

August 10, 2021



# FEDERAL PROGRAM SPENDING ON HOUSING AFFORDABILITY IN 2021



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER  
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

The Parliamentary Budget Officer (PBO) supports Parliament by providing economic and financial analysis for the purposes of raising the quality of parliamentary debate and promoting greater budget transparency and accountability.

This report is intended to help parliamentarians understand federal program spending on housing affordability. It provides an update on our 2019 report, [Federal Program Spending on Housing Affordability](#) in response to questions raised by parliamentarians.

The planned spending profile for some of the programs identified in this report are dependent on final program design being confirmed.

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RP-2122-014-S\_e

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# Executive Summary

The Government of Canada's current plan to address housing affordability is the 2017 National Housing Strategy (NHS), which runs from 2018-19 to 2027-28. This plan is primarily administered by Canada Mortgage and Housing Corporation (CMHC) and Employment and Social Development Canada (ESDC). These department's planned spending under the National Housing Strategy is \$3.7 billion each year. This represents a \$1.2 billion per year (50%) increase in nominal spending, when compared with the 10-year historical average. Average planned spending is driven up by time-limited programs implemented in response to COVID-19, like the Rapid Housing Initiative.

**Table E-1 National Housing Strategy Funding and Responsibilities**

(\$ million each year) Responsibility	CMHC	ESDC	Total
	Housing Affordability	Homelessness	
<b>Average Funding 2018-19 to 2027-28</b>	3,310	357	3,666
<b>Historical Average 2013-14 to 2017-18</b>	2,326	118	2,444
<b>Change (\$)</b>	984	239	1,222
<b>Change (%)</b>	42%	203%	50%

Of the \$3.7 billion per year in average planned spending, \$221 million per year (6%) is dedicated to indigenous housing in urban, rural and northern areas.

Since our 2019 report, [Federal Program Spending on Housing Affordability](#), Canada's federal government has allocated \$672 million per year in additional funding to address housing affordability and homelessness.

Several factors have likely limited the impact of Canada's National Housing Strategy on housing need over its first three years.

First, despite the increase in overall spending, funding for CMHC's assistance for housing need programs intended to help low-income households increased only by \$192 million per year (9%) in nominal terms, which represents a 15% decline in the real purchasing power of federal spending.

Second, a significant portion of the community housing supported under CMHC's bilateral agreements with provinces reached the end of their operating agreements. This caused a 183,019 (42%) reduction in the number of low-income community housing units supported under bilateral agreements between 2015 and the baseline established by CMHC's new bilateral agreements.

Third, CMHC's capital contribution programs have faced implementation delays. Over the first three years of Canada's National Housing Strategy, CMHC spent less than half the funding allocated for two key initiatives, the National Housing Co-Investment Fund and Rental Construction Financing Initiative. As of 30 October 2020, CMHC had made financial commitments towards the creation of 4,270 units of affordable housing committing to charge an average maximum of 52% of median market rent under the National Housing Co-Investment Fund. CMHC had made financial commitments towards the creation of 7,960 units of affordable housing committing to charge an average maximum of 72% of 30% of median household income under the Rental Construction Financing Initiative.

Fourth, CMHC's shift of funding towards capital contributions over affordability supports means that the benefits of current spending are spread over the life of the project. Even over their lifetime, capital contribution programs secure smaller reductions, with the National Housing Co-Investment fund securing an average of \$0.38 in discounts relative to market median rents for each dollar of total government capital contributions.

Finally, we project that in the absence of additional spending the number of households in housing need would have increased to approximately 1.8 million households with a \$9.3 billion aggregate affordability gap by 2025-26. Over the period of 2021 to 2025, incremental CMHC spending averages 16% of the projected affordability gap and about \$63/month per household in housing need.

# 1. Introduction

This report is intended to help parliamentarians understand federal program spending on housing affordability. It provides an update on our 2019 report, Federal Program Spending on Housing Affordability.

Since 2019, funding allocated to address housing affordability over the term of Canada's National Housing Strategy has increased by \$672 million each year (23%) to an average of \$3.7 billion each year. Funding for Canada Mortgage and Housing Corporation's programs to address housing affordability has increased by \$540 million per year (19%) to \$3.3 billion per year. Funding for Employment and Social Development Canada's programs to address homelessness has increased by \$132 million per year (59%) to \$357 million. This new funding is split between new and existing programs.

**Table 1-1 Changes to Planned Spending from 2018-19 to 2027-28**

(\$ million each year)	2019 Report	Additional Planned Spending	2021 Update	% Change
<b>CMHC</b>	2,770	540	3,310	19%
Assistance for Housing Needs	2,038	401	2,439	20%
Financing for Housing	627	138	765	22%
Housing Expertise and Capacity Development	105	0	105	0%
<b>ESDC</b>	225	132	357	59%
Homelessness	225	132	357	59%
<b>Total</b>	<b>2,995</b>	<b>672</b>	<b>3,666</b>	<b>22%</b>

Source: PBO based on data from CMHC and ESDC

Like our 2019 report, this report excludes tax expenditures. Estimates of tax expenditures related to housing can be found in the Department of Finance's [Report on Federal Tax Expenditures](#).

