

# Housing and Homelessness Programs in Ontario

Briefing Deck



# Overview

- This report reviews the Province's housing and homelessness programs. The report:
  - Examines housing programs spending and how the number of households supported by provincial programs has changed over time;
  - Discusses the transition from legacy housing programs to new programs under the National Housing Strategy (NHS);
  - Presents the FAO's housing programs spending forecast and analyzes the impact of the Province's housing programs on the supply of subsidized housing and core housing need; and
  - Analyzes the Province's homelessness programs and the commitment to end chronic homelessness by 2025.

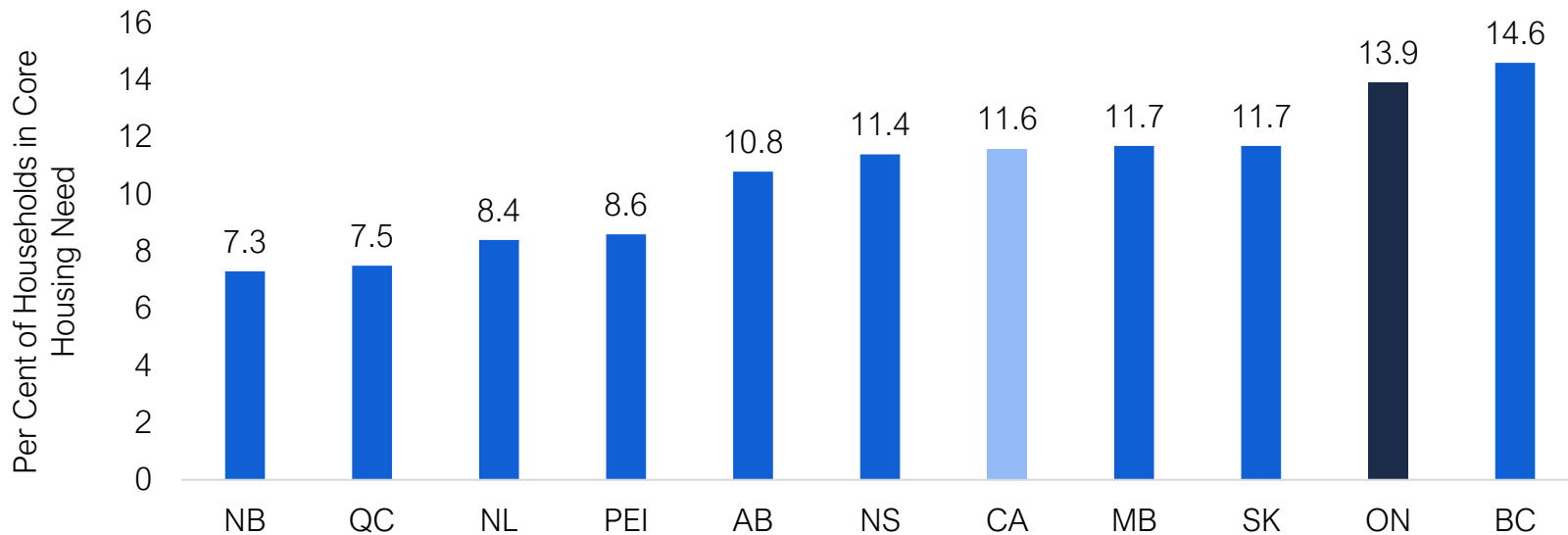


# Housing Programs



# Background: Core Housing Need

- In 2018, 13.9 per cent of households in Ontario were in core housing need, the second highest rate among all provinces.



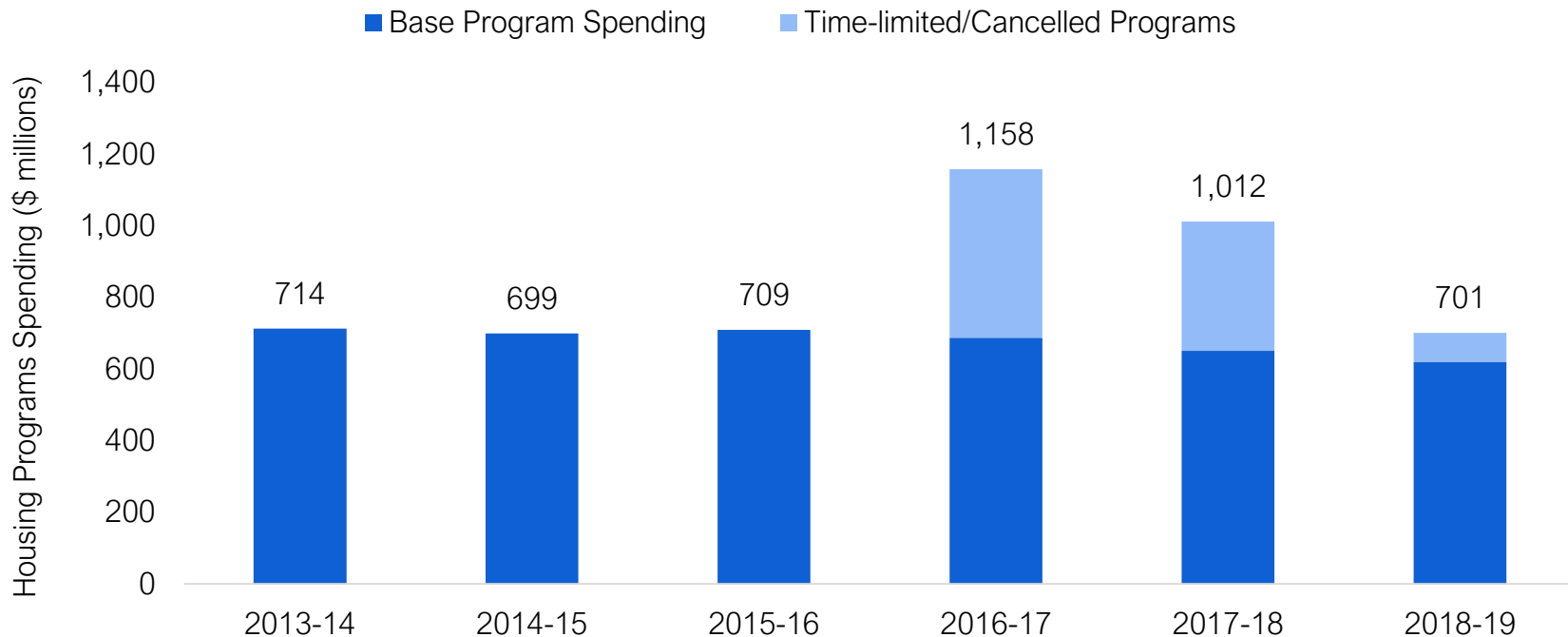
Source: Canadian Housing Survey, 2018 and FAO.

