



# Fast FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES - MANITOBA

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## Provincial Record on Housing a Welcome Achievement

The Provincial government has released an impressive record of its commitment to build affordable housing across Manitoba. Housing and Community Development Minister Peter Bjornson announced the fulfillment of the Manitoba NDP's 2009 promise to complete 1500 units of affordable housing at the opening of a new housing project for people with mental health challenges in Winnipeg last Thursday.

The total commitment includes 710 units that are rent geared to income, in which residents are subsidized according to what they can afford. This investment goes a long ways towards meeting the needs of low and moderate income Manitobans who are facing the brunt of the housing crisis in Manitoba. Further, another 790 rent subsidies will help families in the greatest housing need afford decent accommodations – welcome news for families in housing need.

The Province has contributed to 67 separate capital projects in 28 communities. The list of groups assisted by these housing projects is a reminder of how important investment in social housing is in Manitoba. Aboriginal families, new Canadians, and people with mental health needs are among the groups most at risk of either homelessness or core housing need. Housing is central to every aspect of our health and well-being. These investments will make a significant impact on the lives of thousands of Manitobans.

Manitoba's achievement is all the more striking given its contrast with decades of stagnation in the supply of new affordable housing in Manitoba and across Canada. Since 1993 when the Federal government stopped funding new social housing, very little has been built. Whereas Canada was once a leader in the construction of social housing, Canada is now the sole OECD member without a national housing strategy leading to a widespread housing crisis affecting millions of Canadians. Since 2009, Manitoba has taken bold steps to alleviate this crisis despite federal inaction.

Provincial housing investments also have wider economic impacts. Each dollar invested has leveraged another 54 cents in donations and private sector funds. In aggregate, these investments have created over 4,000 quality jobs in Manitoba. This impact could have been still greater had the federal government fully stepped up to the table.

One remaining concern is the apparent overlap between commitments to build affordable housing and social housing. When 1,500 units of social and affordable housing were initially promised five years ago, there was an expectation that these would be separate builds for a total of 3,000 units. The need for new supply is acute

there is an alternative.

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with vacancy rates frequently below the critical two per cent level in Winnipeg and other Manitoba cities. Many of the units the government considers affordable are actually at the median rental rate and patently unaffordable to families with low incomes. Although the majority of affordable housing units have been created through new construction, the social housing commitment combines some of the affordable units with subsidies to make existing supply actually affordable for families in need. Only half the social housing units were new constructions.

This blending of social and affordable housing investments dilutes the value of the provincial pledge. It also makes it difficult for researchers to track what has been built and what has been promised. This latest announcement gave clarity to the extent of the overlap enabling housing researchers for the first time to be able to track what has been accomplished and sets out the path for what further works needs to be done.

The next round of the provincial housing commitment includes 500 units of affordable housing and 500 units of social housing over the next three years. The Province has confirmed that this new round of investment will be new construction for a total of 1,000 units of new supply. We have already seen that provincial investments are making important impacts on the wider housing market. This is especially true in some of the tightest housing markets like downtown Winnipeg where supply is gradually beginning to increase after years of decline. We look forward to seeing this investment completed.

Behind every new housing unit there is a story of a real family in need who will benefit. Imagine a patient with kidney disease from Northern Manitoba coming to Winnipeg for dialysis treatment and how important a project like Dial-a-Life Housing is to her and her family. Another project, River Point Centre in Winnipeg's Point Douglas neighbourhood, will

combine addiction treatment services and housing to help individuals take a step towards a better life. Extensive research demonstrates that housing is critical to recovery from drug addiction. For families struggling to pay market rent, affordable housing will provide the stability they need so that their children can excel in school. Projects like these define what is central to the values of Manitobans – the value of caring for each other as a community and of building a place we proudly can call home.

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