

Delivery of Federal housing funds announced

July 4, 2011

Today, federal, provincial and territorial ministers responsible for housing announced a \$1.4 billion combined investment toward reducing the number of Canadians in housing need under a new Affordable Housing Framework 2011 – 2014.

Under the new [Framework](#), provinces and territories have the flexibility to invest in a range of programs and initiatives designed to achieve the overall intended outcome: to reduce the number of Canadians in housing need by improving access to affordable housing that is sound, suitable and sustainable. Initiatives under the Framework can include new construction, renovation, homeownership assistance, rent supplements, shelter allowances, and accommodations for victims of family violence. [For further analysis, see Michael Shapcott's blog from the Wellesley Institute.](#)

[Advocates for assisted housing say they fear the Conservative government intends to stop providing such funding](#) when the current agreement expires in 2014. "That's our concern," said Jody Ciufu, the executive director of the Canadian Housing and Renewal Association. "It absolutely needs to continue."

To this point, said Ms. Ciufu, the government has made no commitment to future assistance. In the past three years, she said, "there hasn't been new money announced and there hasn't been talk of it."

In 2008, the federal government and the provinces agreed to direct a combined \$1.9-billion over five years to house the homeless and help Canadians who are struggling to pay for shelter. Under that deal, Ottawa agreed to pay 75 per cent of the costs of renovation projects under what is known as the Residential Rehabilitation Assistance Program and 50 per cent of the costs of the construction of new affordable housing.

The original terms of the agreement ended in March and the money from the federal government stopped flowing until the new deal was signed on Monday. The new pact commits both levels of government to the original cash outlay – but says that the provinces and territories can move to a new formula in which the CMHC would pay 50 per cent of the costs of any assisted housing project, whether it is a renovation or new construction.

Each province and territory will now sign its own bilateral agreement with the federal government to incorporate the details of the ground rules around spending on affordable housing. Manitoba announced its agreement on Monday.

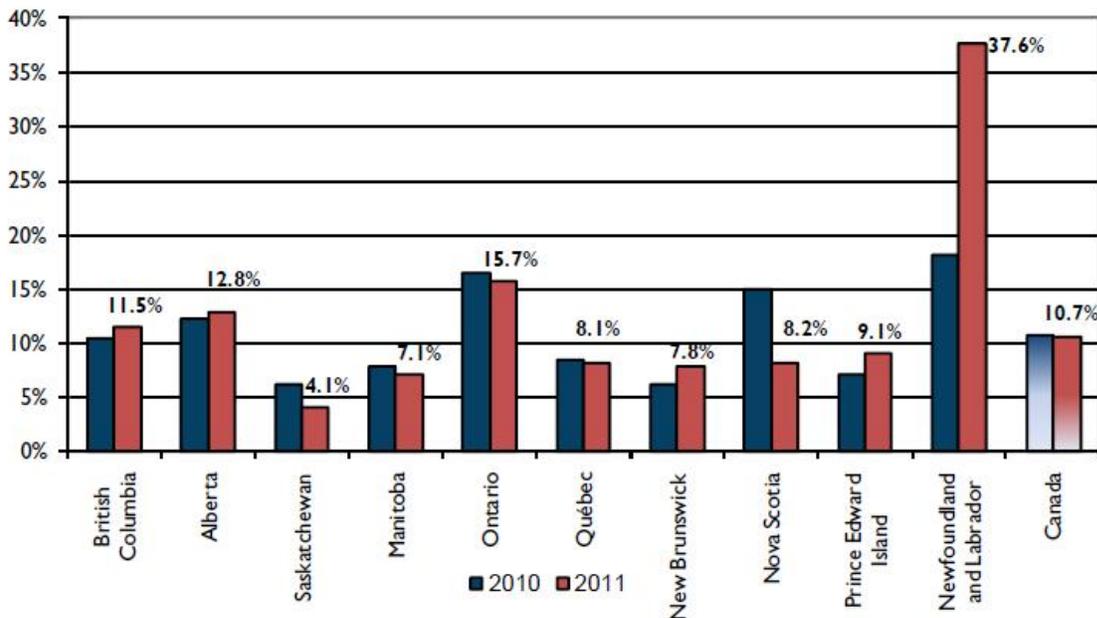
Manitoba agreement announced

The [Government of Canada and the Province of Manitoba announced a combined investment](#) of some \$62 million under a new affordable housing agreement intended to reduce the number of Manitobans in housing need.

The Province of Manitoba will fully cost-match the federal funding and deliver provincially-designed housing programs. The agreement provides the Province with the flexibility to make investments to achieve the overall outcome under the Framework: to reduce the number of Canadians in housing need.

The province will be developing approximately 150 affordable seniors housing units through the recent Request for Proposals (RFP). While the vacancy rate for seniors housing remain relatively high, a recent study by Canada Mortgage and Housing Corporation found that Manitoba's seniors housing was well below the national vacancy rate average. The national vacancy rate currently stands at 10.7% while the vacancy for Manitoba is 7.1%.

Vacancy Rates of Standard Spaces, Canada and Provinces, 2010 and 2011



(from CMHC's [Seniors' Housing Report 2011](#). A standard space is one which is occupied by a resident paying market rent and who does not receive heavy care (defined as 1.5 or more hours of care per day). A non-standard space is one in which the residents are receiving heavy care, spaces being used for respite, and non-market spaces.

Further to the Canada/Manitoba agreement, the Province will also be developing affordable family housing through an RFP that will be released this August. Manitoba will continue to provide renovation programming to homeowners and provide renovation grants to help seniors and persons with disabilities make their homes more livable. In addition, the province will also launch a homeownership program for targeted southern rural and northern communities. How these amounts break out in relation to the announced funding is not immediately available.

Posted on WinnipegRentNet.ca