- A household is in core housing need if:
  - the cost of housing is greater than 30 per cent of before-tax income;
  - there are not enough bedrooms to accommodate the size of the household; or
  - the housing is in need of major repairs.



# Housing Programs: Recent Spending

- The federal government contributed two-thirds of the funding for the Province's housing programs over the 2013-14 to 2018-19 period.
- Spending reached \$1.2 billion and \$1.0 billion in 2016-17 and 2017-18, respectively, due to time-limited and cancelled programs.



Source: FAO analysis of information provided by MMAH.

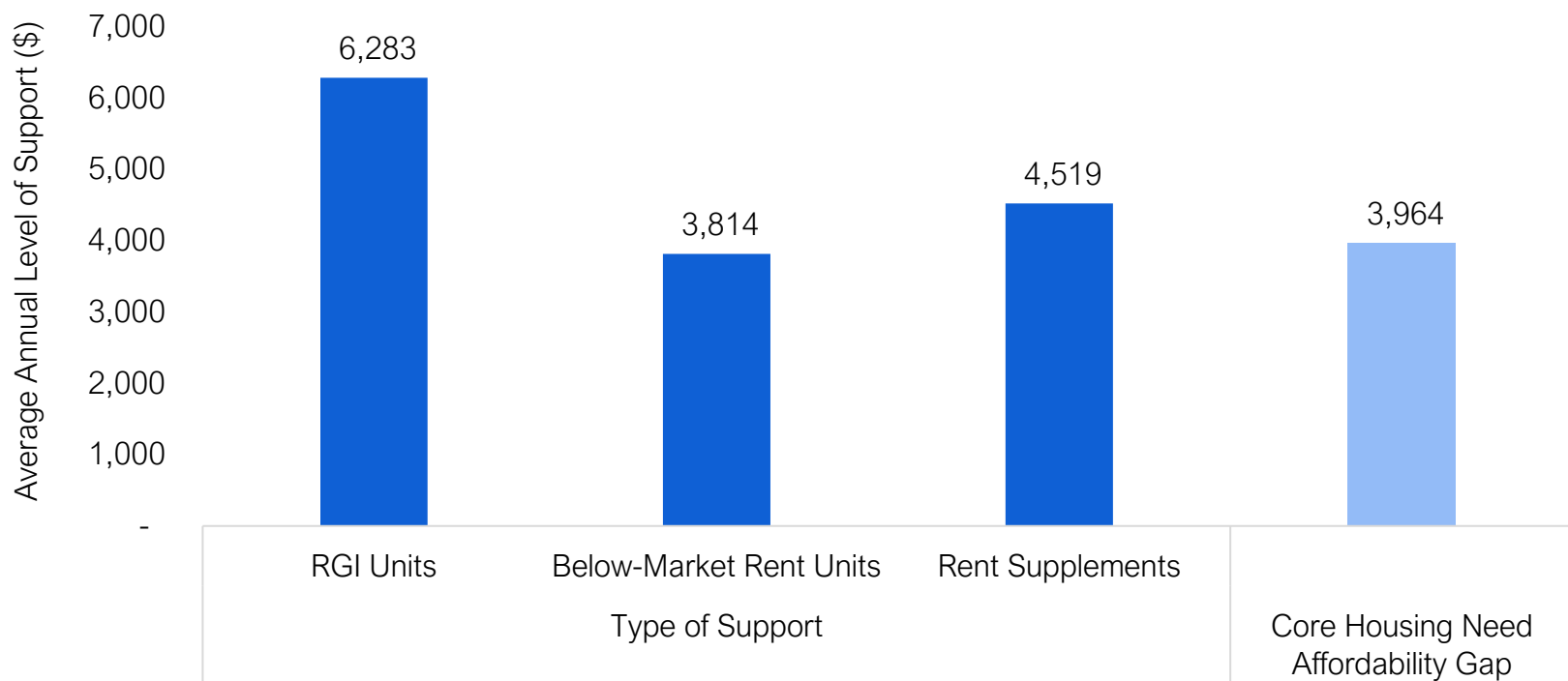
# Housing Programs: Overview

- The Province's housing programs fall under two main categories: social housing and affordable housing. These programs offer different types of housing support.
- Social housing units are operated by municipal organizations, housing co-operatives and non-profit organizations.
  - Most social housing units are rent-geared-to-income (RGI), with rent limited to 30 per cent of the household's gross income.
- Affordable housing programs provide construction grants to developers who, in return, create below-market rent housing units in their buildings.
  - The average rent in these units must be at or below 80% of market rent.
  - Affordable housing programs also provide rent supplements, offer homeownership assistance, and fund home and rental repairs.