This report also excludes Indigenous-specific programs administered by Indigenous Services Canada and Crown-Indigenous Relations and Northern Affairs Canada. An update regarding federal spending on Indigenous off-reserve housing and the indigenous housing strategies was presented in our recent report [Urban, Rural, and Northern Indigenous Housing](#). That report noted that \$179 million per year was explicitly allocated for indigenous housing in urban, rural and northern areas over the term of Canada's National Housing Strategy. However, since that time \$42 million per year in additional funding has been announced for the Missing and Murdered

Indigenous Women and Girls Shelter Initiative. This announcement increases funding explicitly allocated for indigenous housing in urban, rural and northern areas to an average of \$221 million per year (6% of planned spending).

This report includes all CMHC planned and actual spending under its Assisted Housing business segment except for two programs unrelated to housing affordability; specifically, the Canada Emergency Commercial Rent Assistance program and support for Granville Island.

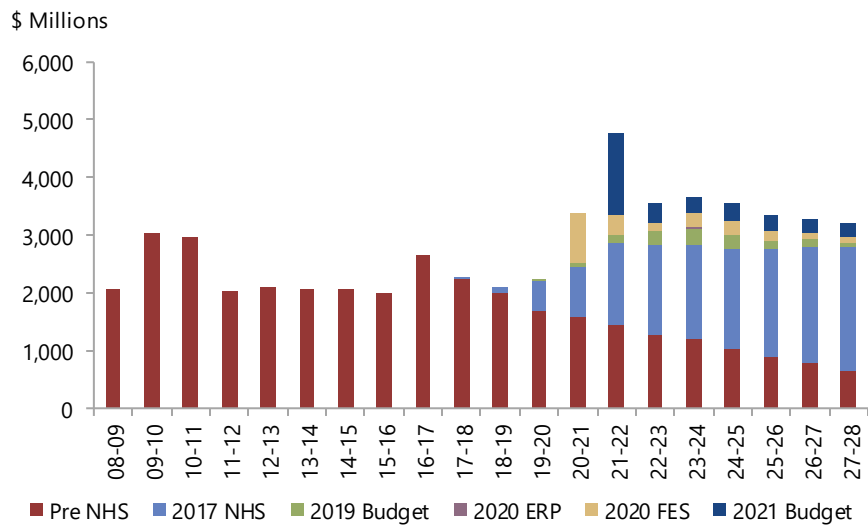
# 2. Spending on Housing Affordability

## 2.1. Spending by Announcement

### Canada Mortgage and Housing Corporation

CMHC funds activities to address housing affordability. From 2008-09 to 2017-18, CMHC spent an average of \$2.3 billion per year to address housing affordability. From 2018-19 to 2027-28, CMHC plans to spend \$3.3 billion per year on these same activities. This represents a \$1.0 billion (42%) increase in nominal spending per year, on average. The average is not consistent across the period, with a significantly greater time-limited planned spending in 2021-22 associated with the Rapid Housing Initiative.

**Figure 2-1** CMHC Nominal Expenditures on Assisted Housing by Budget Document (\$B)



Source: PBO based on Actual and Planned Spending provided by CMHC

Note: The \$45 million in funding for shelters for women and girls provided by the 2020 ERP is not visible due to scale.



Of this increase in funding, \$5.4 billion was announced since our 2019 report. This consists primarily of:

- \$2.2 billion announced in the 2020 Fall Economic Statement; and,
- \$3.1 billion announced in Budget 2021.

Actual data on CMHC spending is now available for the first three years of Canada's National Housing Strategy (starting in 2018-19). Over that period, CMHC did not use \$574 million in funding it was allocated at the time of our 2019 report, notably:

- \$465 million allocated for the National Housing Co-Investment Fund (50% of planned spending)
- \$135 million allocated for the Rental Construction Financing Initiative (53% of planned spending)

There were partially offset by greater than planned spending on the Urban Native Housing Program, which spent \$122 million more than planned. Funding may be reprofiled to future years.

