

CANADIAN FEDERATION OF APARTMENT ASSOCIATIONS
SUBMISSION TO THE NATIONAL HOUSING COUNCIL ON
THE RIGHT TO ADEQUATE HOUSING
February 8, 2023

EXECUTIVE SUMMARY

- CFAA and the rental housing sector support the right to adequate housing (R2AH) as defined by the National Housing Council.
- Achieving R2AH is the obligation of everyone in society, not just rental housing providers.
- The current housing system provides housing which is adequate (or better), suitable and affordable to 90% of the population of Canada.
- The current housing system provides housing which is adequate (or better) and suitable for another 8.5% (85% of the other 10%, but costs them more than 30% of their income.)
- Only 30,000 people are chronically or episodically homeless, which is less than one out of every 1,000 people in Canada.
 - Virtually all of them of serious financial problems
 - Many of them also have mental health problems or addictions¹
- The housing system does not need drastic changes; it needs some improvements around the edges.
- Through the current rent control systems in most provinces, rental housing providers already subsidize the rents of many tenants.
- The improvements to the housing system will not be cheap. The cost of the measures to achieve R2AH needs to be paid for by all taxpayers, not just or mainly by rental housing providers or future housing consumers. Likewise, non-financial burdens need to be borne by society at large, not just by housing developers, or future occupiers.
- Due largely to government charges and taxes, and other barriers to housing development, housing supply and rental housing supply has not kept up with increasing rental demand.
- In a rental market with adequate supply, existing tenants can easily change homes as needed, and find alternate accommodation that meets their evolving needs at similar rents to what they are paying before they move.
 - However, when rental demand exceeds rental supply significantly, finding alternate accommodation is not easy, and conflicts arise.
 - Sufficient rental supply is critical for everyone to be adequately housed at affordable costs.

¹ This issue is not addressed in the Consultation Guide or this submission, but it is widely accepted as an unfortunate fact, which needs to be addressed, usually through supportive housing or supports attached to the person.

- The cause of the current housing shortage is myriad barriers to adding new supply in Canada's larger metro areas coupled with increased housing demand, fueled by increased immigration
- Critical barriers to adding new housing supply include:
 - The application of the HST/GST to the full value of new housing
 - Dramatically higher municipal and provincial charges including development charges, community benefit charges, cash in lieu of parkland and other charges
 - Approval delays due largely to political processes, including allowing local residents to convince their city councillors to block housing due to NIMBYism.
- The private sector plays the leading role in providing rental housing, but is held back by NIMBYism and excessive demands on developers (which are ultimately borne by new homeowners and new renters).
- Along with governments cutting back their charges and reducing their delays, homeowners need to contribute to achieving R2AH, including by accepting greater density in established neighbourhoods.
- Some tenancy terminations for demolition are necessary to provide more homes through more density. They should follow provincial law and due process, and largely do.
 - Periodically, some renters in existing low-rise rental buildings need to relocate so that more homes can be achieved in denser developments in central and convenient locations, reducing urban sprawl and its negative environmental effects.
- Some tenancy terminations for renovations may be needed to enable buildings to be renewed and upgraded safely, effectively and at the least cost, and to enable repairs to critical building elements which can only be accessed through rental units. They should follow provincial law and due process, and largely do.
- For renters, tighter rent control would provide only short-term gain (for existing renters), while causing renters as a whole (and themselves) serious long-term pain (since tighter rent control tends to reduce the supply of housing, and a shortage of housing is the underlying cause of the current housing crisis).
- The profit motive is not the cause of the current housing crisis. For a long time, and in many places around the world, housing provided through the profit motive has steadily improved the quality of housing and has served most people's housing needs well.
 - As well, the profit motive and the efficiency of markets create the wealth and income which enable adequate support to be directed to people in need.
 - Profit is already taxable, and contributes to the support of low-income people and the achievement of R2AH.
- The solutions needed to realize the right the adequate housing are:
 - adding more housing supply,
 - targeted solutions such as portable housing benefits,
 - building or acquiring more supportive and community housing, and
 - more and better social service and mental health supports for those who need those supports.