# Housing Programs: Support Level

- Only RGI units and rent supplements were sufficient, on average, to remove a household from core housing need.

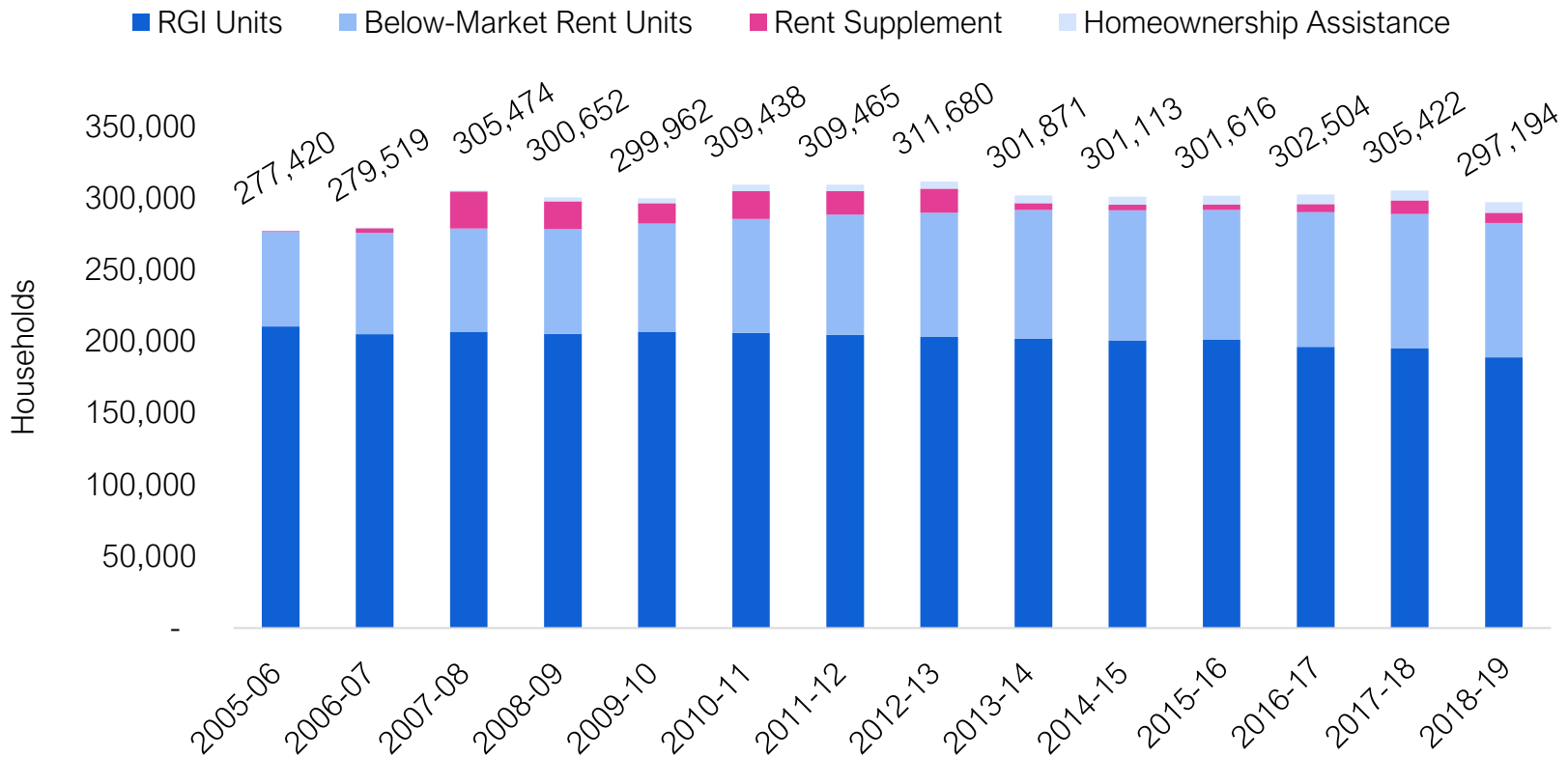


Source: FAO analysis of information provided by MMAH.



# Households Supported

- The number of households that received support peaked at approximately 310,000 per year from 2010-11 to 2012-13 before declining to 297,200 by 2018-19.