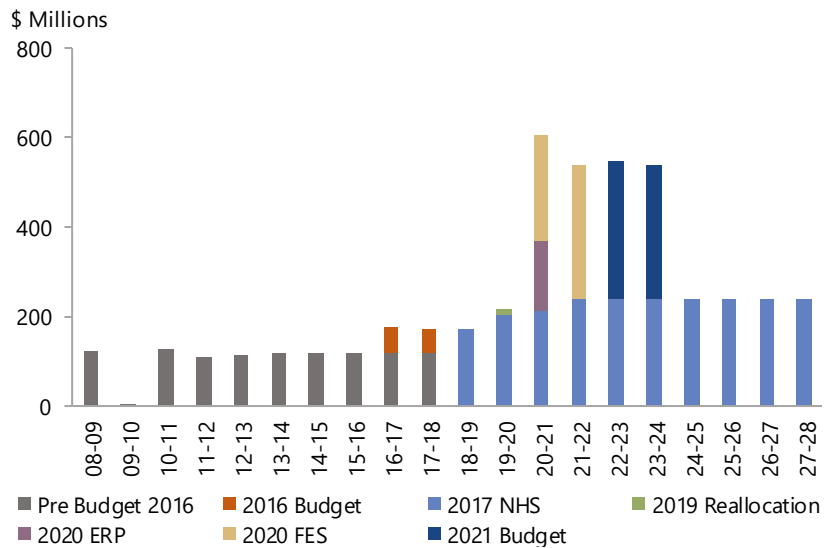
**Table 2-1 CMHC Planned v Actual Spending for programs extant in 2019 with largest variances**

<b>Program</b>	<b>Actual Spending, 2018-19 to 2020-21</b>	<b>Planned Spending, 2018-19 to 2020-21 at time of 2019 Report</b>	<b>Actual (\$ millions)</b>	<b>Actual as % of Planned</b>
<b>National Housing Co-Investment Fund</b>	458	923	465	50%
<b>Rental Construction Financing Initiative</b>	118	253	135	47%
<b>Public Housing</b>	503	579	76	87%
<b>Non-Profit Housing</b>	351	406	55	86%
<b>Federal Lands Initiative</b>	16	60	44	26%
<b>Canada Housing Benefit</b>	47	89	42	53%
<b>Prepayment Flexibility</b>	27	59	32	46%
All other CMHC Programs	4,165	4,229	64	98%
<b>On Reserve Housing</b>	556	532	- 24	105%
<b>Coop Housing</b>	256	182	- 74	141%
<b>Urban Native</b>	202	80	- 122	252%

## Employment and Social Development Canada

ESDC funds activities to address homelessness. From 2008-09 to 2017-18, ESDC spent an average of \$118 million each year to address homelessness. From 2018-19 to 2027-28, ESDC plans to spend \$357 million each year on these same activities. This represents a \$239 million (203%) increase in average annual nominal spending. The average is not consistent across the period, with significantly greater time-limited planned spending from 2020-21 to 2023-24.

**Figure 2-2 ESDC Funding to Address Homelessness (\$B)**



Source: PBO based on data from ESDC

Of this increase in funding, \$1.3 billion (\$0.13 billion each year) was announced since our 2019 report. This consists primarily of:

- \$0.2 billion under the Covid-19 Emergency Response Plan
- \$0.5 billion under the 2020 Fall Economic Statement
- \$0.6 billion under the 2021 Budget

Note that these figures only reflect federal spending to address homelessness. Federal funding covered 12% of planned spending to address homelessness in funding recipients' 2019-20 to 2023-24 community plans.<sup>1</sup>

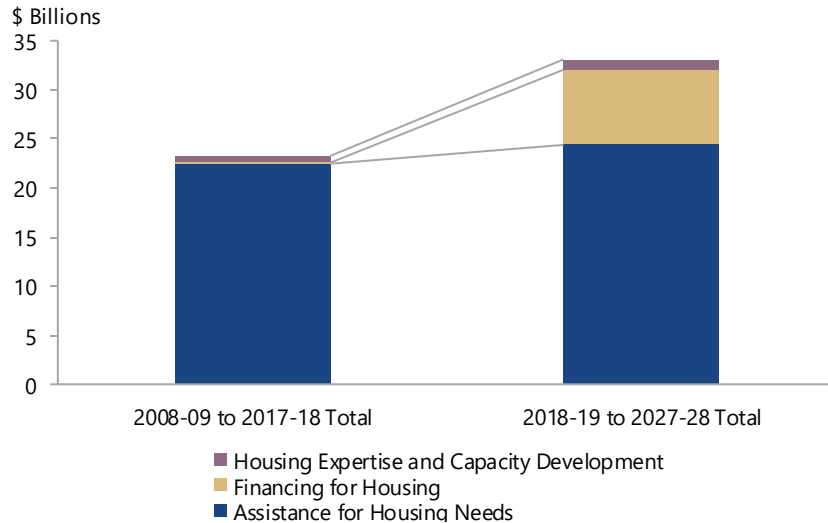
## 2.2. Spending by Core Responsibility

All ESDC funding is similarly allocated to support programs which address homelessness. However, the 2017 National Housing Strategy marked a significant shift in how CMHC support will be allocated between CMHC's core responsibilities.

