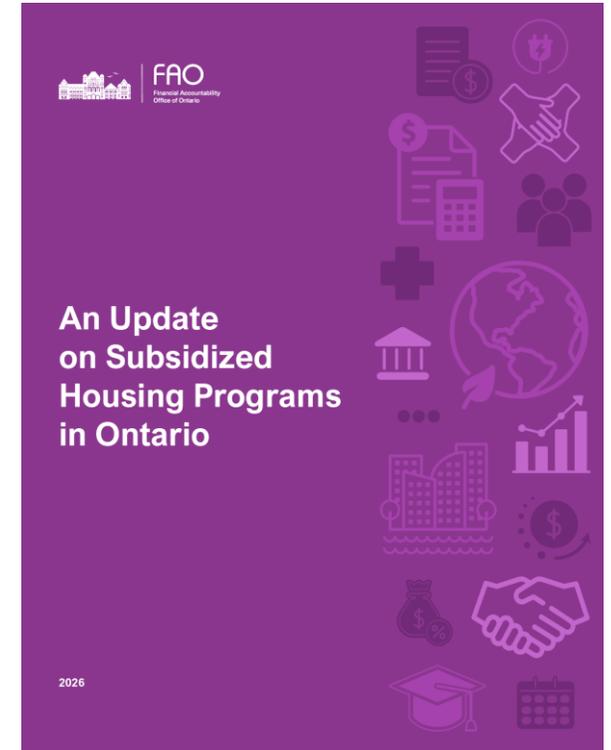


Overview

- The Government of Ontario (the Province), through the Ministry of Municipal Affairs and Housing (MMAH), provides subsidized housing programs in collaboration with the federal government and municipalities.
- The Province's subsidized housing programs assist low- and moderate-income households by providing funding for homeownership assistance, the construction of below-market rent units, rent supplements and rent-geared-to-income assistance.
- At the request of a Member of Provincial Parliament, this report:
 - reviews historical and projected spending on provincial subsidized housing programs,
 - estimates the number of households supported, and
 - projects the impact of provincial subsidized housing programs on subsidized housing need.
- This report focuses on subsidized housing programs governed by the Ministry of Municipal Affairs and Housing, including provincial programs that have been transferred to and are administered by municipalities.



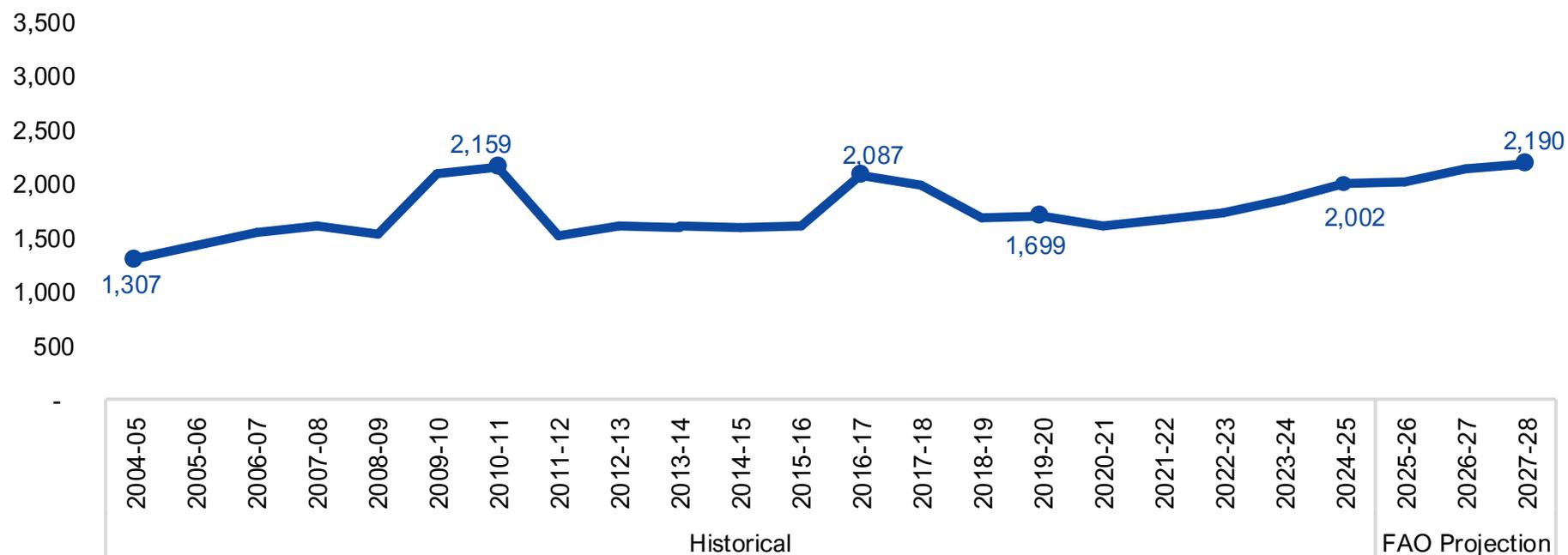
Spending on Subsidized Housing Programs



Nominal Spending on Subsidized Housing Programs

- On a nominal dollar basis (i.e., not adjusted for inflation), total spending by all levels of government on provincial subsidized housing programs increased at an average annual rate of 2.2%, from \$1.3 billion in 2004-05 to \$2.0 billion in 2024-25.
- Looking forward, the FAO estimates nominal spending will grow by an average of 3.1% annually, reaching \$2.2 billion in 2027-28.