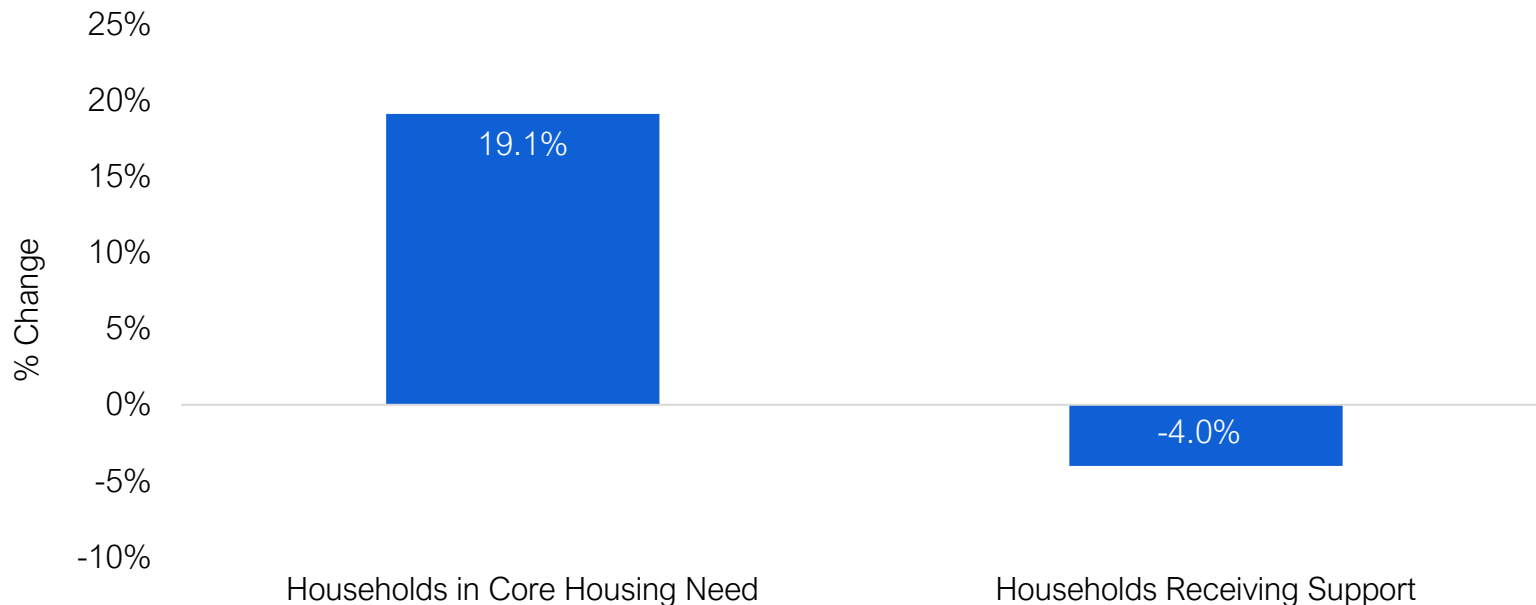
Source: FAO analysis of information provided by MMAH.





# Implications for Core Housing Need

- Between 2011 and 2018, the number of households in core housing need grew from 616,900 to 735,000, an increase of 19.1 per cent.
- Over the same period, the number of households receiving housing support declined by 12,300, or 4.0 per cent, from 309,500 to 297,200.



Source: FAO analysis of information provided by MMAH.



# Housing Program Outlook



# Recent Developments

- Between 2018-19 and 2027-28, over 80 per cent of spending on existing housing programs will expire and be replaced by three new programs created under the National Housing Strategy (NHS).
- Under the NHS, the Province and federal government have committed to spend \$4.0 billion from 2019-20 to 2027-28.
- The three new programs are the Canada-Ontario Community Housing Initiative (COCHI), the Ontario Priorities Housing Initiative (OPHI) and the Canada-Ontario Housing Benefit (COHB).

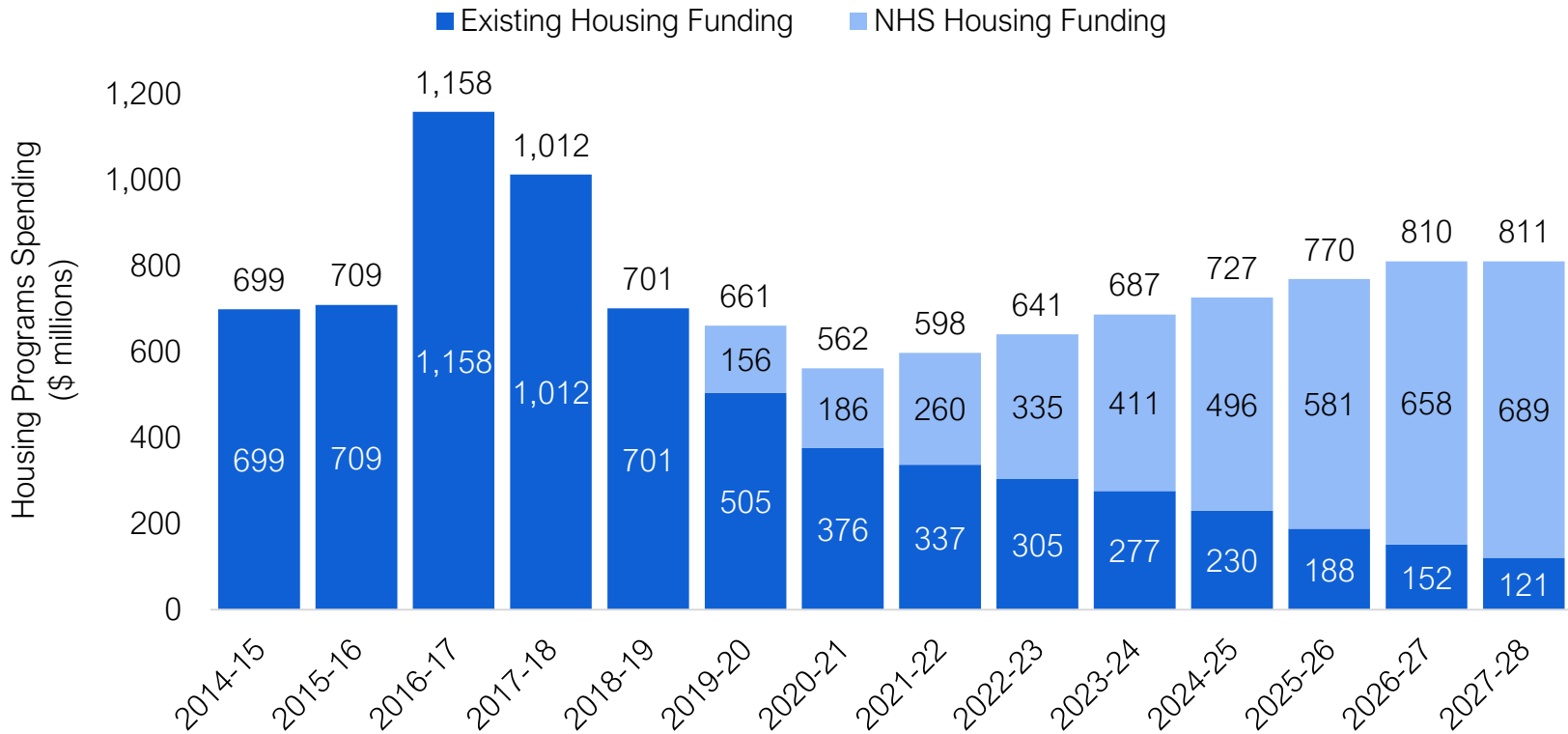
Program	Federal Spending	Provincial Spending	Total
Canada-Ontario Community Housing Initiative (COCHI)	1.8	0.0	1.8
Ontario Priorities Housing Initiative (OPHI)	0.4	0.4	0.8
Canada-Ontario Housing Benefit (COHB)	0.7	0.7	1.5
<b>Total</b>	<b>2.9</b>	<b>1.1</b>	<b>4.0</b>

