

Four affordable housing strategies that are working in Canada

October 17 2023, by Brian Doucet



Credit: AI-generated image ([disclaimer](#))

Cities like Vienna or Singapore [are often referenced in news headlines](#) proposing solutions for Canada's housing crisis. But the arguments in favor of the strategies employed by these far-away cities often only [skim the surface](#) and can be easily dismissed with a response of "this will never work here."

There is a degree of truth to that: Vienna's much-lauded [affordable housing situation](#) today is [built on a legacy](#) of more than 100 years of prioritizing [social housing](#).

In Canada, social [housing](#) constitutes only 3.5% of our supply, which is half the OECD average, and a number so low, even [Scotiabank is concerned](#).

While foreign cities offer examples of [how things can be different](#), it's far more productive to look at what we're already doing here in Canada. Fortunately, there are many Canadian examples that are shifting housing away from a speculative commodity, and towards a human right.

Pathways to solutions

I spent much of the summer going across the country [to learn about some of these solutions](#). Most are small and none are perfect (neither are the [often-cited foreign examples](#), by the way). But they all offer pathways to a more [socially just housing system](#).

Here are four examples of Canadian initiatives we need to pay more attention to:

1. Whistler Housing Authority

This independent, municipally owned corporation was established to oversee the development, administration, and management of price-controlled [real estate](#) and employee-restricted housing in [Whistler, B.C.](#) It offers properties for both sale and [rent](#), with strict rules on selling prices, and rents that are set at 30 percent of a tenant's income.

This was all possible because the WHA uses public land, where it is

easier to think beyond the market and establish more ambitious affordability targets compared with land owned by private developers. This means that [new supply is geared to what residents can afford](#), not what is most profitable.

2. New Westminster's anti-renoviction bylaw

[Renovictions](#) are a major contributor to [the erosion of affordable housing](#). In 2019, New Westminster, B.C., passed an [anti-renoviction bylaw](#) that fined landlords up to \$1,000 a day. To comply, landlords had to both demonstrate it was necessary for the tenant to vacate their unit for renovation work, and provide tenants with a written offer to return to the unit at the same price.

The result: while there were over 300 renovictions in the three years prior to the bylaw, there were [none the year after](#). New Westminster has shown other communities across the country how they can [eliminate this unjust and cruel practice](#). In 2021, the B.C. government updated its [Residential Tenancy Act](#) to bring in similar rules provincewide.

3. Burnaby's tenant assistance policy

Burnaby, just outside Vancouver, has taken action against both renovictions and [demovictions](#), and arguably has [the best tenant protection policies in Canada](#).

There are four key elements to its [Tenant Assistance Policy](#): the right to return to a similar unit at roughly the same rent when the work is finished; the developer or landlord is obliged to help tenants find interim housing if needed; the rezoning applicant must pay a top up fee to cover any additional rental costs tenants incur with their interim housing; and [financial assistance](#) to tenants to cover moving costs.

Burnaby's rules are far more prescribed and detailed than any other in Canada. And they place the onus of responsibility firmly on the landlord to ensure tenants can return. This is not the case in Ontario, where tenants also have the right to return, [but few are able to do so](#).

Burnaby also has other rules to ensure [a steady supply of new affordable housing](#), and this has not led to a drop in new construction. [Development is booming](#), supply is growing and tenants are not displaced to make way for it.

4. Montréal's pre-emptive right policy

In 2016, the City of Montréal was given the [pre-emptive right](#) to acquire property and it has identified 350 properties where it can exercise this right. Generally, these are [low-rent buildings in gentrifying neighborhoods](#).

If one of these properties is sold on the open market, the city has 60 days to match that offer and buy the site for the same price agreed by the private buyer.

The policy has a small budget, which limits its impact, but [acquisition strategies](#) that [decommodify housing](#) are essential tools to address the rental crisis.

Rent control strategies are effective

[Rent control](#) is a set of rules guiding how much and when landlords can increase rent. In most cases, sitting tenants benefit from rent control, but there's one major loophole: when a tenant leaves, landlords can raise the rent to whatever they want. In Ontario, [vacancy control was abolished by the Mike Harris government in 1996](#).

This creates a financial incentive for landlords to evict sitting tenants, [which can make life miserable](#).

It also contributes to the loss of affordable housing—in cities such as [Hamilton, Ont., more than 20 units are lost for every new one constructed](#).

While there's a [hybrid model](#) in Manitoba that has helped to [moderate rent increases](#), Prince Edward Island is the only province that has full vacancy control. In this unit-based system of rent control, rules are governed by the [Island Regulatory and Appeals Commission \(IRAC\)](#), which sets permitted increases at around one to two percent per year regardless of whether the unit is vacant or occupied.

There are loopholes, such as the fact that [new tenants have no formal way of knowing what the previous tenant paid](#), and the ease at which [landlords can be granted above-guideline increases](#). But these are reasons to strengthen rent control, not water it down.

Many [housing advocates](#) and [researchers](#) agree that implementing vacancy control across the board would have the most beneficial impact on tenants. And despite what developers and landlords might cry out, [there's little empirical evidence](#) to indicate [regulating rents](#) leads to a decline in new construction.

The beauty of rent control is that it doesn't cost taxpayers anything to implement. While new supply needs to keep pace with population growth, keeping existing housing affordable is essential. With the right vision and political will, vacancy control could be implemented tomorrow. And just like the other examples I've discussed, we don't need to look overseas for inspiration on how to do it.

This article is republished from [The Conversation](#) under a Creative

Commons license. Read the [original article](#).

Provided by The Conversation

Citation: Four affordable housing strategies that are working in Canada (2023, October 17)
retrieved 18 May 2024 from <https://phys.org/news/2023-10-housing-strategies-canada.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.