

Minister Responsible for  
Canada Mortgage and  
Housing Corporation



Ministre responsable de la  
Société canadienne d'hypothèques  
et de logement

Ottawa, Canada K1A 0A6

NOV 22 2004

Mr. Denis Kelly  
Regional Clerk  
The Regional Municipality of York  
17250 Yonge Street  
Newmarket, Ontario  
L3Y 6Z1



REGION OF YORK  
CLERK'S OFFICE  
FILE No. - P37

Dear Mr. Kelly:

Thank you for your letter of September 27, 2004, with which you enclosed a copy of the Community Services and Housing Committee's Housing Supply Strategy Progress Report and 2004/2005 Work Plan, adopted by Regional Council on September 23, 2004. Please accept my apologies for this delayed reply.

The recent Speech from the Throne indicated that Canadians want their communities, towns and cities to be great places to live – safe, with affordable housing, good public transit, clean air and water, and abundant green spaces. Communities are key to our social goals and our economic competitiveness. In particular, the Speech from the Throne emphasized that shelter is the foundation upon which healthy communities and individual dignity are built.

Let me begin by reassuring you that the Government of Canada shares your concern about homelessness and the need for more affordable housing. As Canada's Minister of Labour and Housing, I am responsible for both the National Homelessness Initiative (NHI) and Canada Mortgage and Housing Corporation (CMHC). This combination is very important because it is quite clear that a lack of affordable housing contributes to homelessness. My mandate is to co-ordinate federal action in these two areas and, with other federal departments, to ensure that there is a complete and progressive range of solutions to meet the needs of homeless people as well as the housing needs of all Canadians.

I would like to take this opportunity to provide you with a summary and update on a number of actions being undertaken by the Government of Canada to address homelessness and affordable housing.

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The NHI was approved in December 1999. The community-based focus of the Initiative resulted in the building of relationships and solution-based alliances between all levels of government, community groups, service providers and the voluntary and private sectors. Investments and community efforts under the NHI focused on responding to the emergency needs of homeless individuals and families. In addition to the creation of emergency shelters, homeless individuals and families were offered basic life skills training, educational opportunities, interpersonal skills building, and assistance in job preparation and attainment.

Building on the success of the NHI, the Government of Canada announced in March 2003 that an additional \$405 million would be invested over three years to further help communities address the needs of homeless people and those at risk of homelessness.

Under the extended NHI, we will continue to build on the success of our community-based approach. As a result of extensive consultations with community organizations and service providers, we have learned that while we continue to address emergency shelter and support needs where required, we need to focus more on longer-term solutions for homeless people, such as transitional housing, life skills training and employment counselling to break the cycle of homelessness. This approach is aimed at getting homeless people out of shelters and into more stable living arrangements, and assisting them in acquiring the life skills they need to become more self-sufficient and live independently in the community. A key element to our success will be the broadening and deepening of our partnerships.

Since its inception, the NHI has invested in the construction and renovation of over 1,000 shelters and support facilities. These investments have resulted in the creation of almost 10,000 new permanent and temporary beds in emergency shelters, supportive housing and transitional housing. In addition, a total of 50 properties, worth \$9.2 million, were transferred to community groups under the NHI's Surplus Federal Real Property for Homelessness Initiative to establish 214 transitional and affordable housing units.

Good quality and affordable housing is certainly part of the longer-term solution and also responds to the needs of people who are at risk of homelessness. The Government of Canada is in the process of investing \$1 billion in affordable housing over five years. Agreements have been signed with all provinces and territories on the initial \$680 million component of the \$1 billion Affordable Housing Program and new housing projects are now being developed across the country. The agreement signed with Ontario provides for \$244.71 million in federal funding over five years, to increase the supply of affordable housing in your province. This amount is being matched by the Province and others.

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Discussions are under way with the provinces and territories on their share of the \$320 million second component of the Program, which was announced in the 2003 federal budget, Ontario will receive \$121.58 million in federal funding. This funding will be focussed on households with the greatest need for affordable housing.

CMHC also supports affordable housing partnerships through the Canadian Centre for Public-Private Partnerships in Housing, which has facilitated the creation of more than 30,000 housing units since its inception in 1991. In addition, CMHC supports the creation of affordable housing through research and demonstration activities, such as the Affordability and Choice Today Program, which seeks to explore innovative approaches to support affordable housing production.

The construction of new housing is important but steps must also be taken to preserve the stock of existing affordable housing. To this end, the Government of Canada is investing an additional \$384 million over three years in CMHC's housing renovation programs. These programs help ensure that existing housing occupied by low-income Canadians meets minimum health and safety levels and support the modification of housing to meet the needs of people with disabilities. They also maintain the supply of affordable rental housing for people in need, including victims of family violence and those at risk of becoming homeless. Ontario will receive approximately \$104.2 million in funding for these programs.

The Speech from the Throne stated that the Government will extend and enhance existing programs, such as the Affordable Housing Initiative, the Supporting Communities Partnership Initiative for homeless people and the Residential Rehabilitation Assistance Program.

It is also important to note that the Government of Canada already spends about \$2 billion annually to support existing housing for some 636,000 lower-income households, including some 242,050 in Ontario.

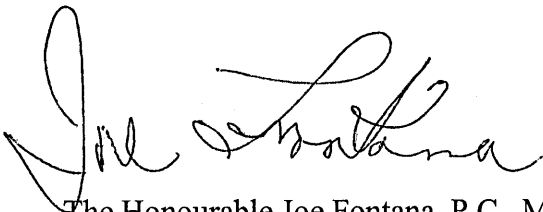
While I believe that the actions I have described above go a long way toward addressing homelessness and affordable housing needs, I recognize that a great deal more needs to be done. No single order of government can respond to the range of housing needs. The federal government will therefore continue to work with a range of partners to address the issues of affordable housing and further strengthen the housing continuum. In this regard, I would like to acknowledge the commitment and strong partnerships that have been developed in a co-ordinated response to the issues of affordable housing and homelessness in communities across Canada.

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I commend members of Regional Council for taking a leadership role in housing by consulting with stakeholders and guiding the development of a strategy and work plan for housing in the York Region. Councillors should be assured that the Government of Canada will be there to help you realize this vision. In particular, we are working closely with the Province of Ontario to expedite delivery under the Affordable Housing Program.

I hope my comments have reassured Regional Council that significant efforts are being made to address homelessness and the housing needs of Canadians.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Fontana". The signature is fluid and cursive, with the first name "Joe" written in a large, stylized loop.

The Honourable Joe Fontana, P.C., M.P.