Source: FAO analysis of information provided by MMAH.



# Spending Outlook

- Annual spending on housing programs is projected to be lower than 2018-19 levels until 2024-25.



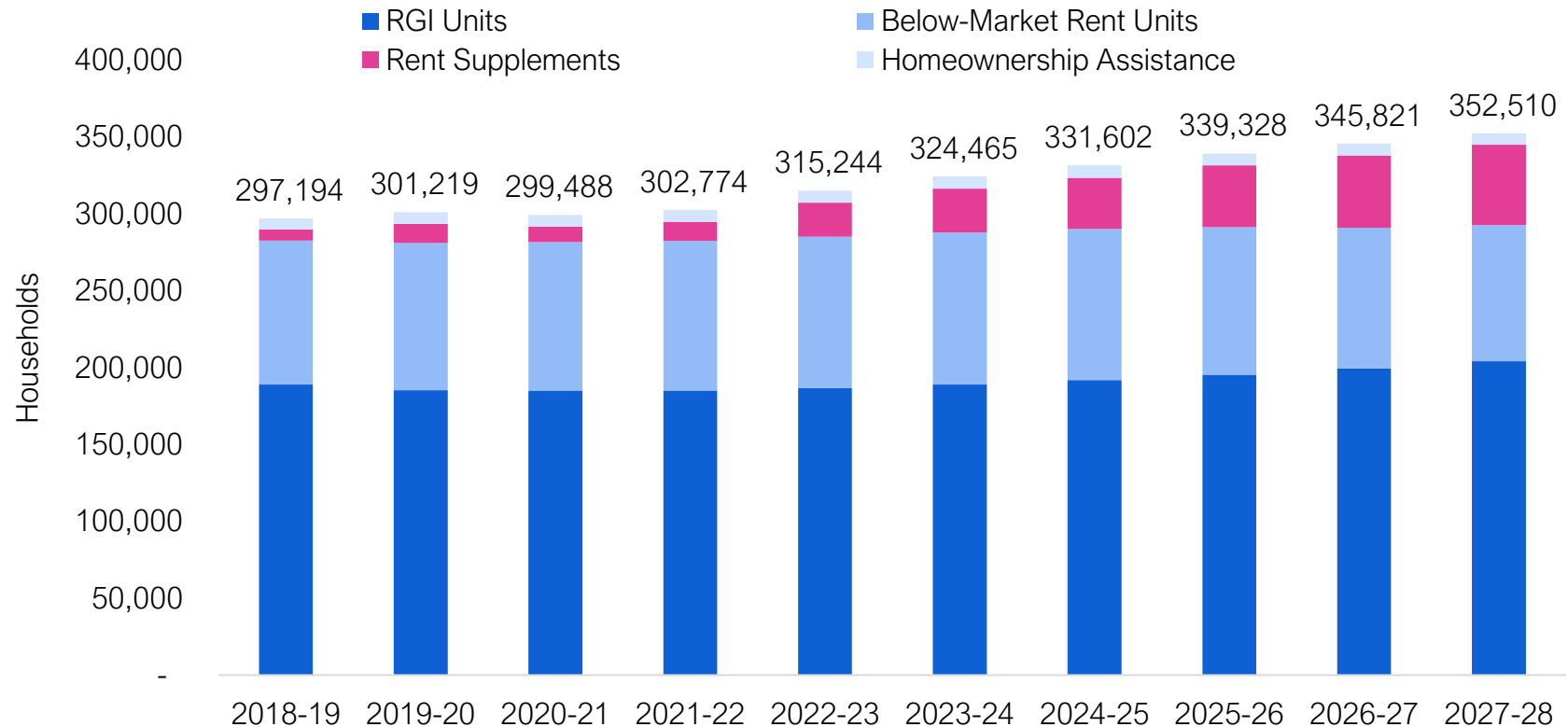
Note: Actual spending from 2014-15 to 2019-20. Planned spending from 2020-21 to 2027-28.

Source: FAO analysis of information provided by MMAH; Government of Ontario, "Community Housing Renewal: Ontario's Action Plan Under the National Housing Strategy"; and the CMHC-Ontario Bilateral Agreement under the 2017 National Housing Strategy.



# Outlook for Households Supported

- The FAO projects that the number of households supported will reach 352,500 in 2027-28, an increase of 55,300 from 2018-19.

