

Remarks to the Ontario Legislature on the proposed *More Homes for Everyone Act, 2022*

Good afternoon.

My name is Garima Talwar Kapoor, and I am the Director of Policy and Research at Maytree. My colleague, Samantha DiBellonia (Policy Lead, Maytree), is also joining us today. Maytree is a charitable organization that works to advance systemic solutions to poverty through a human rights approach. We believe that the most enduring way to fix the systems that create poverty is to safeguard economic and social rights for everyone in Canada.

Thank you for the opportunity to appear before the Standing Committee on the Legislative Assembly. My comments today are regarding Bill 109, *An Act to amend the various statutes with respect to housing, development and various other matters*, or the *More Homes for Everyone Act, 2022*.

Before discussing the contents of the bill, I will comment on the underlying causes of the housing affordability challenge that the bill is meant to address.

Bill 109 is founded on the idea that increased housing supply will address our housing affordability crisis. While demand-side factors are also critical to address, they are outside of the scope of Bill 109, and thus will not be part of my presentation.

With that said, although it's true that inadequate supply may be *one* reason why so many Ontarians face housing affordability challenges, we also need to think about the *type* of housing that's available, particularly in Ontario's largest cities.

Census data indicates that from 2011 to 2021, Ontario's population grew by 10.7 per cent. During this same time, the number of occupied private dwellings grew by 12.5 per cent. Under a simple supply and demand analysis, it would seem that housing supply is actually meeting population demand. In theory, then, we shouldn't have a housing affordability crisis. But in reality, this is not the case.

We need to examine where, and what kind of, homes are being developed – for example, those that are affordable or suitable to meet demographic needs. That is, we need to better understand where the greatest need is, and work from there.

We often use the concept of “core housing need” to measure the number of households unable to find a home that is affordable, adequate, or suitable. In Ontario, about 15.3 per cent of households are in core housing need – the highest rate among the provinces. And among renter households, the situation is worse, with over 33 per cent in core housing need. On the other hand, about 8 per cent of homeowners are in core housing need.

It’s important to emphasize this point because, presumably, Bill 109 is intended to build more homes, which, as the theory goes, would bring down prices, eventually easing home ownership. But this idea detracts from the current issues that renters face today. For many, the most pressing question isn’t whether they can afford a home one day. It’s whether they can afford rent this month. It’s wondering how to pay the rent while wage growth pales in comparison to market rent growth, and what would happen in the chance that their landlord evicts them because they are selling their home.

Take the City of Toronto, for example. In 2016, renters made up about 47 per cent of Toronto’s households. Although the completion of purpose-built rentals steadily increased in recent years, affordable homes are wanting. In 2020, of the about 2,700 rental units completed, only 4 per cent were for assisted or affordable housing. By contrast, over 4,400 condos made up over 75 per cent of all completions in the city.

The rules that govern where and what kinds of homes can be built in Toronto do not facilitate the development of affordable rental homes, either. Based on data from the City of Toronto, Ontario’s own Housing Affordability Taskforce estimates that 70 per cent of land zoned for housing is restricted to single-detached or semi-detached homes.

While the spirit behind Bill 109 aims to expedite processes in the delivery and construction of housing to address supply-side factors contributing to housing affordability, we are concerned that it won’t do much to build more affordable housing at the rate of need.

We also note that in some cases, Bill 109 could exacerbate pressures faced by municipalities, and has the potential to add more barriers to the appropriate development of supply.

For example, Schedules 1 and 5 of the bill propose amendments to the *City of Toronto Act*, 2006, as well as the *Planning Act*, that would require municipalities to refund a proportion of site plan control application fees if a decision is not made within certain timelines. Similar changes are being proposed regarding amendments to the *Planning Act* for zoning application fees.

While we understand the impetus behind these proposed changes, if passed, they would create additional rules for municipalities to follow when making important decisions on housing. They would also reinforce the idea that housing is a simple product or service for which the customer can get their money back if not delivered on time. The housing system is complex, and development solutions shouldn't be merely transactional. This reduces housing to a commodity, rather than a human right that helps to ensure that people live with dignity.

To this end, we would like to remind the Committee of the government's responsibility under Canada's *National Housing Strategy Act*, 2019. The Act recognizes that the right to adequate housing is a fundamental human right to be achieved through progressive realization. Progressive realization means taking measures to fully realize the right to housing to the maximum of available resources, including legislative measures.

Under the bilateral housing agreement between the Ontario government and the Canada Mortgage and Housing Corporation, Ontario agreed to create an action plan that would speak to the federal human rights-based approach to housing. Unfortunately, Bill 109 as written falls short in meeting this obligation.

With this in mind, we recommend the following changes to Bill 109 for the Committee's consideration:

1. First, we ask to add a clause that recognizes the right to adequate housing as a fundamental human right. This means focusing on those in greatest need. Moreover, consideration should be given to including principles that should be followed as part of this bill to help ensure progressive realization.
2. Second, while we recognize that Bill 109 is the first phase of the province's housing plan, and that affordable housing was out of scope of this initial review, we recommend prioritizing the review of the Housing Affordability Taskforce's recommendations to improve density and affordability in housing. This could include:
 - a. Permitting multi-tenant housing province-wide and conversion of commercial properties for residential use; or
 - b. Developing a fund for the creation of affordable housing units, such as an Affordable Housing Trust.

3. Lastly, we suggest taking a more holistic view of Bill 109 to ensure that its proposals address the full scale of the housing affordability problem. We also recommend examining how the proposed amendments align with other components of the More Homes for Everyone plan, particularly those related to the Community Housing Renewal Strategy. This strategy and associated changes to the *Housing Services Act, 2011* impact those most in need, and it is important that housing affordability challenges be considered collectively. In addition, with this holistic view in mind, we recommend considering how the proposed amendments work together with municipal processes so that they do not add more pressure or barriers to local decision-making.

In closing, we would like to thank the Committee for the opportunity to share our thoughts on Bill 109, the *More Homes for Everyone Act, 2022*. We welcome any questions and comments that the Committee may have.