

Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By: Blue Door Support Services

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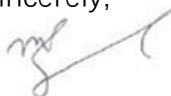
To the Honourable Chrystia Freeland,

As you know, the COVID-19 pandemic has resulted in a host of new and worsened challenges for Canadians everywhere - the homelessness sector is no exception. Finding, acquiring, and maintaining affordable housing remains a significant barrier to individuals at-risk of becoming homeless. The looming reality of housing insecurity on a large scale should also be considered a threat to public health and the nation's economy. In these budget recommendations, we make several requests to the Government of Canada to help those who are in the direst need:

- **Recommendation 1:** That the government make funds available to not-for-profit organizations, charitable organizations, and community land trusts to purchase and control affordable housing stock and affordable rental stock.
- **Recommendation 2:** That the government increase investments in supportive housing to bolster greater health outcomes for vulnerable populations.
- **Recommendation 3:** That the government support employment-based social enterprises as a homelessness prevention strategy.
- **Recommendation 4:** That the government develop income support programs to provide Canadians to combat housing insecurity.

These recommendations are elaborated upon in the following pages. Thank you for investing in the futures of our country's most vulnerable.

Sincerely,



Michael Braithwaite
CEO, Blue Door Support Services

Commit to affordable housing for housing stability

Housing in Canada is increasingly being treated as a commodity and as a means of securing wealth by both domestic and foreign investors— a phenomenon termed the “financialization of housing”. The effects of the financialization of housing in Canada are unmistakable. According to the Canadian Housing Evidence Collaborative, despite the boom in new rental constructions in recent years, these have generally not resulted in affordable units. Various agencies, including the Canadian Census and the Canada Mortgage and Housing Corporation (CMHC), report that between 12% - 32% of Canadians live in core housing need, spending over 30% of their income before taxes on housing. This spending ratio is difficult to maintain and puts individuals and families at risk of losing their housing. While the National Housing Strategy Act and the appointment of the Federal Housing Advocate are key steps towards remedying this rampant commodification of basic human welfare, Canadians need immediate action to secure affordable housing now.

The National Right to Housing Network highlights that it could take up to an additional 2 million affordable housing units to have a stock of adequate housing in Canada. Notably, not only must we increase the number of units, but the units must also be affordable, especially given the erosion of existing affordable housing stock caused by the increased use of rental units as profitable investment properties (see their [2022 report](#) on the Realization of the Right to Adequate Housing).

Non-profits and charities must be leveraged as part of this solution to expand and make available affordable housing and rental stock. **We are calling on the Government of Canada to make capital funds available to non-profits and charities to develop or procure housing units, keeping those units in the affordable housing pool. We further suggest that an additional round of funds be made available by CMHC through the Rapid Housing Initiative to increase the number of affordable housing units across Canada.**

Some parts of the solution include community land trusts (CLTs) and supportive housing programs. For example, CLTs would serve as stewards ensuring perpetually affordable housing and rentals, avoiding the volatility of the housing market and the risk of investors commodifying those properties. Meanwhile, supportive and transitional housing programs would ensure that individuals can be housed for months or years before moving

to independent market-rate housing. A meta-analysis of 72 articles by Dr. Tim Aubry and colleagues revealed that supportive housing programs and income assistance interventions are effective in achieving housing stability and reducing homelessness.

Invest in health through housing stability

Supportive and transitional housing are vital second-stage interventions for reducing chronic and episodic homelessness. These settings offer support services for people and families who may require assistance with a range of needs, and who may struggle to find and maintain housing.

It is well-documented that people who have access to supportive and transitional housing settings have better, more stable housing outcomes compared to individuals who have only had access to emergency shelter resources. However, positive health effects have been scarcely reported when comparing these groups of individuals. In a [report](#) by the Canadian Observatory on Homelessness (COH) in collaboration with Blue Door, it is explained that the lack of reported positive health outcomes may be due to traditional transitional housing models where participants are expected to be on their way to sobriety and good health before they are allowed to stay in these living settings – in other words, they must be “housing ready”. If the individuals are not compliant with these rules, they are discharged, potentially into homelessness, yet again. However, there is an alternative method that allows these individuals to gain and maintain good health.