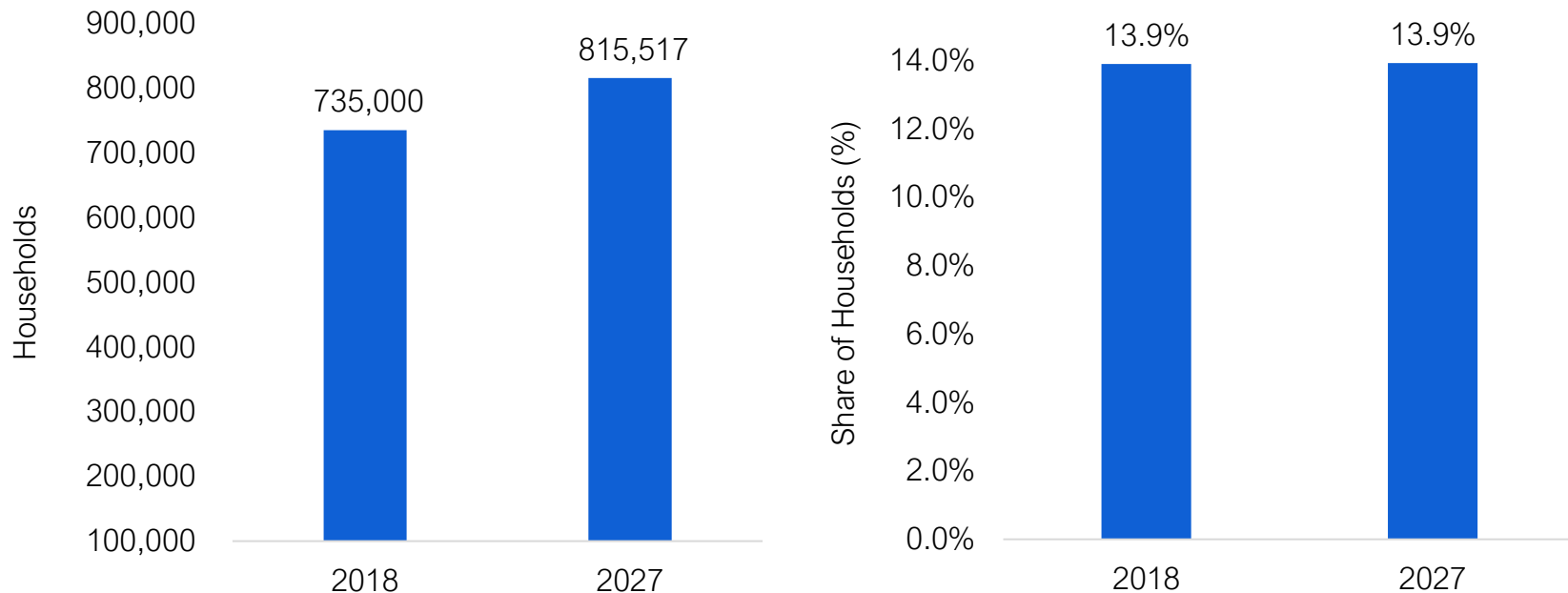


Source: FAO analysis of information provided by MMAH; Government of Ontario, “Community Housing Renewal: Ontario’s Action Plan Under the National Housing Strategy”; and the CMHC-Ontario Bilateral Agreement under the 2017 National Housing Strategy.



# Projection for Core Housing Need

- The number of households in core housing need is expected to increase to 815,500 households in 2027, an increase of 80,500 households from 2018.
- The share of Ontario's households in core housing need will remain unchanged in 2027, compared to 2018, at 13.9 per cent.



Source: FAO analysis of information provided by MMAH, Statistics Canada and CMHC.



# Homelessness Programs



# Background: Homelessness in Ontario

- In 2018:
  - Ontario municipalities reported that there were over 16,000 Ontarians experiencing homelessness on any given night.
  - The FAO estimates that over 179,000 households in Ontario lived in housing that was “deeply unaffordable” and were at risk of homelessness.
    - These households live in poverty and spend more than half their income on the cost of shelter





