

Federal/Provincial/Territorial Ministers Responsible for Housing Announce a New Framework for Affordable Housing



July 4, 2011

Today, federal, provincial and territorial ministers responsible for housing announced a \$1.4 billion combined investment toward reducing the number of Canadians in housing need under a new Affordable Housing Framework 2011-2014.

The Framework recognizes the diversity of affordable housing needs of Canadians and that a range of solutions- from existing programs to new approaches- is the most effective in meeting local needs and priorities. It is also recognized that under this Framework provinces and territories have responsibility for the design and delivery of affordable housing programs in order to address their own specific housing needs and priorities in their jurisdictions. Accordingly, each province and territory is working towards a bilateral agreement to respond to the program needs in each jurisdiction; in these arrangements, federal funding will be matched by provincial, territorial and other contributions, and governments will report to their citizens on outcomes.

Under the new Framework, provinces and territories have the flexibility to invest in a range of programs and initiatives designed to achieve the overall intended outcome: to reduce the number of Canadians in housing need by improving access to affordable housing that is sound, suitable and sustainable. Initiatives under the Framework can include new construction, renovation, homeownership assistance, rent supplements, shelter allowances, and accommodations for victims of family violence.

The Honourable Diane Finley, Minister of Human Resources and Skills Development and Minister Responsible for Canada Mortgage and Housing Corporation (CMHC) along with the Honourable Jonathan Denis, Minister of Housing and Urban Affairs, Province of Alberta; Co-Chair of the Federal-Provincial-Territorial Housing Ministers Forum; and on behalf of the provinces and territories, expressed their satisfaction with the new Framework.

"Our government is committed to working with its partners to develop and implement solutions to housing," said Minister Finley. "This Framework recognizes the need for local solutions to housing challenges and the importance of reporting progress on outcomes."

"Our success in helping Canadians in need find and keep affordable housing is a direct result of partnerships across all orders of government and with private sector partners," said Minister Denis. "This framework builds on existing successes and contributes to the creation of cost-effective programs that will address housing needs at the local level."

In September 2008, the Government of Canada committed to a five-year investment of more than \$1.9 billion in housing and homelessness. The five-year investment, which began in 2009, included a two-year renewal of the Affordable Housing Initiative and various renovation programs. Provinces and territories made additional contributions to the two-year federal investment to address the housing needs of low-income Canadians.

Although Québec generally agrees with the principles and objective of the Framework, adhering to this Framework and its implementation will follow once the bilateral agreement is concluded between CMHC and the Société d'habitation du Québec.

AFFORDABLE HOUSING FRAMEWORK (2011-2014)

Introduction

Stable, affordable and good quality housing contributes to positive outcomes for individuals, families and communities. Housing influences many aspects of life: individual health and wellbeing, educational achievement, social connections, labour market attachment, and community identity. From a broader economic perspective, the housing sector provides employment, creates investment opportunities, and stimulates and supports economic activity.

This Framework establishes the approach that will guide bilateral arrangements for the combined affordable and renovation housing funding envelope of federal housing funds between 2011 and 2014.

Federal, provincial and territorial governments are continuing to work together in many ways to address the needs of households in Canada with respect to affordable, sound, suitable and sustainable housing.

Nothing in this document shall be construed to derogate from the respective governments' jurisdictional responsibilities.

Vision

A balanced approach to housing is a tool to promote economic and social independence, personal accountability, and meaningful individual choice. Good housing is required to meet basic human needs while developing individual resources and capabilities to achieve positive longer-term outcomes such as self-reliance for individuals and families. This vision promotes healthier people, stronger neighbourhoods, a greener environment, and safe, quality, affordable housing. Within this Framework, federal, provincial and territorial governments recognize that:

- A continuum of program responses is required to respond successfully to the differing needs of households across their life courses.
- Sustainable practices to housing responses, such as enhancing the energy efficiency of housing, not only value and respect the environment but also help realize savings that improve housing affordability over the long term.
- Partnerships among federal, provincial and territorial governments will help provinces and territories work with community groups, individuals and the private sector to strengthen housing conditions in their jurisdictions.

Objective

The objective of this Framework is to improve the living conditions of Canadians in need by improving access to affordable, sound, suitable and sustainable housing.

Intended Outcome

The overall intended outcome of this Framework is to reduce the number of Canadians in housing need by improving access to affordable housing that is sound, suitable and sustainable for Canadians in need.

Spending Categories

Housing responses may vary depending upon market conditions and housing needs. Investments that flow under this Framework will support housing responses in one of the following areas of action:

1. **Increase the supply of affordable housing across Canada.** Initiatives may include new construction or conversion, and homeownership or rental, all targeted to households in need.
2. **Improve housing affordability for vulnerable Canadians.** Initiatives may include rent supplements, shelter allowances to address affordable housing needs, and homeownership assistance, all targeted to households in need.
3. **Improve and/or preserve the quality of affordable housing.** Initiatives may include renovation and rehabilitation of existing affordable housing to improve and preserve the quality of affordable housing for households in need (excluding existing social housing stock under F/P/T long-term agreements).
4. **Foster safe independent living.** Support for new housing construction, housing modifications and renovations that extend independent living for households in need being seniors and persons with disabilities. Initiatives may also include accommodations for victims of family violence.

Principles

Federal, provincial and territorial governments recognize that initiatives that respond to identified and demonstrated needs, and that are built on the best evidence of what works, produce the best desired outcomes. Achieving success requires cooperation and respect for one another's roles and responsibilities, and a clear understanding of funding relationships.

Federal, provincial, and territorial governments agree that the following principles will guide the arrangements between federal, provincial and territorial governments for housing investments that flow under this Framework.

- P/Ts have responsibility for the design and delivery of affordable housing programs in order to address their own specific needs and priorities.
- P/Ts require flexibility to address PTs' specific affordable housing needs and priorities. Flexibility to move federal funds between years is subject to CMHC approval.
- Federal contributions may be used for upfront capital contributions or ongoing subsidies. Contributions by Others (provincial/territorial government, non-profits, municipalities, private sector) must be equal to or greater than the envelope of federal contributions.
- Housing supported under this Framework and related bilateral agreements will be modest in terms of size and amenities and will remain affordable for ten years or a mutually agreed upon period of time.
- Energy efficiency and water conservation measures will be promoted wherever possible in order to reduce the environmental impact of housing, such as greenhouse gas emissions and to improve housing affordability.
- Governments must be accountable to the public for the use of public funds through an open and transparent process which identifies expected outcomes, measures performance, reports on results to the public and provides for follow-up. In this context, each government is responsible for reporting annually to the public regarding the investments and achievement of intended outcomes under this Framework. The information provided by P/Ts, which will be agreed upon in the bilateral agreements, will enable the federal government to be accountable to Canadians.
- Administrative requirements must be streamlined so as not to adversely impact program delivery.
- Bilateral arrangements are to include a communications protocol providing for joint communications activities and products as well as open, transparent, effective and timely

communications that equitably reflect the contributions of federal, provincial and territorial partners.

- Copies of signed bilateral agreements will be distributed to Provinces and Territories for information purposes. Any revisions or addendums to agreements granted by the federal government to a P/T under this Framework would, upon request, be extended to each Province and Territory who so wishes.

Bilateral Arrangements

This Framework will serve as the basis for bilateral arrangements between the federal government represented by CMHC and each Province or Territory who so chooses. Federal funding flow will be conditional on bilateral arrangements pursuant to this Framework that are signed with a Province or Territory. Where a Province or Territory does not conclude bilateral arrangements under this Framework, federal funding will flow through the extension of existing arrangements (AHI and renovation programs).

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