COH and other researchers argue for a “Housing First” approach to ending homelessness when treatment for other issues is also needed. Essentially, securing housing must be primary to the objective of improving health outcomes for people experiencing homelessness. The At Home/Chez Soi Project reports startling results: over 80% of individuals who received Housing First with supports remained housed. Additionally, the participants in the Housing First group had fewer repeat ER visits and used fewer outpatient services than participants who did not have access to supportive housing. Here, it is critical that wraparound supports are embedded within the supportive housing framework to best serve clients. For these reasons, **we are calling on the federal government to invest in the health of vulnerable Canadians through funding to supportive and transitional housing programs.** The impact is clear: people simply do better when they reliably have a roof of their heads without strings attached.

Prevent homelessness through employment

Employment-based social enterprises (ESEs), also known as work-integration social enterprises or affirmative businesses, are aimed at supporting individuals who have been excluded from or have difficulty accessing the labour market. Some ESEs will also have the specific goal of reducing homelessness by supporting job seekers who are experiencing homelessness or who are at risk of experiencing homelessness, such as Blue Door's Construct program and Raising the Roof's Building Up program. While Canada has a developing ESE landscape, these types of initiatives are well-established in the United States and the United Kingdom. The Social Enterprise Alliance estimates that there are over 300 ESEs in the United Kingdom alone. As of 2016, it is estimated that 1,300 social enterprises are operating in Canada.

ESEs are an invaluable tool in the prevention of homelessness. In addition to providing individuals with high-quality jobs, they address upstream causes of homelessness such as employment and income. In an interim report published by the Social Research and Demonstration Corporation and the Canadian CED Network, individuals who were participants in an ESE reported less worry about losing their current housing situation, compared to a similar group of individuals who did not take part in the ESE intervention.

Affirmative business models have been incredibly successful in countries similar to Canada. For example, the CO-ARC ESE in New York State reached sales of over \$21 million and employed over 400 people; Esperanza Unida in Milwaukee has created 12 training businesses and provided job-related training to 2,500 people; Pioneer Human Services has over 11,000 employees in 48 locations across the United States. The results are clear – ESEs are highly effective at supporting the most vulnerable members of a community. It is time for Canada to follow suit and support non-profits in operating ESEs. **We are calling on the Government of Canada to invest in employment-based social enterprises as a homelessness prevention strategy.**

Allow Canadians to afford and retain housing through income supports

Financial constraints are keeping people from moving beyond homelessness. The New Leaf Project (NLP) pilot by Foundations for Social Change in partnership with the University of British Columbia is a ground-breaking initiative designed to address this issue. To summarize, the organization gave people who experienced recent episodes of homelessness one-time direct cash transfers of \$7,500 to reduce homelessness in Vancouver. The results of their effort are astonishing – recipients of the cash transfers were able to move into stable housing faster, spent fewer days homeless, retained savings of over \$1,000 for 12 months, and had greater food security, to name a few of the positive outcomes for these individuals. Meanwhile, it is estimated that the cost of social and health services for a single person experiencing homelessness amounts to \$55,000 per year.

Blue Door is partnering with Foundations for Social Change to carry out another iteration of the cash transfer project in the GTA. The NLP has demonstrated that a single payment can have life-changing effects for people affected by homelessness. **We call on the Canadian government to reduce homelessness by investing in and developing direct cash transfer programs.**

About Blue Door Support Services

Blue Door, founded in 1982, is the largest emergency housing provider in York Region. We provide life-saving support to the community's most vulnerable people.

Our mission is to support people who are at risk of or experiencing homelessness to attain and retain affordable housing. Our vision is a Region where everyone has safe, affordable, and supportive housing.

To address the root causes of homelessness, Blue Door has developed a 3-year strategic plan (2020-2023) consisting of the following four priorities: 1) Housing and Homelessness Prevention; 2) Health; 3) Employment; 4) Organizational Capacity and Excellence. These priorities are reflected in the recommendations outlined in this document.

We thank the Government of Canada for this opportunity to advocate for vulnerable Canadians, and to contribute to this important budgeting process.