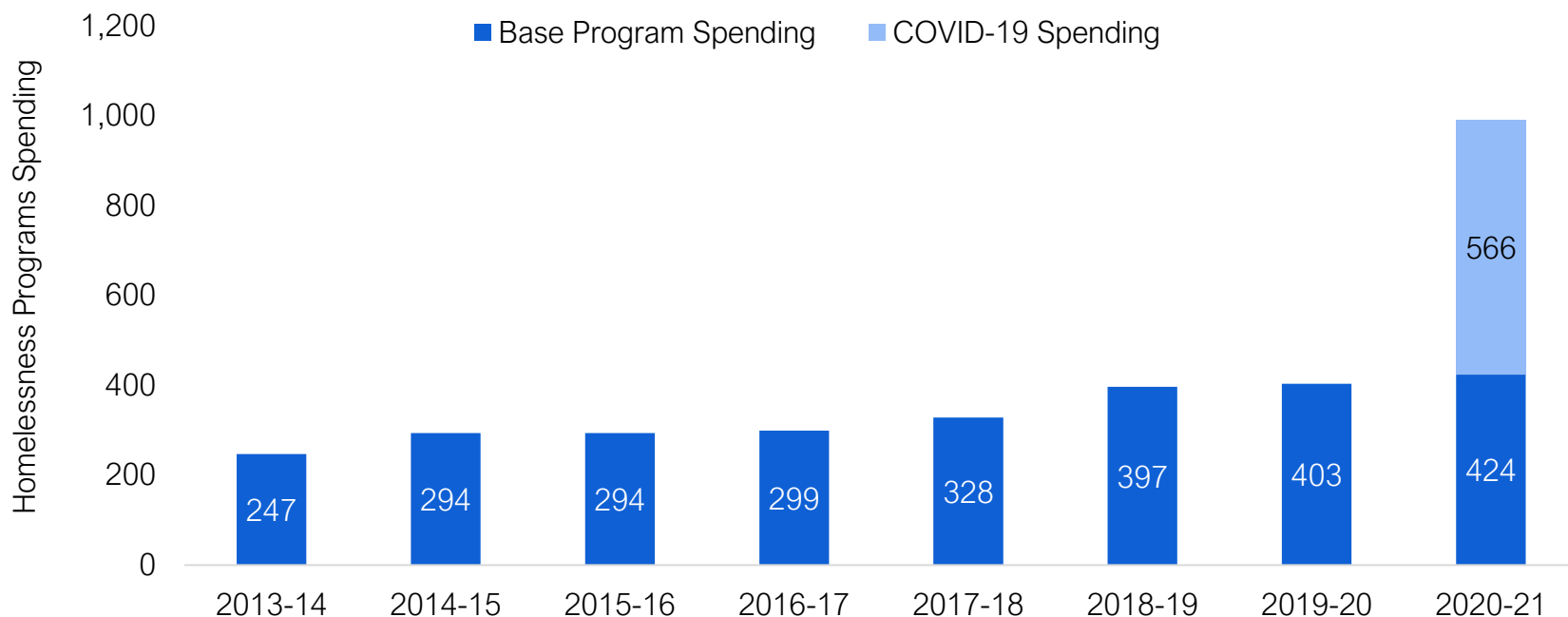
# Homelessness Programs

- The Province's three homelessness programs centre on its commitment to end chronic homelessness by the end of 2025:
  - the Community Homelessness Prevention Initiative, Home for Good, and the Indigenous Supportive Housing Program.
- The programs focus on two primary objectives:
  - that people experiencing homelessness can obtain and retain housing; and
  - that people at risk of homelessness are able to remain in their housing.
- The Province's housing programs also play a role in addressing homelessness by helping households that are experiencing or at risk of homelessness access affordable housing.



# Spending and Households Supported

- From 2013-14 to 2020-21, provincial spending on base homelessness programs grew at an annual average rate of 8.0 per cent.
- The number of households supported by homelessness programs also grew by approximately five per cent per year between 2014-15 and 2018-19.



Note: Actual spending from 2013-14 to 2019-20. Planned spending in 2020-21.  
 Source: FAO analysis of information provided by MMAH.



# Will the Province End Chronic Homelessness by 2025?



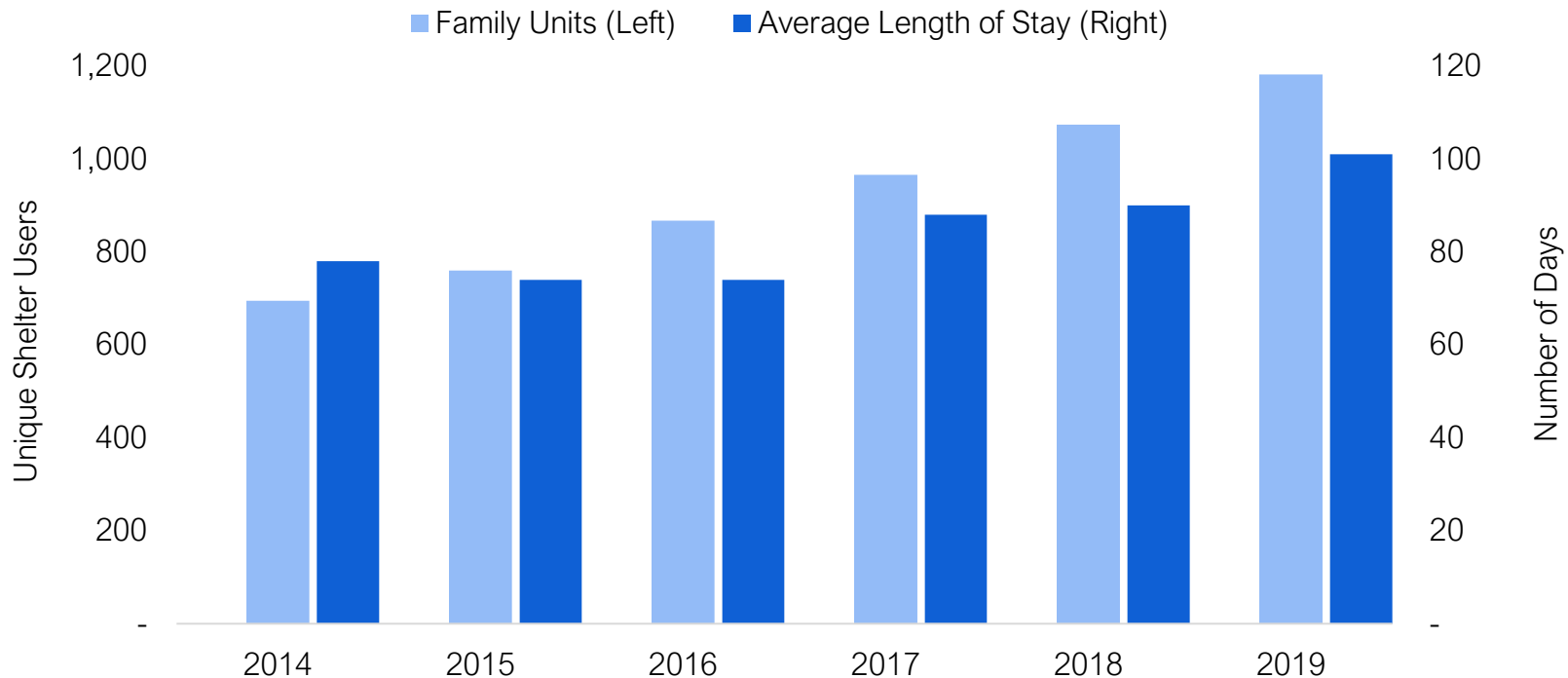
# The Province does not Measure Chronic Homelessness