Nominal (\$ Millions)

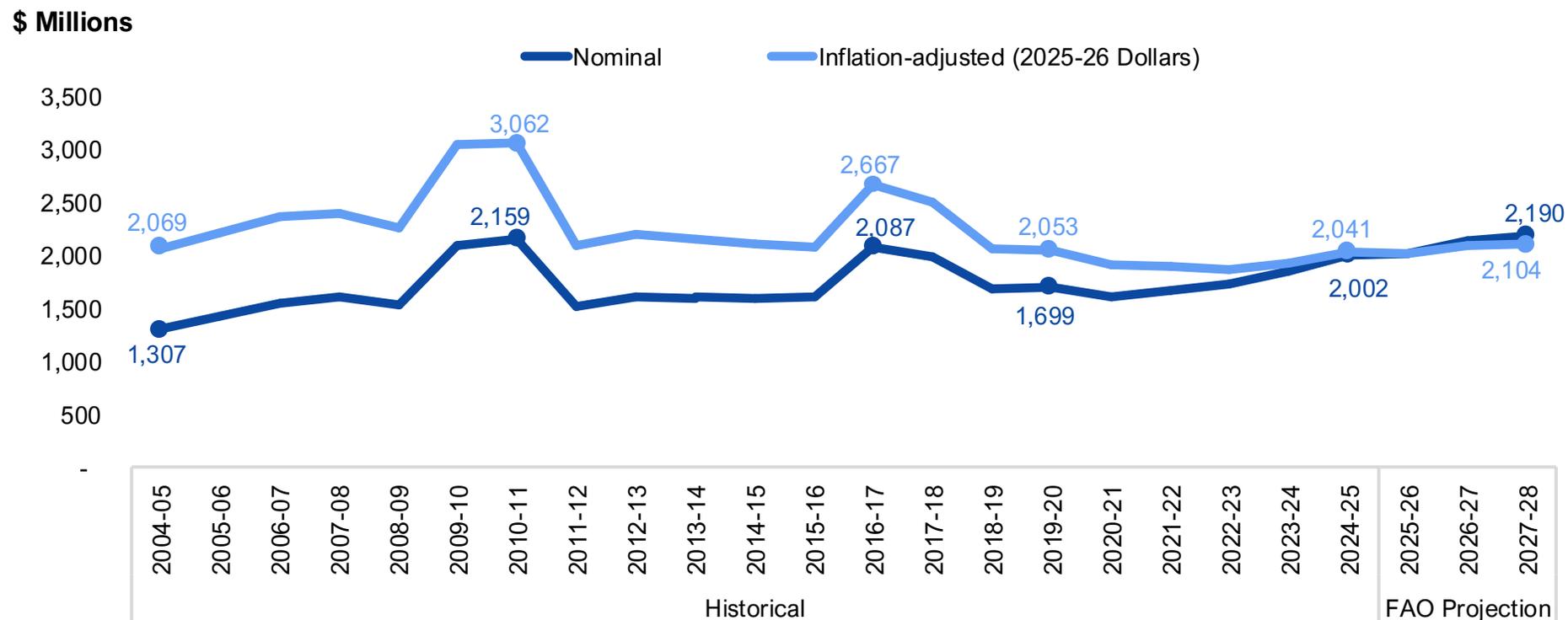


Note: Spending figures include combined spending by the Province, federal government and municipalities on provincial subsidized housing programs that are governed by MMAH.
 Source: FAO analysis of information provided by MMAH.



Real Spending on Subsidized Housing Programs

- On an inflation-adjusted basis (i.e., real 2025-26 dollars), total spending on provincial subsidized housing programs by all levels of government decreased at an average annual rate of 0.1%, from \$2.1 billion in 2004-05 to \$2.0 billion in 2024-25.
- Looking forward, the FAO estimates inflation-adjusted spending will grow by an average of 1.0% annually, reaching \$2.1 billion in 2027-28.



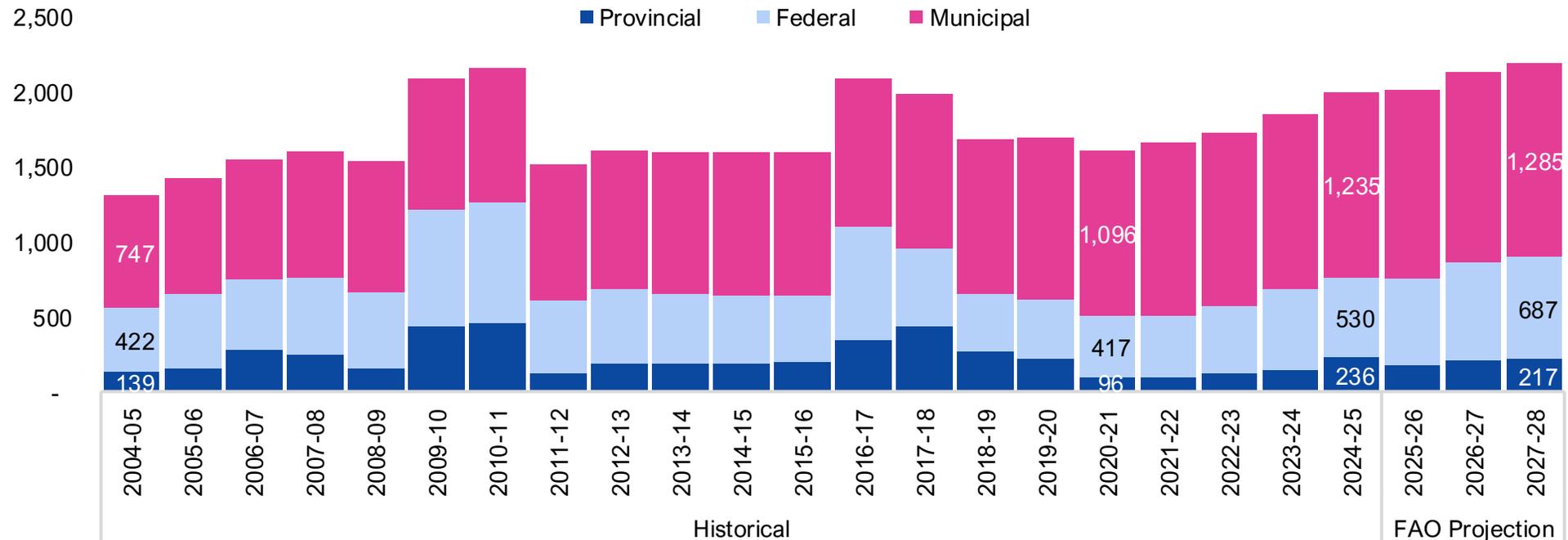
Note: Spending figures include combined spending by the Province, federal government and municipalities on provincial subsidized housing programs that are governed by MMAH.
 Source: FAO analysis of information provided by MMAH.