Over the ten-year period between 2007-08 and 2017-18, CMHC spent on average \$2.25 billion each year (97% of all spending) on Assistance for Housing Need programs under which CMHC provides funding to improve access to affordable housing for low-income households in housing need. Our previous report noted that the 2017 National Housing Strategy planned to reduce spending on assistance for housing need, when compared with the 10-year baseline. With subsequently announced spending, funding for assistance for housing need instead increases by \$192 million each year (9%) in nominal terms to \$2.4 billion each year. Adjusted based on real purchasing power, spending in real terms decreases by \$366 million each year (15%). Overall, Assistance for Housing Need represents a smaller share of planned spending, as shown in Figure 2-6.

Figure 2-3

### CMHC Actual and Planned Nominal Spending by Core Responsibility



Source: PBO based on figures provided by CMHC

Of the increase in CMHC spending, 77% is allocated to Financing for Housing programs like the National Housing Co-Investment Fund and Rental Construction Financing Initiative. CMHC plans to spend \$755 million on average each year for housing financing between 2018-19 and 2027-28.

Across its core responsibilities, CMHC is prioritizing capital contributions to support the creation of new affordable housing. Compared with other program models which provide in-year support, like the Canada Housing Benefit, this spreads the benefits of current spending over the coming decades, providing a lesser but longer-term level of support. As highlighted in our report on Urban, Rural, and Northern Indigenous Housing, under the key National Housing Co-Investment Fund, Canada has secured contractual commitments averaging \$0.38 in discounts relative to market median rents for each dollar of total government capital contributions.

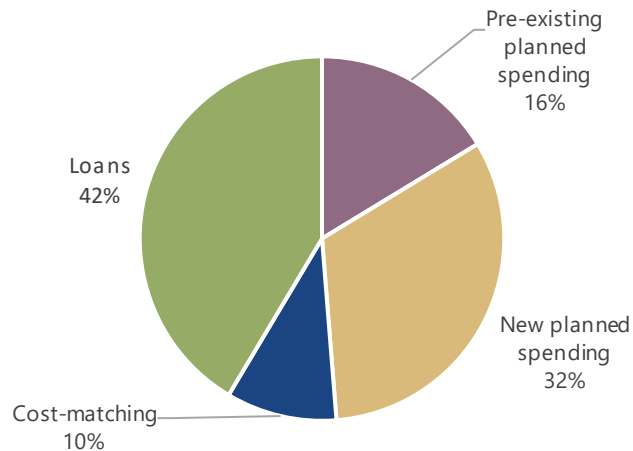
### 2.3. Explanation of Headline Commitment

The National Housing Strategy is marketed as a “\$70+billion plan.”<sup>2</sup> In total, CMHC plans to spend \$36.7 billion over the 10 years of the National Housing Strategy from 2018-19 to 2027-28, of which \$24.4 billion is new spending announced in the 2017 National Housing Strategy or subsequent budget documents and \$12.3 billion is pre-existing spending. As noted above, this represents a \$12.2 billion increase relative to the 10-year baseline. These figures include the budgetary cost of loans. A breakdown of the programs and amounts included in the headline announcement is attached as Annex D.

The remainder of the headline commitment is new and existing loan authorities (\$31.2 bn) and non-incremental provincial-territorial cost-matching (\$7.4 bn). Loans and cost-matching are not budgetary costs to the federal government. In addition, loans have a much more limited ability to induce the creation of units that would not otherwise have been created. As shown in Annex B, no sub-national government will have to spend more than they did in 2019 to meet cost matching requirements in any year.

Of the difference between the initial “\$40 billion plan” and current “\$70 billion plan”, \$6.8 billion is new budgetary spending. The rest consists of loans and partners’ contributions.

**Figure 2-4 Breakdown of figures added by CMHC to produce headline “\$70 billion” commitment under the National Housing Strategy**



Source: PBO based on figures provided by CMHC in response to IR0405

## 3. New and modified programs

Of the \$6.8 billion in additional funding to address housing affordability and homelessness announced since our 2019 report, \$3.6 billion has been allocated to new programs and \$3.2 billion has been allocated to existing programs.

**Table 3-1 Additional Funding Allocated Since 2019 Report**

(\$ million)	Additional Funding
<b>Additional Funding for New Programs</b>	3,647
Rapid Housing Initiative	2,496
Canada Greener Homes Loan Initiative	642
Missing and Murdered Indigenous Women and Girls (MMIWG) Shelter Initiative	420
Veteran Homeless Pilot Program	45
Emergency Shelter Women and Girls	45
<b>Additional Funding Existing Programs</b>	3,072
<b>Total Additional Spending</b>	6,719

### Rapid Housing Initiative

The Rapid Housing Initiative has been allocated \$2.5 billion through the 2020 Fall Economic Statement and 2021 Budget. Funding is split between pre-determined municipalities and applications from provinces, territories, municipalities, indigenous governing bodies, and non-profit organizations. The funding is provided as capital contributions towards the construction, conversion and rehabilitation of multi-unit residential properties for use as affordable housing.

### Canada Greener Homes Loan Initiative

The Canada Greener Homes Initiative was allocated \$642 million through Budget 2021. This initiative provides grants and interest-free loans to subsidize home renovations that improve energy efficiency.

