



Fast FACTS

CANADIAN CENTRE FOR POLICY ALTERNATIVES - MANITOBA

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Now, more than ever, we need Rent Assist helping Manitobans

Rent Assist is a made-in-Manitoba solution to housing need: a province-wide rent supplement program that helps lower-income renters in the private market to afford housing at 75 percent of median market rents. Since it was introduced in 2014, it has enabled tens of thousands of Manitoba households to secure and maintain housing that better meets their needs.

Rent Assist has been identified as one of the more innovative rent supplement programs in the country, offering lessons for the soon-to-be implemented Canada Housing Benefit, a housing supplement program being developed through the 2017 National Housing Strategy.

Through *Assisting Renters*, a one-year, mixed-methods research project, we examined how Manitoba's Rent Assist program fits into Canada's obligation to support access to safe, affordable, good quality housing. Today, this research is particularly relevant as Manitoba grapples with the impacts of the COVID-19 pandemic and many are asking: will I be able to pay the rent?

In addition to examining the numbers on the costs of the program, benefits available, and the impact on poverty status and rents, we interviewed tenants, non-profit housing providers and private landlords across Manitoba about their experiences with Rent Assist. In short, we asked: what's working, what's not, and what can be better?

In 2016, 11.4 percent of Manitoba households, including both renters and

homeowners, lived in inadequate housing. This includes housing requiring major repairs, that is too small, or costs more than 30 percent of household income. Our research confirms that inadequate housing is both a cause, and a condition, of many interrelated social and personal health and safety challenges. Rent Assist, however, has made it easier for households to afford housing, provide more stability for their children, hold down a job, and meet educational goals.

Rent Assist has significantly increased resources going to qualifying households, by an estimated \$138 million annually, and is helping workers out of poverty. For example, Rent Assist brings a single parent working 25 hours per week at minimum wage from below to above the poverty line. The Rent Assist program would have similarly moved single individuals working 35 hours a week at minimum wage out of poverty. But due to government cutbacks, current rates do not provide any subsidy to a single person working 35 hours per week, leaving them almost \$2000/year below the poverty line.

Rent Assist also makes a significant difference in tenants' sense of housing security and well-being. Over three-quarters of the people interviewed stated, unprompted, "I can breathe. I know that I have a roof over my head and food on the table" or a statement of similar effect. They noted that this is a significant and positive change, enabling them to focus on other aspects of their life such as furthering their education, raising and/or gaining custody of their children and rebuilding their mental and physical health.

Private landlords and non-profit housing

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there is an alternative.

continued:

providers also found Rent Assist to be an important tool in the provision of low-cost housing. They appreciated the increased stability and noted that receiving the rent on time helped them to build, and maintain, better relationships with their tenants.

Discussions with tenants, landlords and non-profit housing providers also pointed to gaps and suggested improvements to Rent Assist. Tenants noted that the benefit levels are still too low. This is particularly an issue for households receiving EIA whose rents are higher than what Rent Assist provides. They must then dip into their limited basic needs budgets to pay the rent. Landlords and nonprofit housing providers likewise noted that benefit levels are insufficient to provide good quality housing, and cannot replace direct subsidies to housing providers. As one landlord said, “How can I continue to provide quality housing? I can’t. The people who live here — so many of them are single moms — they could not afford the rent. But the cost of building materials are the same. The cost of the electrician is the same. They are good tenants but they cannot afford the rent I would need them to pay.”

Many tenants also spoke about job loss or reduction in hours, relationship breakdowns, and health related costs, and expressed frustration at the inability of Rent Assist to respond to these changing circumstances. A landlord spoke of one tenant who “had a partner helping them with the rent but he moved out and he was the primary breadwinner so now she is left with almost no income. She was a good tenant and she has been there for 15 years with other family members in the building.”

There also seems to be a significant lack of awareness of the Rent Assist program, particularly regarding non-EIA Rent Assist, with many housing providers assuming that Rent Assist was only available to households also receiving EIA.

There are some challenges Rent Assist is not well suited to addressing. Tenants described barriers including experiences of discrimination, especially against Indigenous people; a lack of a rental

or credit history that made it difficult for newcomers or young adults to access housing; and the challenge of finding affordable, physically accessible housing. As well, some tenants need more supports, or a more supportive environment, to live independently, and cannot find these supports in the private market. This means that Rent Assist can only be one part of a broader housing strategy that must include social housing.

Our report offers several recommendations for Rent Assist and the Canada Housing Benefit. An ideal, and long term, solution would be for the federal government to implement a national Rent Assist-style program, delivered through the tax system, while also supporting an increased supply of social and affordable housing. In the shorter term, the proposed Canada Housing Benefit could be used to top up Rent Assist, addressing the affordability gap and leveraging existing delivery systems. Rent Assist could be better promoted to make sure qualified Manitobans are accessing the program. Additionally, the Province could explore ways to speed up eligibility for and access to the program when there is a rapid change in income. Today, as households lose income as a result of COVID-19 and their housing security is threatened, these changes could provide a critical lifeline.

The COVID-19 pandemic is highlighting many of the social and economic issues that many Manitoba households deal with on a regular basis, including a lack of access to affordable housing. Manitoba has a strong foundation with the Rent Assist program to assist Manitoba renters in both the short and long run, if governments are willing to build on it. Now is the time.

Assisting Renters: Manitoba’s Rent Assist in the Context of Canada’s National Housing Strategy by Sarah Cooper, Jesse Hager and Shayna Plaut is available online at: www.policyalternatives.ca/publications/reports/assisting-renters

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