Spending by Level of Government

- On a nominal dollar basis, from 2004-05 to 2027-28:
 - municipal spending is projected to increase at an average annual rate of 2.4% from \$747 million to \$1.3 billion,
 - federal government spending is projected to increase at a 2.1% average annual rate from \$422 million to \$687 million, and
 - provincial spending is projected to grow by 2.0% per year from \$139 million to \$217 million.

Nominal (\$ Millions)



Note: Between 2004-05 and 2022-23, municipal spending reflects MMAH's reported municipal spending. For 2023-24 to 2027-28, municipal spending is an FAO estimate. Spending by the federal government is recorded by the Province as revenue and spending by MMAH in the Public Accounts of Ontario. Spending by municipalities is from own-sources and excludes funding provided by the federal or provincial governments.

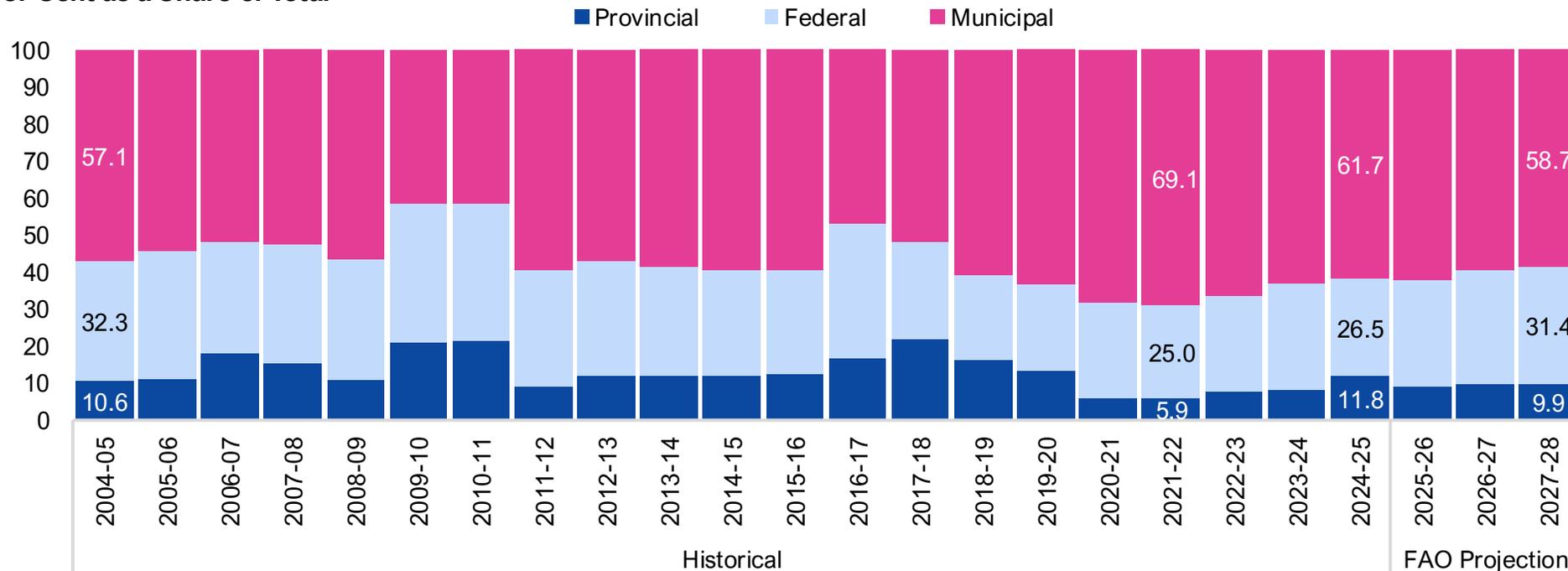
Source: FAO analysis of information provided by MMAH.



Share of Spending by Level of Government

- Between 2004-05 and 2021-22, the share of provincial subsidized housing program spending funded by municipalities increased, while the share funded by the federal and provincial governments decreased.
- From 2021-22 to 2027-28, the trend is projected to reverse, with the share of spending funded by the federal and provincial governments increasing, while the share of spending funded by municipalities is expected to decline.

Per Cent as a Share of Total



Note: Between 2004-05 and 2022-23, municipal spending reflects MMAH's reported municipal spending. For 2023-24 to 2027-28, municipal spending is an FAO estimate. Spending by the federal government is recorded by the Province as revenue and spending by MMAH in the Public Accounts of Ontario. Spending by municipalities is from own-sources and excludes funding provided by the federal or provincial governments.

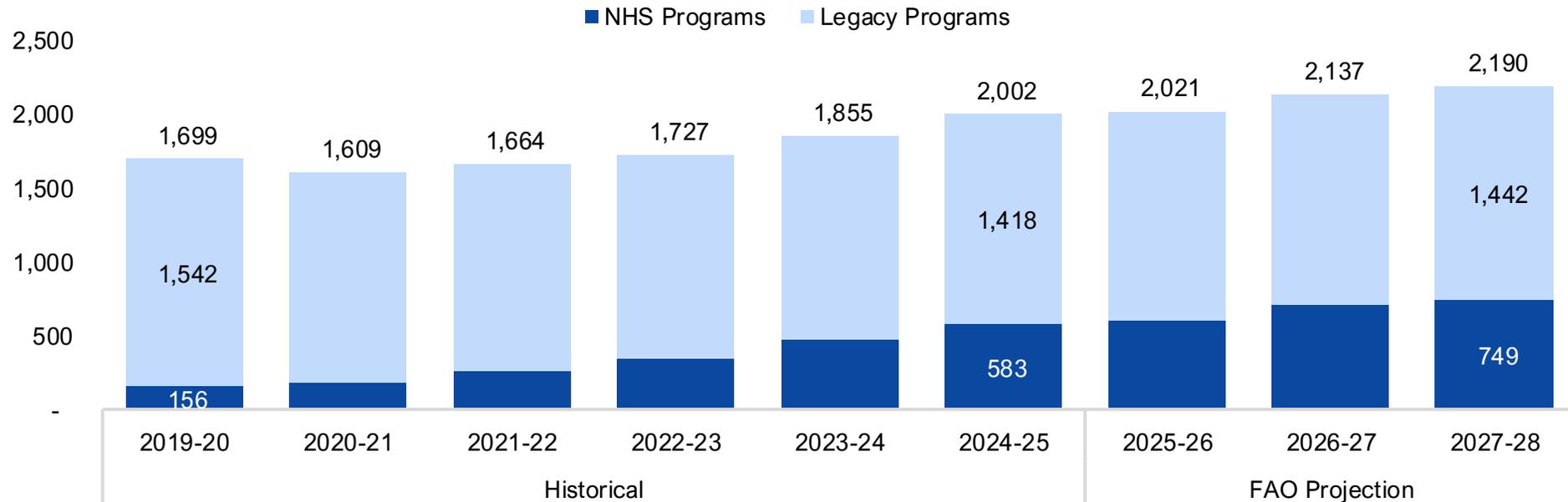
Source: FAO analysis of information provided by MMAH.