### MMIWG Shelter Initiative

CMHC's spending plans include \$420 million approved through Budget 2021 to support shelters for women, children and gender and sexual minority groups.

## Addressing Veteran Homelessness

Budget 2021 commits \$45 million for a new ESDC pilot program to address veteran homelessness through rent supplements and support services.<sup>3</sup>

## Emergency Shelter for Women and Girls

The 2020 Covid-19 Response plan included \$45 million to support women's shelters and sexual assault centres.

## First-Time Home Buyer's Incentive

The First-Time Home Buyer's Incentive was originally outlined in the 2019 Fall Economic Statement. Under this program, CMHC covers 5% or 10% of the cost of purchasing a home in exchange for a corresponding share of the value of the home.<sup>4</sup>

While included in our 2019 Report, this incentive was modified by the 2020 Fall Economic Statement. The modifications apply only to Toronto, Vancouver and Victoria, and allow buyers in those markets to use the incentive to purchase a home up to 4.5 times their household income, rather than being limited to 4 times their household income. The modifications also allow buyers in those markets to use the incentive if their income is under \$150,000 per year. No additional funding was allocated for costs arising from these changes.<sup>5</sup>

## Appendix A: Spending in Context

With additional funding announced since our 2019 report, the real purchasing power of federal spending is now higher over the term of Canada's National Housing Strategy from 2018-19 to 2027-28.

Figure A-1 Real Spending (\$ Millions)

	Pre-NHS 10-year Average	NHS 10-year average	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>CMHC Spending on Housing Affordability</b>	2,326	3,310	2,086	2,216	3,375	4,785	3,549	3,663	3,543	3,366	3,299	3,213
<b>ESDC Spending to Address Homelessness</b>	118	357	173	218	607	536	546	540	237	237	237	237
<b>Apt. construction price index</b>	92	117	104	109	111	121	115	118	120	123	125	128
<b>CMHC Real Spending</b>	2,533	2,824	2,010	2,040	3,040	3,968	3,081	3,113	2,949	2,746	2,638	2,520
<b>ESDC Real Spending</b>	129	304	167	201	547	445	474	459	197	193	190	186



Without incremental spending, we would have expected the affordability gap<sup>6</sup> and number of households in core housing need to continue to increase as shelter costs rise faster than household incomes. Over the period of 2021 to 2025, incremental CMHC spending averages 16% of the affordability gap and about \$63/month per household in housing need. The share of the affordability gap actually addressed would be substantially less than incremental spending as a share of that gap because capital contribution programs provide smaller reductions in rent per dollar spent and spread the benefits of current spending over the coming decades.

**Figure A-2 Spending Relative to Affordability Gap (\$ Millions)**

		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
<b>Without accounting for policy changes</b>	<b>Affordability Gap (\$ billion per year)</b>	6.6	6.9	7.2	7.5	7.5	7.9	8.4	8.7	9.0	9.3
	<b>HHs in Housing Need (millions)</b>	1.7	1.7	1.7	1.7	1.7	1.8	1.8	1.8	1.8	1.8
<b>Incremental Spending Relative to 2016</b>	<b>(\$ billion per year)</b>	-	-0.4	-0.6	-0.4	1.1	2.5	1.3	1.4	0.9	0.8
	<b>As share of Affordability Gap (%)</b>	0%	-6%	-8%	-6%	15%	31%	15%	16%	10%	8%
	<b>Per HH in Housing Need (\$/month/household)</b>	0	-20	-28	-20	55	116	58	62	42	34

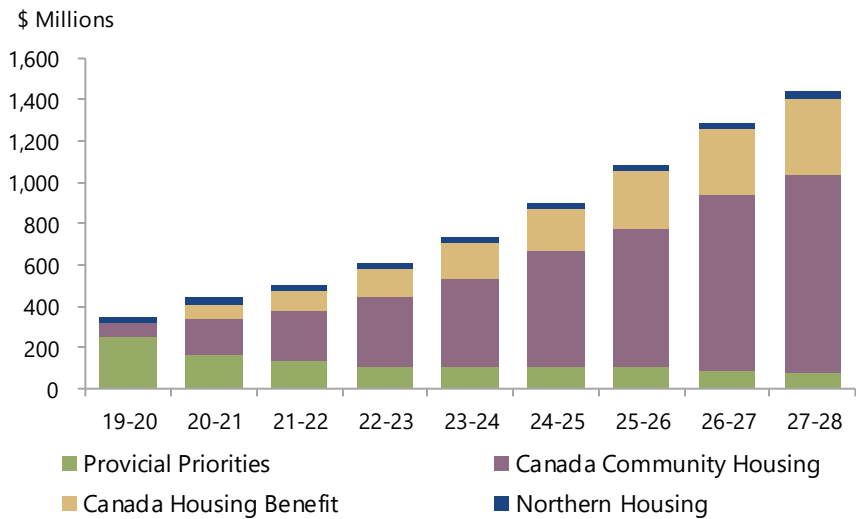
# Appendix B: Bilateral Agreements

Since our 2019 report, bilateral agreements have been signed with all provinces setting out the funding they will receive and the baseline units they commit to protecting.

