

**The National Forum on Housing and the Economy
c/o The Federation of Canadian Municipalities
24 Clarence Street
Ottawa, Ontario
K1N 5P3**

April 1, 2015

The Right Honourable Stephen Harper, P.C., M.P.
Prime Minister of Canada
Langevin Block
Ottawa, Ontario
K1A 0A6

Dear Prime Minister:

The National Forum on Housing and the Economy came together in the fall of 2014 to draw attention to the important linkages between housing affordability and Canada's economic prosperity. Together, our organizations represent tens of thousands of members from a broad cross section of Canadian business, not-for-profit organizations and associations. While we have different interests, we share a common belief that the federal government has an important role to play in ensuring a healthy Canadian housing system.

The housing sector accounts for 20% of Canada's GDP. The continued growth and health of this sector is crucial to the overall strength of the Canadian economy, perhaps even more so in the current period of low oil prices.

Housing is becoming less and less affordable in Canada. Record levels of household debt and high homeownership costs are keeping many Canadians out of the homeownership market, especially young people. Our rapidly aging population will also require attention to meet their unique housing needs.

One out of every four Canadians currently spends more than 30% of their income on housing, and an estimated 733,275 low-income Canadians are in "extreme" housing need, paying more than 50% of their income on housing. Over 235,000 Canadians experience homelessness every year at a cost of upwards of \$7 billion to the economy. At the same time, federal operating agreements that provide \$1.7 billion in annual social housing funding have begun to expire, putting a deep strain on the low-income households who live in subsidized housing.

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We recognize the important recent steps the federal government has taken to begin to address housing concerns, including the commitment in Budget 2013 to extend the Homelessness Partnering Strategy and Investments in Affordable Housing 2019. Working together to build on these initiatives is imperative to the health of the housing sector.

This past October, the Forum called on the federal government to develop a long-term housing plan that would:

- 1) protect at-risk households living in social housing and innovate in making federal investments in Canada's social housing;
- 2) preserve and add to Canada's rental housing stock including private, non-profit and co-operative rental housing;
- 3) improve opportunities for homeownership for the next generation of potential homeowners; and
- 4) reduce homelessness

In the lead-up to Budget 2015, several Forum members made submissions to the Department of Finance, which included specific policy recommendations meant to address the issues of affordable housing and homelessness.

As Budget Day approaches, the Forum speaks with a unified voice in calling for measures in this year's federal budget that address homelessness, improve housing affordability and strengthen the housing sector's role in the economy.

Yours sincerely,



Brad Woodside
President, Federation of Canadian Municipalities



Tim Richter
President and CEO, Canadian Alliance to End Homelessness



Michael Atkinson, President, Canadian Construction Association



John Dickie
President, Canadian Federation of Apartment Associations



Kevin Lee,
CEO, Canadian Home Builders' Association



Jody Ciuffo
Executive Director Canadian Housing and Renewal Association



Anne Davidson
President, Co-operative Housing Federation of Canada



Don Forgeron
President and CEO, Insurance Bureau of Canada

cc:

The Honourable Joe Oliver, Minister of Finance
The Honourable Candice Bergen, Minister of State for Social Development