

Another impact of inadequate affordable housing supplies are the costs of alternatives like homeless shelters, as well as the costs associated with emergency and institutional health care for homeless people. In Toronto for example the cost of a shelter averages \$60 a night meaning a monthly rental equivalent of \$1800 per month. From a purely economic standpoint, it makes more sense in the long-term to develop affordable housing assets that will last generations and incorporate the supports required by residents so they can become active members of the community and less reliant on government subsidies.

As a social determinant of health, housing has a significant impact on a person's well-being. Overall health, both physical and mental, is affected by housing, or the lack of housing. There are countless studies that have documented this. When rent is unaffordable, people have less money to spend on nutritious food and other items that are necessary to lead healthy lives. Inevitably we all pay for this through increased health care costs.



And, when the cost of housing is out of reach for many key workers (like nurses, police officers, fire fighters, teachers, hotel and retail workers, for example) people with lower and moderate incomes move away from the inner urban core to live and work where affordable locations may exist. When this happens, who will work in our cities, providing the products, services and labour we need? A good supply of decent, affordable housing has the potential to attract employees who want to live where they work and, in turn, attract businesses seeking a supply of skilled employees.

It's important to realize that all of these issues are not just "housing" issues. They are also poverty issues. As the single largest non-divisible expenditure in a person's budget, costs related to housing represent either the biggest investment, or the biggest burden, a household will ever take on. Thus a good housing strategy is one of the keys to a good poverty reduction strategy as the Ontario government recently learned during its poverty reduction strategy consultations.

From a personal perspective, a home is intimately connected to all one does. I would argue that the same philosophy applies to policy as well - good housing policy is inter-linked with good health policy, good education policy, and good economic policy.

ROLES FOR EVERYONE & GOOD HOUSING POLICY MAKES PRACTICAL SENSE (OPPORTUNITIES)

There can be little doubt that housing policies are the foundations of strong and healthy communities. And we believe that community-based non-profit housing provides the basis of this foundation and does so on a permanent basis.



Previous provincial governments significantly cut funding for the supply of non-profit affordable housing, believing that the private sector would step into the role and build rental housing for low-income households. This never happened and for good reason –the private sector, which is in the business of making profits, was being forced to fill a low-income housing gap that they logically cannot fill. And in today’s low-interest environment the motivation for the private sector to provide purpose-built rental housing is not there without providing them significant incentives or tax concessions.

But supply side solutions aren’t the only answer either. If one were to build modest housing for everyone on the waiting list I mentioned earlier, it would cost nearly \$16 billion and couldn’t be built fast enough before the next huge wave of applicants got added to the waiting list. Demand side tools to deal with affordability in the form of an income-assisted housing benefit, for example, can provide a short-term balance while longer term supply is created.

The Province has recently embarked on the development of a long-term affordable housing strategy – an initiative our association has urged the government to undertake for many years. We welcome this strategy and the opportunities it will bring, but understand that in the current environment, while government can set the stage, it can’t do it alone.

The upcoming affordable housing strategy provides an opportunity for the community-based affordable housing sector, the private sector and all levels of government to provide meaningful housing opportunities for Ontario’s low income households. But, in order to be successful, the strategy needs to be more than just a funding program.



In Ontario, we have a health-care system and an education system – what we now need a housing system – a system that is not subject to the whims of ideology, nor one-size-fits-all nor just based on the sporadic availability of limited funds, but one that is flexible, predictable and ongoing such that communities can mold and shape it to fit their local needs because no two communities are identical. Housing and homelessness issues are community-specific problems and Ontario needs a housing system that responds to those community needs. Such a system would provide local communities with a menu of funding and regulatory choices from senior government that incorporate both place-based and person-based options because as I've stated, housing is not just about buildings but also about the people that live in those buildings.

In the end, the challenges and opportunities I've discussed this morning are not isolated to the non-profit housing sector. They affect aspects of every sector, of every home, of every neighbourhood and every business. We are all stakeholders in this process and it is in everyone's interest if we move forward on this important issue together.

Thank you for giving me your time.