## Funding by Stream

Over the term of Canada’s National Housing Strategy, transfers to the provinces and territories under the pre-existing social housing agreements decline, but this is offset by increasing funding under the Housing Partnership Framework. Over time an increasing share of funding is allocated to the Canada Community Housing Initiative and Canada Housing Benefit.

**Figure B-1** Funding Allocated Under Bilateral Agreements by Stream and Fiscal Year



Source: Bilateral Agreements

Note: Not all provinces and territories have been allocated their funding under the Canada Housing Benefit. The funding profile for Provincial Priorities from 22-23 onwards was assumed to be constant for those provinces where the profile beyond that year was not specified in the bilateral agreement.

## Funding as Share of Provincial Spending

Funding under the bilateral agreements increases from 5% of 2019-20 provincial spending on housing affordability in 2019-20 to 21% of such spending in 2027-28. Cost matching requirements would require incremental provincial spending beyond 2019-20 levels if funding under the bilateral agreements exceeded 50% of provincial spending, but this is not the case for any province in any year. Total federal transfers to support housing affordability are a greater share of provincial spending on housing affordability, but the cost-matching requirement only applies to federal transfers under the bilateral agreements.

**Figure B-2 Bilateral Agreement Funding as Share of 2019-20 Spending by Province**

Province	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>AB</b>	11%	10%	10%	12%	14%	17%	19%	23%	27%
<b>BC</b>	3%	3%	4%	4%	5%	6%	8%	10%	11%
<b>MB</b>	5%	6%	7%	8%	11%	13%	16%	19%	21%
<b>NB</b>	5%	5%	6%	7%	7%	9%	10%	12%	13%
<b>NL</b>	8%	10%	10%	10%	10%	12%	14%	18%	20%
<b>NS</b>	7%	9%	10%	11%	12%	14%	18%	21%	23%
<b>NU</b>	9%	9%	10%	10%	10%	10%	10%	10%	11%
<b>NWT</b>	6%	6%	7%	7%	8%	9%	10%	12%	14%
<b>ON</b>	5%	6%	8%	9%	12%	14%	17%	20%	22%
<b>PEI</b>	6%	4%	3%	2%	2%	2%	2%	3%	3%
<b>QC</b>	6%	7%	9%	12%	15%	19%	23%	27%	30%
<b>SK</b>	8%	10%	11%	12%	14%	17%	20%	23%	27%
<b>YK</b>	12%	13%	13%	14%	15%	16%	18%	22%	23%
<b>Overall</b>	<b>5%</b>	<b>6%</b>	<b>7%</b>	<b>9%</b>	<b>11%</b>	<b>13%</b>	<b>16%</b>	<b>19%</b>	<b>21%</b>

Sources: Bilateral Agreements and provincial reporting

Note: Provincial expenditures on housing affordability in 2019-20 were outlined in our 2021 report *Urban, Rural, and Northern Indigenous Housing*. As noted above, some provinces have not yet been allocated funding for the Canada Housing Benefit.

## Baseline Units and Units Created

Canada's National Housing Strategy set the goals of protecting 330,000 units of community housing and adding 50,000 units over the 10 years of Canada's National housing Strategy.

In 2015, CMHC reported assisting 435,450 households in social housing through its social housing agreements with provinces, which had fallen to 260,000 households assisted under those agreements in 2018 as operating agreements expired.<sup>7</sup> Under the bilateral agreements signed between 2019 and 2020, provinces identified 324,610 baseline units of community housing that they committed to maintaining, of which 252,431 were to remain targeted to low-income households. On a net basis, CMHC reports supporting 183,019 fewer low-income households than in 2015, a reduction of 42% over 4 years. This reflects a mixture of units being converted to market-rate units and being off-loaded to sub-national governments. In Ontario, for example, the FAO reports that municipalities are required to maintain social housing units, but 83,000 of those units were at risk of being converted to market-rate units as funding contracts with the federal government expire.