Spending by Program

- The FAO categorizes provincial subsidized housing program spending as legacy program spending and National Housing Strategy (NHS) program spending.
- Legacy programs primarily consist of the Social Housing Agreement (SHA) and Affordable Housing Program (AHP).
- NHS programs were introduced in 2019-20 to replace expiring federal-provincial funding under legacy programs.

Nominal (\$ Millions)



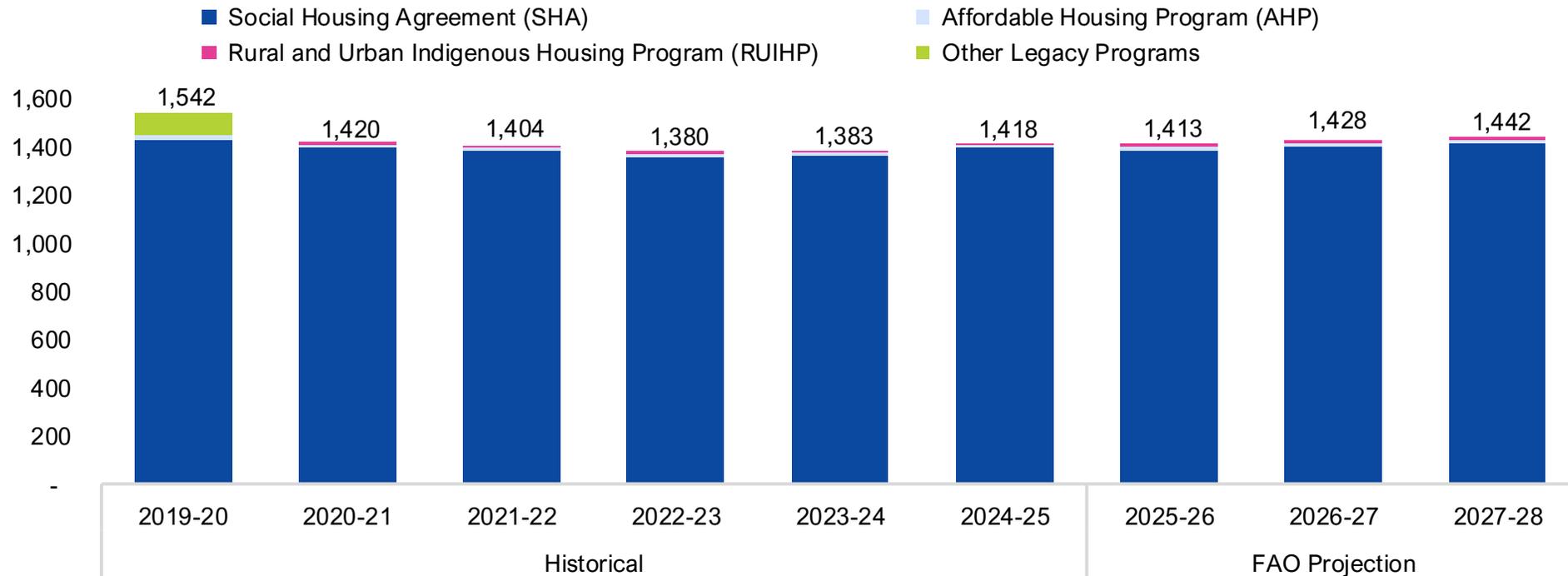
Note: Spending figures include combined spending by the Province, federal government and municipalities on provincial subsidized housing programs.
Source: FAO analysis of information provided by MMAH.



Spending by Program: Legacy Programs

- Legacy housing programs spending decreased from \$1.5 billion in 2019-20 to \$1.4 billion in 2024-25. The decline over this period was largely driven by the expiration of federal transfers under the SHA and the conclusion of the Investment in Affordable Housing Extension program.
- Between 2024-25 and 2027-28, the FAO projects legacy housing programs spending will remain at \$1.4 billion.

Nominal (\$ Millions)



