



For immediate release
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Federal Fall Economic Statement falls flat for Housing Central Partners during Canada's largest affordable housing conference

Unceded traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish), and səliłwətał (Tsleil-Waututh) Nations, Vancouver BC (November 22, 2023) – The 2023 Fall Economic Statement (FES) made a large effort to put housing at the forefront, but unfortunately it failed to bring substantial change to address the crisis that is impacting countless Canadians.

Many of the FES announcements refer to either ongoing or delayed initiatives, or to investments further in the future. Some encouraging highlights include:

- The FES 2023 extended the enhanced GST rebate for rental construction to include co-op housing construction. This will encourage more co-op housing developments and thus, more housing that will remain affordable for Canadians.
- The new Affordable Housing Fund (AHF), formerly known as the National Co-Investment Fund, is receiving an additional \$1 billion to support the construction of 7,000 non-profit housing and co-op units by 2028.
- The FES 2023 announced that the Rental Construction Loan Program (RCLP), formerly the Rental Construction Finance Initiative, will receive an additional \$15 billion starting in 2025 to fund 30,000 new rental units, which will bring the total investment to \$40 billion and over 100,000 units.
- Through several announcements the FES re-instates the federal government's commitment to speeding up timelines and reducing red tape for housing construction, including a reduction and simplification of the requirements for Canada Mortgage and Housing Corporation (CMHC) financing.

While these announcements are welcome, **they do not proportionately respond to the extent of the housing crisis and fall short** of turning long-term commitments into action that address the clear and immediate need in every community.

The FES falls short on the following:

- The \$1 billion allocated to AHF is necessary, but will not start until 2025 and its success will depend on how quickly it can be deployed. There are many shovel-ready projects in British Columbia that can proceed immediately with quick access to these funds. Aiming to have an additional 7,000 new units approved by 2028 does not account for the backlog and the rapid loss of affordable housing. Approval in 2028 will result in new homes constructed in 2030 or beyond.
- The \$15 billion in low-cost financing is not slated to begin until 2025-26, and by the end of the decade, only \$342 million in financing for apartment construction and \$1 billion for building more affordable housing will be deployed.
- We note that the construction and finance focus is still largely on the private sector; however, the private sector alone will not be able to solve the crisis.

- We would have expected to see a more direct commitment to support NICHU in developing a For Indigenous, By Indigenous Urban, Rural, and Northern (URN) Indigenous Housing Strategy. We will look forward to the launch of this strategy in 2024, expecting that it will be accompanied by significant funding.

The need for affordable housing has never been greater. In BC alone, some communities are experiencing up to a 106% increase in homelessness, with Indigenous people being overrepresented (as high as 88%) in many regions. Delaying the release of funding will continue to exacerbate rates of homelessness and housing insecurity.

The FES also seems to indicate that the federal government is still not clear on the difference between URN Indigenous populations and those who live on reserve or in connection with their traditional and self-governing communities. URN Indigenous Peoples are those who have been colonially displaced and dispossessed of their traditional homes. The URN Indigenous population faces unique challenges accessing safe, affordable, culturally supportive housing, and does not qualify for the support that is provided to Indigenous people living on reserve, which is why expert organizations like AHMA exist.

“The Fall Economic Statement simply fails to recognize the urgency of the housing crisis,” says Margaret Pfoh, CEO of the Aboriginal Housing Management Association (AHMA). “We are deeply troubled by the release of a fiscal update that hints at doing something down the road when there are clear, immediate and growing needs in every community.”

The FES 2023 announcement coincided with the National Right to Housing Day, which marks the occasion when we collectively call on the federal government to prioritize housing for the lowest-income and most marginalized Canadians needing immediate support.

As expressed by Thom Armstrong, the CEO of CHF BC, “If your house is on fire, you wouldn’t typically say, ‘I’ll put out some of the fire now and wait a year or two until I can afford to put out the rest.’”

Jointly hosted by BCNPHA, AHMA and CHF BC, the Housing Central Conference brings together the community housing sector to focus on finding housing solutions amid the challenges of rental scarcity, rising costs and increased homelessness. As partners, we engage in a wide range of research and advocacy initiatives that have demonstrated the urgent need for more affordable housing options across BC; however, these solutions cannot be realized without the federal government's immediate recognition of the severity of the housing crisis.

QUOTES:

Margaret Pfoh, CEO of AHMA

“We need to see an immediate and committed response that includes sustained investment in culturally supportive, trauma-informed Indigenous housing is critical for societal well-being,” says Pfoh. “In BC, over 70% of Indigenous people live in urban areas, away from reserve lands and the support of their Nation. Some Indigenous people don’t even know which Nation they are originally from due to colonial oppression and the impacts of the residential school system. Having appropriate housing available for Indigenous families living in urban environments provides for healing and ultimately saves lives.”

Jill Atkey, CEO of BCNPHA

"The Fall Economic Statement helps us understand government's long-term goals in addressing rental and affordable housing shortages. However, it fails to recognize the severity of today's housing crisis and will come as a disappointment to the 1.6 million renter households spending more than they can afford on rent."

Thom Armstrong, CEO of CHF BC

"The measures proposed by the government are well intended and over time will significantly increase the supply of market and non-market rental housing in Canada; however, we are disappointed that the impact of newly announced spending will take so long to materialize because it is delayed until 2025-26. A real crisis demands a crisis-level response and a solution that matches the scale of the problem. The announcement falls short of that mark. It is also a missed opportunity for the federal government to indicate its support for a national acquisition fund to stem the growing loss of affordable rental housing already in the market."

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Background:

AHMA is a For Indigenous, By Indigenous organization made up of 55 members that represent over 95% of Indigenous Housing and Service providers in BC. AHMA members support almost 10,000 Indigenous families living in urban, rural, and northern regions of BC. AHMA has over 25 years of experience and expertise as the first Indigenous housing authority in Canada.

BCNPHA is the provincial umbrella organization for the non-profit housing sector. We serve our members and the entire sector across BC through education, events, and advocacy.

CHF BC is a co-operative association made up of member housing co-ops and related organizations in BC. The association represents 260 non-profit co-op communities comprising more than 14,000 households across the province.