**Table B-3** Baseline units of community housing identified under bilateral agreements

Province or Territory	Community Housing Supported under Bilateral Agreements		
	2019 Bilateral Agreement Baseline Total	2019 Bilateral Agreement Baseline Low-Income	2015 Low-income
	Quebec	63,630	60,502
Ontario	131,063	95,109	190,450
British Columbia	34,491	20,427	45,550
Northwest Territories	1,231	1,231	2,350
Prince Edward Island	936	936	950
Newfoundland and Labrador	5,957	5,512	10,200
Saskatchewan	16,448	12,813	20,050
Alberta	23,700	21,933	22,050
Yukon	543	543	500
New Brunswick	9,954	5,189	12,300
Manitoba	23,417	15,882	29,150
Nunavut	1,625	1,625	2,050
Nova Scotia	11,615	10,729	16,600
<b>Total</b>	<b>324,610</b>	<b>252,431</b>	<b>435,450</b>

Sources: Bilateral Agreements and CHS–Public Funds and National Housing Act (Social Housing) 2015

## Appendix C: Reported Results

CMHC reports the number of units at projects which it has financially supported. These figures do not reflect the number of units created as a result of these programs, nor a net increase in social or affordable housing.<sup>8</sup> The depth and nature of affordability support differs dramatically between programs. Nevertheless, these results do provide an indication of the breadth of federal support.

**Table C-1 Reported Results for CMHC Administered Programs**

	<b>New Construction</b>	<b>Repair</b>	<b>Affordability Support</b>
<b>Federal Community Housing Initiative – Phase 2</b>	N/A	N/A	5,000
<b>National Housing Co-Investment Fund</b>	12,400	65,900	N/A
<b>Federal Lands Initiative</b>	1,600	N/A	N/A
<b>Affordable Housing Innovation Fund</b>	17,600	N/A	N/A
<b>Canada Community Housing Initiative</b>	250	25,300	4,800
<b>Canada Housing Benefit</b>	N/A	N/A	5,800
<b>Provincial and Territorial Priority Funding</b>	2,200	34,700	8,400
<b>Funding for Northern Territories</b>	130	100	590
<b>Rapid Housing Initiative</b>	3,400	N/A	N/A
<b>Rental Construction Financing initiative</b>	24,900	N/A	N/A
<b>First-Time Home Buyer Incentive</b>	N/A	N/A	10,600
<b>Shared Equity Mortgage Providers Fund</b>	600	N/A	N/A
<b>Total</b>	<b>63,300</b>	<b>126,000</b>	<b>36,000</b>

Source: CMHC, [National Housing Strategy Triennial Report](#)

Note: Figures are as of 31 December 2020.

The following tables present the loans, contributions, number of units, number of affordable units, and average depth of affordability for projects funded under the National Housing Co-Investment Fund and Rental Construction Financing Initiative. These results are lower than those reported above because they only include projects which had financial commitments, and only those projects with financial commitments as of 30 October 2020.

**Table C-2 Financial Commitments for New Construction projects under the National Housing Co-Investment Fund**

	<b>Loans (\$ millions)</b>	<b>Contributions (\$ millions)</b>	<b>Units in project</b>	<b>Units with affordability commitments</b>	<b>Average Affordability Commitment (% of median market rent)</b>
<b>Alberta</b>	16	9	216	139	70
<b>British Columbia</b>	39	92	1,941	1,866	63
<b>Manitoba</b>	45	13	282	143	60
<b>New Brunswick</b>	7	2	68	55	38
<b>Nova Scotia</b>	0	6	74	74	-
<b>Ontario</b>	249	95	2,309	1,632	57
<b>Prince Edward Island</b>	31	2	176	120	37
<b>Quebec</b>	0	9	195	176	39
<b>Saskatchewan</b>	1	1	20	20	58
<b>Yukon</b>	5	9	45	45	-
<b>Total</b>	<b>394</b>	<b>237</b>	<b>5,326</b>	<b>4,270</b>	<b>52</b>

**Table C-3** Financial Commitments for Repair and Rehabilitation projects under the National Housing Co-Investment Fund

	Loans (\$ millions)	Contributions (\$ millions)	Units in project	Units with affordability commitments	Average Affordability Commitment (% of median market rent)
<b>Alberta</b>	-	0	33	33	75
<b>British Columbia</b>	-	0	20	12	70
<b>Manitoba</b>	-	3	404	404	-
<b>New Brunswick</b>	-	1	70	70	17
<b>Nunavut</b>	6	2	71	65	24
<b>Ontario</b>	814	528	58,898	53,575	69
<b>Grand Total</b>	<b>820</b>	<b>536</b>	<b>59,496</b>	<b>54,159</b>	<b>43</b>

Note: Toronto Community Housing Master Application accounts for the repair of 53,538 affordable housing units. Master applications relate to a portfolio of housing and there are not necessarily plans to repair each unit within that portfolio.