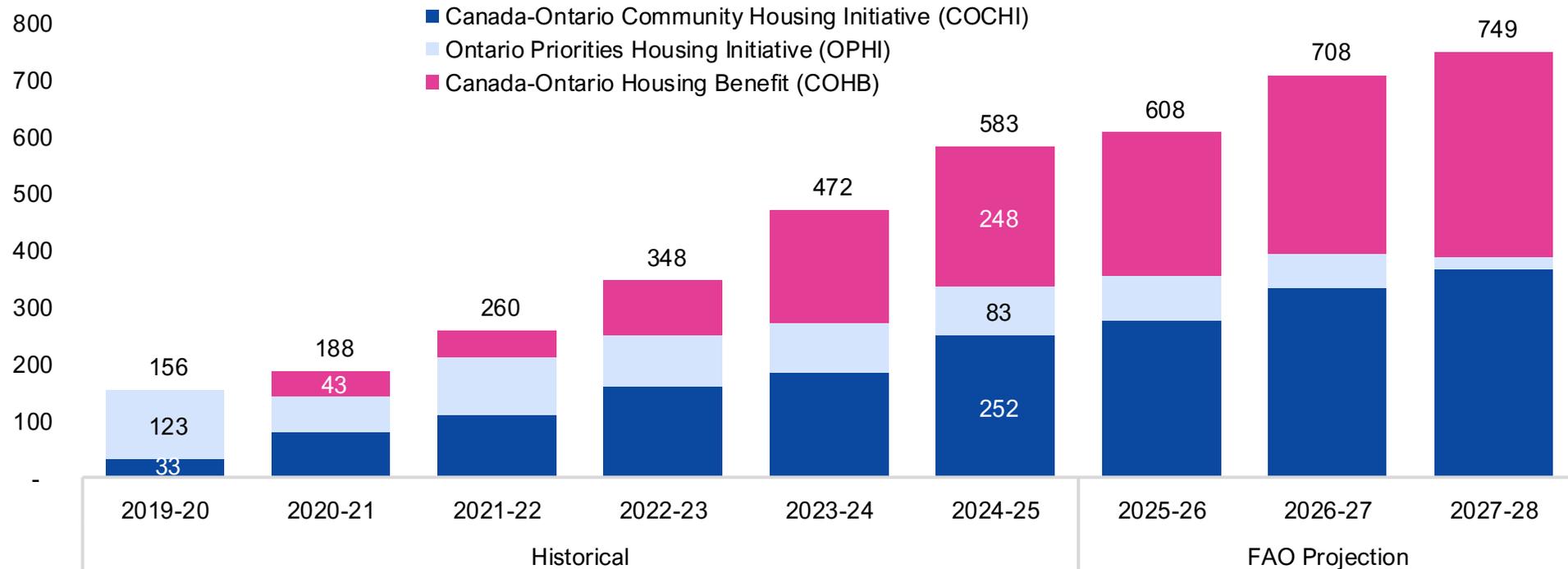
Note: Spending figures include combined spending by the Province, federal government and municipalities on legacy programs.
 Source: FAO analysis of information provided by MMAH.



Spending by Program: National Housing Strategy Programs

- Spending under the NHS increased from \$156 million in 2019-20 to \$583 million in 2024-25.
- Based on the Province's current NHS Action Plan, the FAO projects NHS program spending will increase to \$749 million by 2027-28, the final year of the agreement.

Nominal (\$ Millions)



Note: Spending figures include combined spending by the Province and federal government on NHS programs.
Source: FAO analysis of information provided by MMAH.

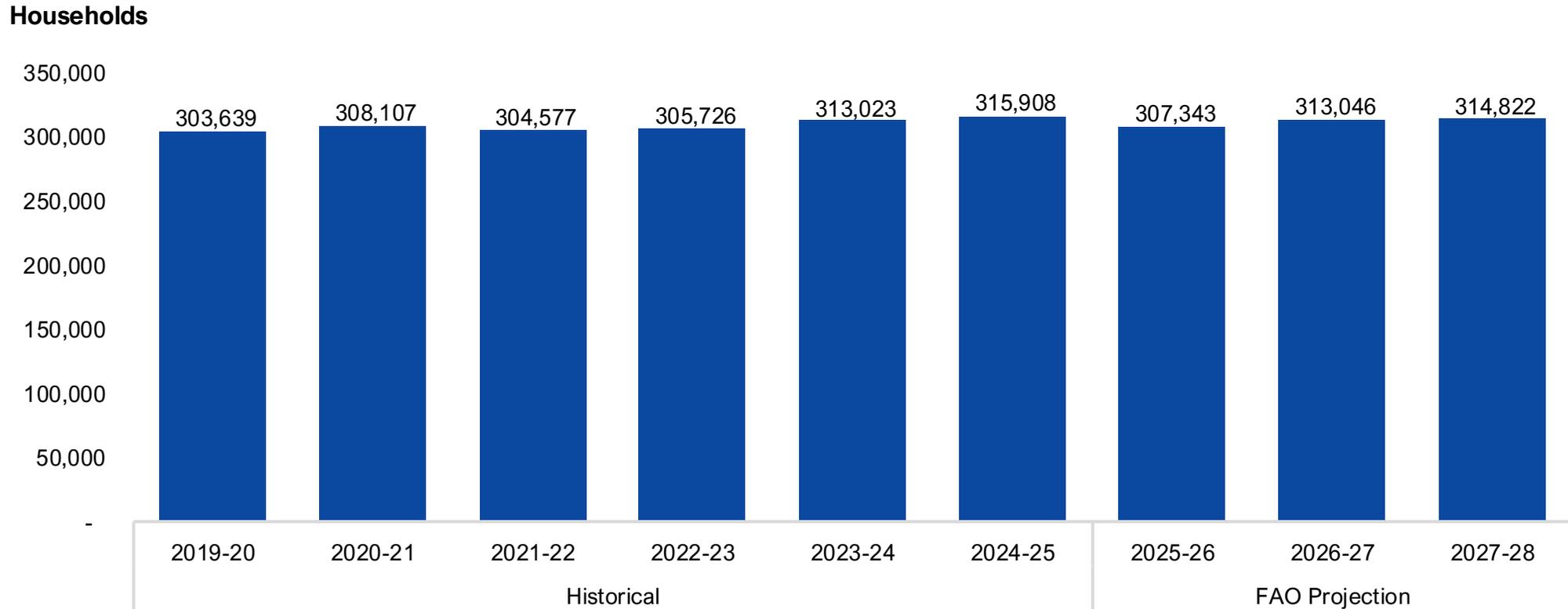


Households Supported by Subsidized Housing Programs



Total Households Supported

- The number of households supported by provincial subsidized housing programs is projected to increase from 303,639 in 2019-20 to 314,822 in 2027-28.



Note: Excludes repairs for RGI and below-market rent housing units and housing-related support services, such as counselling and job placements, as these services do not directly subsidize household shelter costs.