- A homelessness enumeration was launched in 2018, however, the initiative was paused and a province-wide baseline has not yet been developed.
- Based on data from 2018, the FAO estimates that over 16,000 Ontarians are homeless on any given night, of which between 40 and 60 per cent are experiencing chronic homelessness



# Shelter Use in Ontario is Increasing

- Ottawa and Toronto report increased shelter use since 2014, driven by growth in the number of families using shelters and increases in the length of time individuals are staying in shelters.

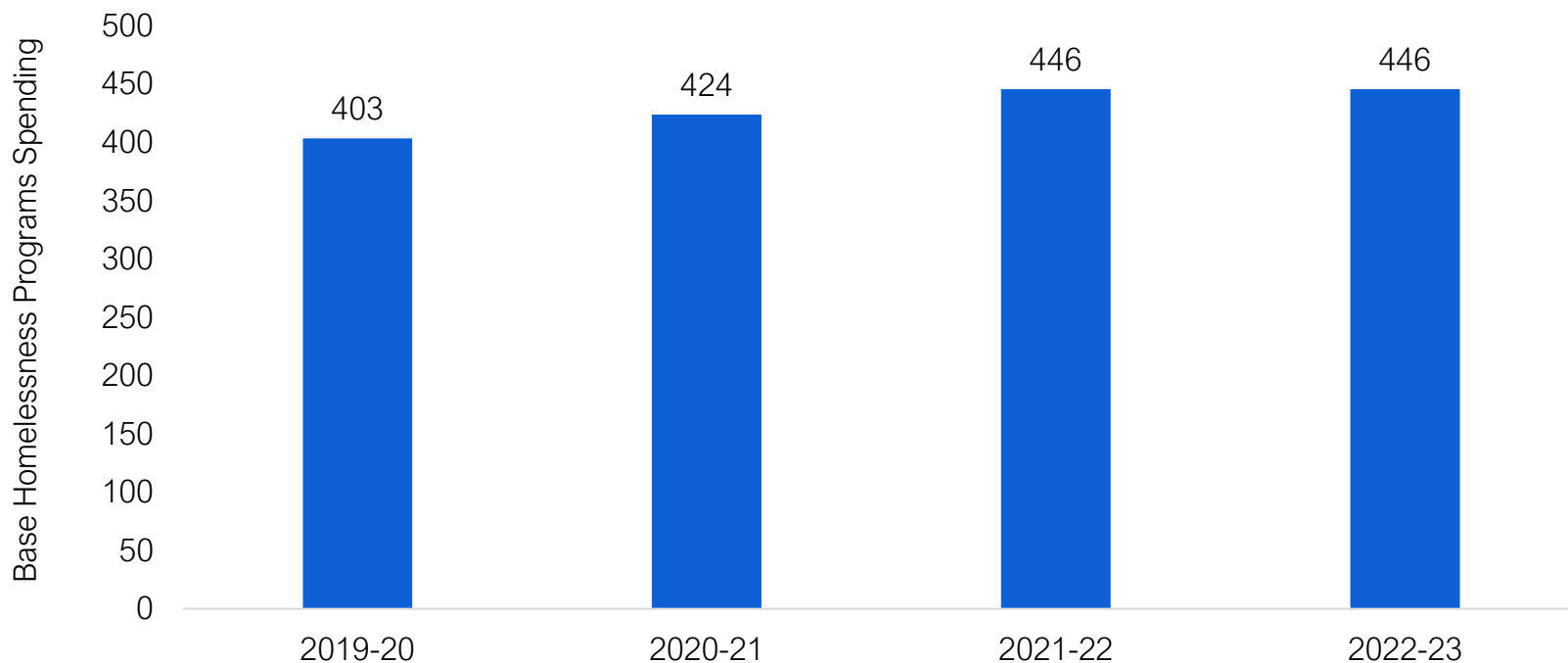


Source: Ottawa Community and Family Shelter Data 2014-2019.



# Planned Spending Growth is Slowing

- The FAO projects that base homelessness programs spending will grow at an annual average rate of 3.4 per cent between 2019-20 and 2022-23, significantly lower than the 8.0 per cent growth from 2013-14 to 2020-21



Note: Actual spending in 2019-20. Projected spending from 2020-21 to 2022-23.

Source: FAO analysis of information provided by MMAH and the 2020 Ontario Budget.



# FAO's Conclusion

- Unlikely that the Province will end chronic homelessness without new policy measures.
- For households experiencing homelessness, the ability to acquire adequate housing through provincial programs will continue to be limited due to growing demand and a longer wait list.
- For households at risk of homelessness, the FAO projects that the number of households in 'high housing need' will decrease by approximately 19,600 households from 2018 to 2025, primarily due to the COHB program.
  - However, the FAO projects that there will still be 159,800 'high housing need' households in 2025. These households are at an elevated risk of losing their housing and experiencing homelessness.



# Thank you!



# FAO

FINANCIAL ACCOUNTABILITY  
OFFICE OF ONTARIO

2 Bloor Street West, Suite 900, Toronto, Ontario, M4W 3E2

416.644.0702

[info@fao-on.org](mailto:info@fao-on.org)

[fao-on.org](http://fao-on.org)