**Table C-4** Financial Commitments for New Construction under the Rental Construction Financing Initiative

	Loans (\$ millions)	Units in project	Units with affordability commitments	Average Affordability Commitment (% of 30% of median household income)
<b>Alberta</b>	190	1,006	622	70%
<b>British Columbia</b>	998	2,777	1,939	73%
<b>Manitoba</b>	86	365	376	70%
<b>Nova Scotia</b>	23	121	121	70%
<b>Ontario</b>	1,762	5,845	3,710	73%
<b>Prince Edward Island</b>	29	130	90	70%
<b>Quebec</b>	334	1,345	1,015	72%
<b>Yukon</b>	22	87	87	70%
<b>Grand Total</b>	<b>190</b>	<b>11,676</b>	<b>7,960</b>	<b>72%</b>



# Appendix D: Breakdown of Headline Commitment

**Table D-1** Comparison of CMHC breakdown of headline commitment and actual and planned budgetary expenditures by program

	<b>CMHC Breakdown of Announced Amount (\$ millions)</b>	<b>CMHC Actual and Planned Budgetary Expenditures 2018-19 to 2027- 28 (\$ millions)</b>
<b>New Construction and Modernized Housing Supply</b>		
Affordable Housing Innovation Fund	808	723
Rental Construction Financing Initiative	25,750	1,621
National Housing Co-Investment Fund	13,174	5,117
Rapid Housing Initiative	2,500	2,496
Federal Lands Initiative	202	156
Missing and Murdered Indigenous Women and Girls Funding	420	420
<b>Sub Total</b>	<b>42,854</b>	<b>10,533</b>
<b>Support for the Community Housing Sector</b>		
Federal Community Housing Initiative	618	625
Community Based Tenant Initiative	10	75
Community Housing Transformation Centre / Sector Transformation Fund	64	
<b>Sub Total</b>	<b>692</b>	<b>700</b>
<b>Reaching Home – Canada's Homelessness Strategy</b>		
Reaching Home	3,100	3,524
<b>Sub Total</b>	<b>3,100</b>	<b>3,524</b>
<b>Improved Homeownership Options</b>		
First-Time Home Buyers Incentive	1,250	250
Shared Equity Mortgage Providers Fund	100	
<b>Sub Total</b>	<b>1,350</b>	<b>250</b>

<b>Human Right-Based Approach to Housing</b>		
Human Right-Based Approach to Housing Funding for the National Housing Council and the Housing Advocate	64	49
<b>Sub Total</b>	64	49
<b>Data, Innovation and Research</b>		
Housing Supply Challenge	300	297
Innovation, Research, and Data Initiatives	241	251
<b>Sub Total</b>	541	549
<b>Federal/Provincial/Territorial/NHS Initiatives</b>		
Canada Community Housing Initiative	8,600	5,775
Funding for Northern Territories	300	
Federal Provincial Territorial Priority Funding	2,254	
Canada Housing Benefit	4,315	2,274
<b>Sub Total</b>	15,469	8,049
<b>Legacy Social Housing Funding</b>		
Funding under long-term commitments for existing social housing on and off-reserve	11,170	12,275
<b>Sub Total</b>	11,170	12,275
<b>Housing Programs not included by CMHC</b>		
Other new commitments	-	737
<b>Total</b>	<b>75,240</b>	<b>36,665</b>

# Notes

<sup>1</sup> The community plans did not account for supplemental funding provided since 2019. Community plans were not available for Quebec and Nunavut.

<sup>2</sup> CMHC, [Canada's National Housing Strategy](#).

<sup>3</sup> Finance, [Budget 2021](#).

<sup>4</sup> CMHC, [First-Time Home Buyer's Incentive](#).

<sup>5</sup> Finance, [2020 Fall Economic Statement](#).

<sup>6</sup> For definition and methodology, see PBO, [Urban, Rural, and Northern Indigenous Housing](#).

We used the 2016 census microdata to estimate the average affordability gap. For households in adequate and suitable housing, the shelter cost was taken from the microdata. For households in inadequate or unsuitable housing, the shelter cost was replaced by the average rent of an adequate-sized unit in the same geographic area. The rent data were provided by CHMC.

Shelter cost and household income have been projected for each observation in the microdata set. To project the shelter cost, the PBO used the annual growth rate in median renters shelter costs between the 2006 Census and 2016 Census. To project household incomes, we used the household personal income projection from our economic model.

<sup>7</sup> CMHC, [CHS Public Funds and National Housing Act \(Social Housing\); CMHC 2019 Q4 Assisted Housing Business Supplement](#).

<sup>8</sup> The design of these programs makes it difficult to draw a causal link between federal funding and the creation of any particular housing unit. Federal contributions represent only part of total contributions to a project, meaning the federal government is essentially allowing provinces and territories funding to be stretched a bit further, rather than being causally responsible for all units created. Some programs with less strict affordability criteria that allow market-rate housing to be funded, like the Rental Construction Financing Initiative, may also be supporting private market activity that would have occurred anyways, or may be crowding out private markets activity that would have otherwise occurred. The depth of support also varies dramatically between programs, with some units having no affordability commitment or receiving only minor repairs while others provide wrap-around supports to homeless individuals or rents capped at 25% of tenant's incomes.

The number of social and affordable housing units is tracked by the Census, new Statistics Canada "Canada Housing Survey", and new CMHC "Social and Affordable Housing Survey". However, due to discontinuities and reporting lags, it is not yet possible to determine whether the number of social and affordable housing units has increased or decreased since 2017.