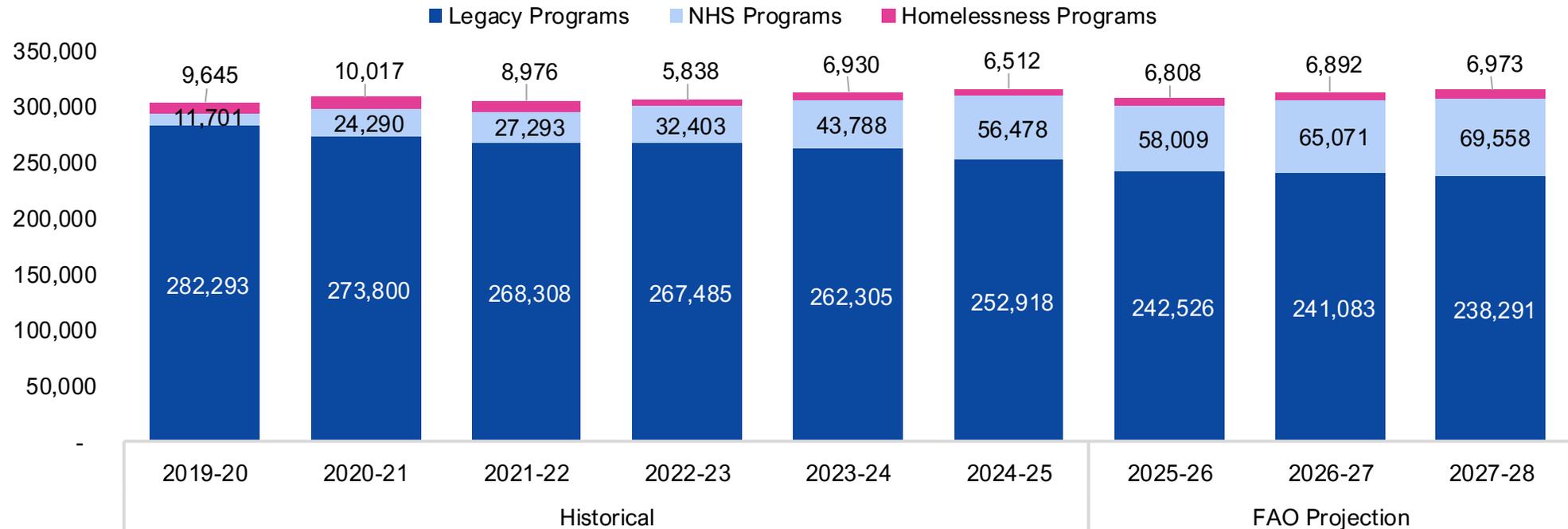
Source: FAO analysis of information provided by MMAH.



Households Supported by Program

- In 2019-20, 93.0% of total households supported received support under legacy housing programs, 3.9% were supported by NHS programs, and 3.2% were supported by homelessness programs.
- By 2027-28, the FAO estimates 75.7% of households supported will receive support under legacy programs, 22.1% will be supported by NHS programs and 2.2% will be supported by homelessness programs.

Households



Note: Excludes repairs for RGI and below-market rent housing units and housing-related support services, such as counselling and job placements, as these services do not directly subsidize household shelter costs.

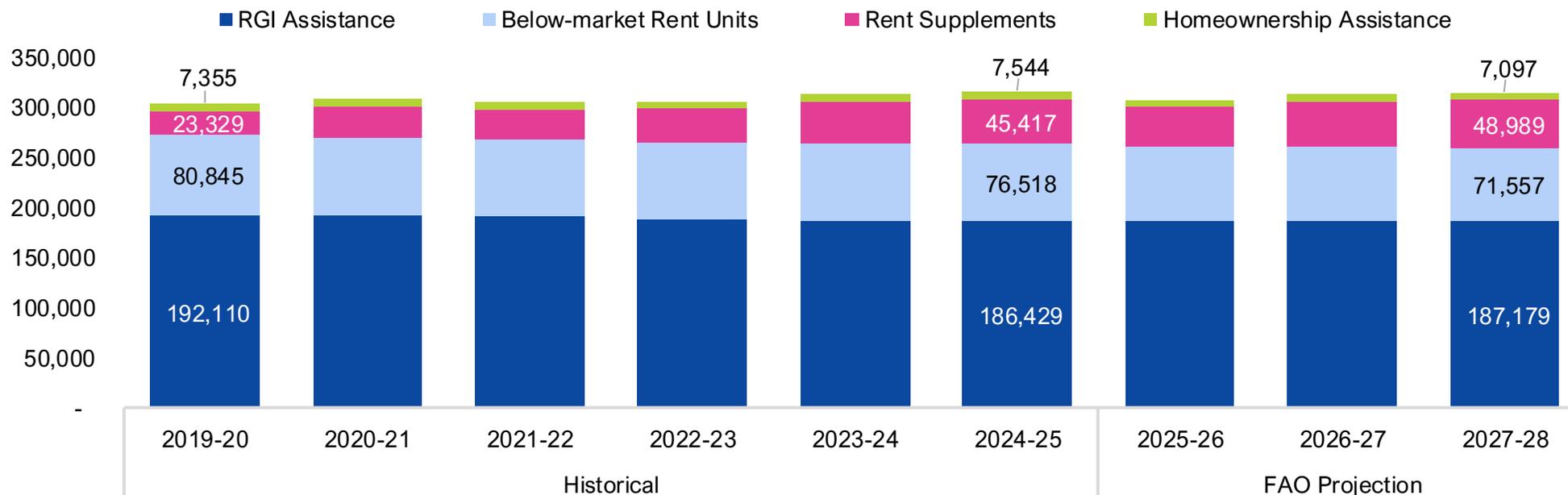
Source: FAO analysis of information provided by MMAH.



Households Supported by Type of Support

- Provincial subsidized housing programs provide four overall types of support: rent-geared-to-income (RGI) assistance, below-market rent units, rent supplements and homeownership assistance.
- The FAO projects that the number of households that receive RGI assistance, live in below-market rent units and receive homeownership assistance will decrease from 2019-20 to 2027-28, while the number of households that receive rent supplements will increase.

Households



Note: Excludes repairs for RGI and below-market rent housing units and housing-related support services, such as counselling and job placements, as these services do not directly subsidize household shelter costs.

Source: FAO analysis of information provided by MMAH.

