



News Release

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Adopting a Human Rights Based Approach to Housing

In principle, CFAA supports the move to adopt a human rights approach to housing. Governments should ensure that people have the means to access adequate housing. The vast bulk of people can and should address their housing needs for themselves, but some people need help, such as people with mental or physical disabilities, neglected children, and people with low incomes.

CFAA has concerns about the impact of particular positions that are sometimes advanced under the umbrella of the human rights approach, such as the following:

- An over-emphasis on a human rights based approach to housing may hinder efforts to improve housing affordability by exacerbating delays and barriers in creating much needed rental housing supply through redevelopment of existing rental properties.
- A human rights based approach risks redirecting much-needed income support away from those who need it most, as reflected in their incomes, to those who fit into identity groups.

“No forced evictions”

Some housing-as-a-human-right advocates phrase their goal as “no forced evictions” meaning that each person has a right to the particular home that person occupies at any given time. However, the re-development and intensification of existing rental properties would become prohibitively expensive if every tenant in any building to be demolished had to be bought out at a price which that tenant determined.

Providing “no forced evictions” would interfere with the supply of new housing, and make low-income people worse off than they are now. Instead facilitating redevelopments that add to the overall housing stock creates new opportunities for households who can afford the cost of new construction to move up, freeing up more affordable units for those who need them.

Getting targets right

The human rights based approach to housing hopes to enshrine targets in legislation, so that they cannot be easily changed. However, with today’s widespread data availability, affordability standards that are clearer, more equitable and more precise should be created and adopted before any targets are enshrined. See the Backgrounder for more details.

As desired interim outcomes, CFAA advocates a focus on moving households from deep core need to a less dire situation, so that those who are worst off presently receive more support first. The focus should be on improving the situations of those who are worst off, namely those who are homeless or in deep core housing need, and particularly those with grossly inadequate incomes after paying the cost of housing in their communities.

Conclusion

CFAA supports the move to adopt a human rights approach to housing, provided that:

- attention is paid to avoiding further interference with the re-development process, and
- the targets which are adopted are flexible and adequate to show progress to the reduction of housing affordability issues in the face of changing demographic and market conditions.

The Canadian Federation of Apartment Associations represents the owners and managers of close to one million residential rental suites in Canada, through direct membership and 11 associations across Canada. CFAA is the sole national organization representing the interests of Canada’s \$480 billion private rental housing industry, which houses more than eight million Canadians.

BACKGROUND

Concerns with the 30% Affordability Standard

The current affordability standard (30% of household income) was devised to determine the allocation of housing funds across Canada. However, it was devised when social housing was limited to families or even families with children, and not provided to households consisting of individuals. CFAA is concerned that the current rent-to-income measurements provide a misleading picture of housing affordability.

Affordability measures and household size

The affordability measures are now used in the context of housing for individuals, and also to portray changes in rental affordability over time. There are accuracy problems in using the 30% affordability standard for those purposes, which arise from the following facts:

- The average household size is decreasing.
- Smaller households can afford to pay a larger percentage of their income for housing than larger households, because the remaining money supports fewer people.
- Minimum size constraints and modern standards (such as all household sizes needing a kitchen and bathroom, which are the most expensive parts of a dwelling to build and furnish).
- The rising minimum standards and the increasing quality of housing.

Changes to household incomes and rental affordability

We are concerned that the current affordability measures are presenting a misleading picture. Increasing incomes among lower income persons will encourage household formation, which will appear as an increased ratio of shelter cost to income if these new low income households cause average tenant household income to decline. Decreasing real rents encourage household formation for low income people, which will appear as an increased ratio of shelter cost to income if the propensity for lower income household formation is significant. Both increasing incomes and decreasing real rents improve housing affordability, but the factors listed may make improved conditions appear to be steps backward.

Shelter cost to income or expenditure

Affordable housing is seen as fundamental to the economic, social and physical well-being of families and communities. Taking into account household size, and shelter costs as a percentage of expenditure, through better and more varied measures of the extent and size of the issues would show the real areas of difficulty, and thus allow better targeted and more effective solutions.

CFAA's recommendations

1. CMHC and other policy makers should review the affordability standard with a view to raising it for small households.
2. CMHC should also evaluate additional affordability standards, in order to use a variety of pictures from different angles to provide a clearer total picture of the affordability question.
3. CMHC and other policy makers should clarify the issue of the effect of household formation on housing affordability with appropriate research and with additional housing affordability measures that account for the effect of increased affordability on household formation.
4. CMHC and other policy makers should take into account household size, and shelter costs as a percentage of expenditure, in order to identify the real areas of affordability difficulty, and thus allow better targeted and more effective solutions.

To read the complete document "CFAA Submission to CMHC on Adopting a Human Rights Based Approach to Housing", please view the "Submissions to Government" tab on the CFAA website.

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