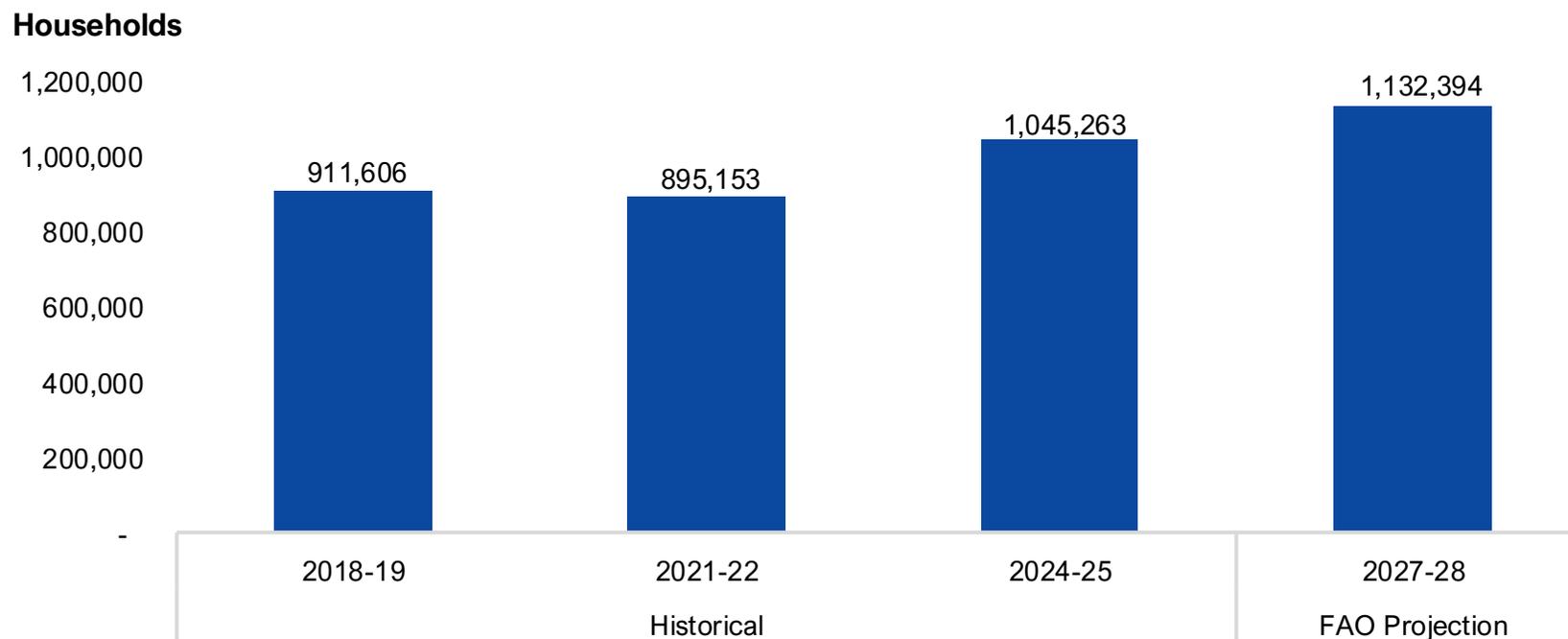


Impact of Subsidized Housing Programs on Housing Need



Number of Households in Housing Need

- The FAO defines a household as in need of subsidized housing if the household does not live in acceptable housing and cannot afford alternative acceptable housing, without subsidized housing support. Housing is considered unacceptable if it is in need of major repairs, it has an insufficient number of bedrooms for the household's size, or its cost exceeds 30 per cent of the household's before-tax income.
- In 2018-19 there were an estimated 911,606 Ontario households in need of subsidized housing, which is projected to increase to 1,132,394 households in 2027-28.

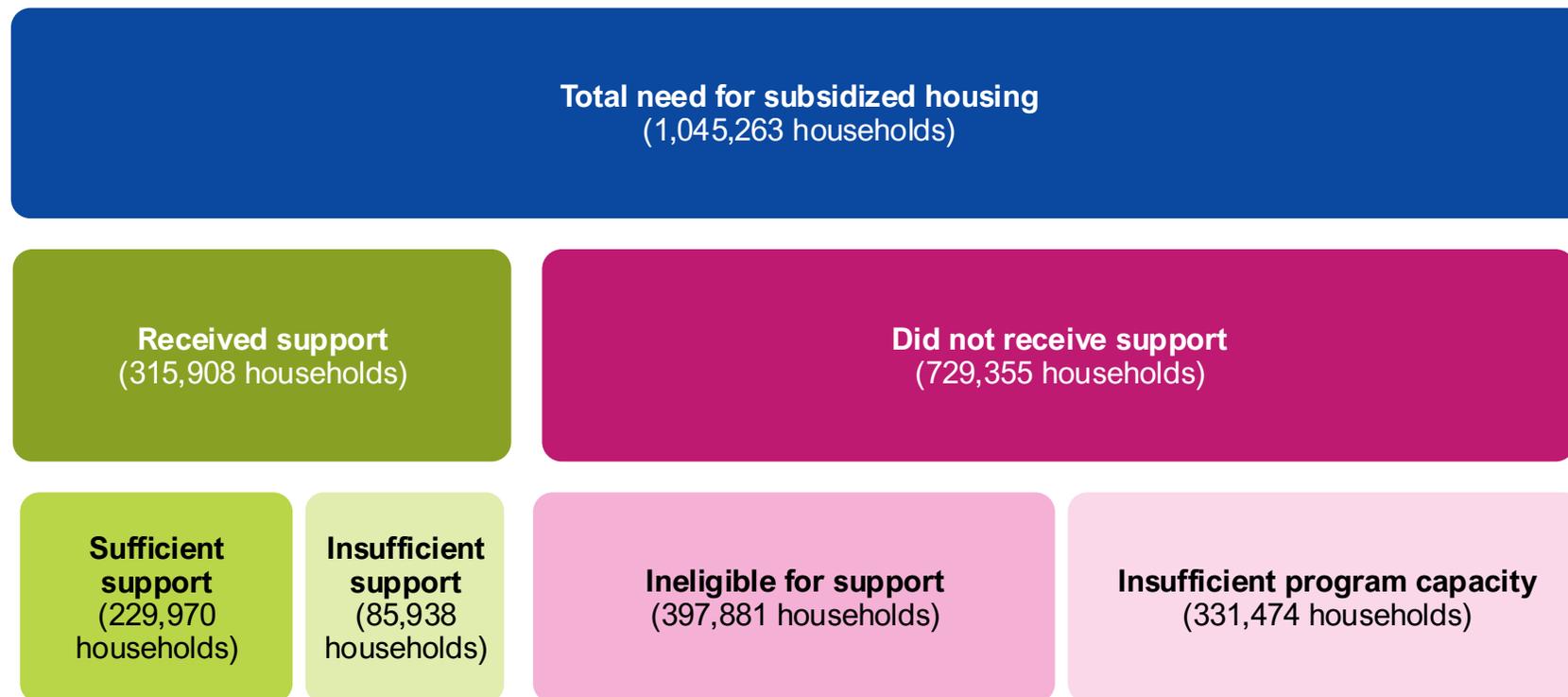


Note: Due to data limitations, 2018-19 reflects the 2018 calendar year.
Source: FAO analysis based on the 2021 Census, 2023 Canadian Income Survey, and information provided by MMAH.



Impact of Subsidized Housing Programs on Housing Need

- The FAO estimates that, of the 1,045,263 Ontario households that were in need of subsidized housing in 2024-25, 315,908 households received provincial subsidized housing program support and 729,355 households did not receive support.



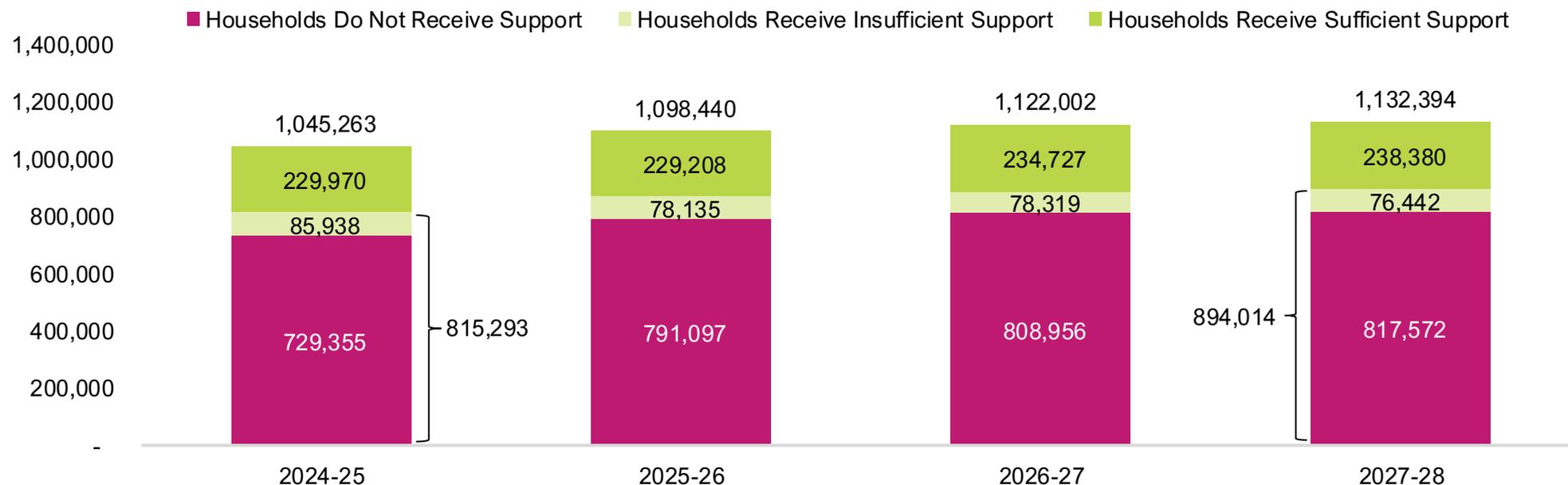
Source: FAO analysis based on the 2021 Census, 2023 Canadian Income Survey, and information provided by MMAH.



Housing Need by Sufficiency of Support

- The FAO projects that the number of households that receive sufficient support to make their housing affordable will increase from 229,970 households in 2024-25 to 238,380 households in 2027-28.
- The FAO projects that the number of households that either do not receive support or receive insufficient support to make their housing affordable will grow from 815,293 households in 2024-25 to 894,014 households in 2027-28.

Households



Note: The FAO defines a household as in need of subsidized housing if the household does not live in acceptable housing and cannot afford alternative acceptable housing, without subsidized housing support. Housing is considered unacceptable if it is in need of major repairs, it has an insufficient number of bedrooms for the household's size, or its cost exceeds 30 per cent of the household's before-tax income. "Households receive sufficient support" are households that receive support to make housing affordable by reducing their shelter costs to less than 30 per cent of household before-tax income. "Households receive insufficient support" are households that receive subsidized housing support but continue to face unaffordable housing costs (i.e., shelter costs that continue to exceed 30 per cent of household before-tax income).

Source: FAO analysis based on the 2021 Census, 2023 Canadian Income Survey, and information provided by MMAH.



Progress on NHS Targets

- In the most recent NHS Action Plan, the Province and federal government set updated targets for housing assistance provided under the NHS by type of support by 2027-28.

Target	Program	2027-28 NHS Targets	Actual 2019-20 to 2024-25	Progress
Expansion of Rent-assisted Units	COCHI			
	OPHI	19,660	13,298*	67.6%
Preserved Housing Units	Non-NHS			
	COCHI	104,685	130,517	124.7%
Homeownership Assistance	OPHI	617	240	38.9%
Rent Supplements (Unique Households)	COHB	43,604	31,655	72.6%
	OPHI	15,834	**	**

* Includes 3,685 physical units created through COCHI and OPHI, 1,800 COCHI and OPHI rent supplements, and 7,813 non-NHS-funded units (e.g., through homelessness initiatives and Ministry of Health supportive housing programs).

** The Province does not track unique households in receipt of OPHI rent supplements.

Source: FAO analysis based on the information provided by the Province.



Thank you!



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