

The social and  
economic impact  
of the  
*Accès-Logis*  
program  
in Québec



# Program origins



# 1994

**The federal government eliminates  
direct support programs for  
social housing development.**



# As of 1994, community groups mobilize in support of a Québec program for social housing.

In 1996, the government convenes the **Conference on the Course of Social and Economic Change in Québec** then the **Summit Conference on the Economy and Employment** that brings together representatives of the government, opposition parties, business, unions, the education sector, the women's movement, student associations

and, for the first time in this type of conference, community organizations and advocacy groups.



**Several core policies and programs arise from these meetings, inspired by the social struggles that preceded them:**

- Universal daycare program
- Chantier de l'économie sociale (network of social economy groups)
- *The Cooperatives Act*
- **Pilot project for a construction program for 1,200 social housing units**



# 1997

Creation of the  
*Accès-Logis* program  
with a 5-year commitment.

The most notable feature of the program was that its development was strongly influenced by its community and social-economy partners.



# Project financing of social housing in *Accès-Logis*

**50% of the financing via a contribution from the  
Société d'habitation du Québec** (mortgage on building)

**15% contribution from the community** (city)  
(land, tax holiday, fundraising)

**35% through a mortgage**  
35-year term, repaid from rent revenues from tenants



# In addition:

**Support for 20% to 50% of tenants to cover the difference in rental costs**  
(the difference between 25% of income and the median rent).

**For other households, the rent is set at 95% of the median rent**  
(in Year 1 of the project).



# Since 1997

Other 5-year and annual programs  
were announced.

March 2014: 26,829 units delivered

March 2017: 13,000 units budgeted

**14,000 households**

receive a **rent supplement (PSL)**

to ensure they spend no more than 25% of their income on lodging.



# Social and economic impact of the *Accès-Logis* program

## The main study

was conducted by **AECOM** under a **mandate from the SHQ** and published in September 2011.



# 3 main effects:

Tenants' disposable incomes

The impact of the program on  
other government programs

Impact on state revenues  
and on employment



Tenants benefitting from  
**a rent supplement (PSL):**

**\$1,800** in additional disposable income

**17% more** in their grocery baskets

**20% more** in clothing

**29% more** for transportation



# For a 30-unit housing project

on the South Shore of Montréal, in the suburbs, the project would provide:

Disposable revenue for the 30 households	Average per household
<b>\$105,108.00</b>	<b>\$3,503.60</b>

Total without PSL	Average	Total with PSL	Average
<b>\$66,576.00</b>	<b>\$5,121.23</b>	<b>\$38,532.00</b>	<b>\$266.59</b>

Cost to the state for **real-estate financing and PSL**  
**\$90,000 per year**



# Other key project data

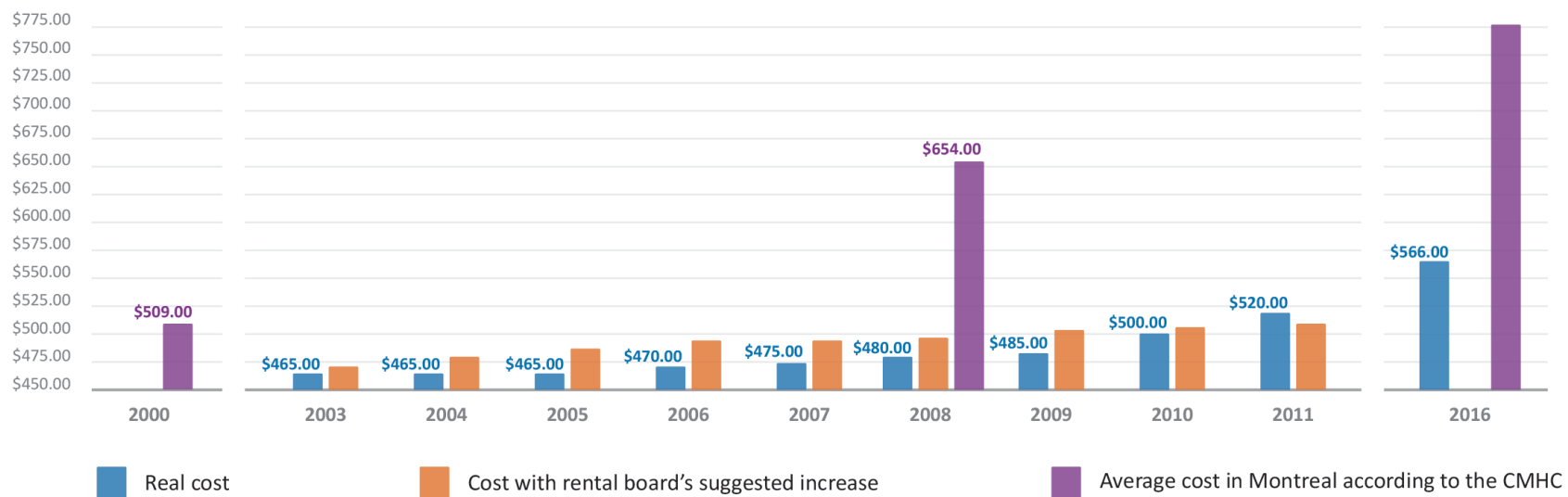
Rooms	Project cost for this lodging	Median cost on the private market
3	\$435.00	\$627.00
4	\$596.00	\$731.00
5	\$654.00	\$865.00
6	\$855.00	\$1,136.00

7 households, mainly large families, would have had to **spend between 126% and 192% of their income for lodging on the private market.**



# Rental costs in an *Accès-Logis* project constructed in 1997 vs. the private market

Average cost of a 2-bedrooms apartment in a 16-unit ACL housing project from 1997





# Impact on the cost of other Québec government programs and services

The cost reductions for health and social services would finance 100% of program costs and provide additional cost savings (net benefit) of:

- **\$103 million in reduced costs** for healthcare and housing of senior citizens
- **\$15 million in reduced costs** for healthcare and housing of persons with disabilities
- **\$9 million in reduced costs** for healthcare and housing of people with mental health issues
- **\$2 million in reduced costs** for the support of homeless persons



# Impact on the Québec economy

The annual **\$1.4 billion** in subsidies from the SHQ  
creates an economic injection of **\$2.3 billion**.

**10% of the hours worked** in residential construction  
can be attributed to SHQ interventions.

SHQ activities generate  
a total of **13,758 jobs**.



# Impact on the Québec economy

Annual SHQ activities  
create **\$1.027 billion in wealth in Québec**,  
the equivalent of **3.7% of Québec's GDP**.

These activities bring in  
**\$257 million in tax revenues**  
for the **Québec government**.



# Access to employment for tenants

In a cohort of households that had access to social housing with rent supplements in 2000, the share of employment income in these households increased from **33% to 50% by 2010**, demonstrating that housing stability has a significant impact on access to employment for the most disadvantaged.



# Impact on housing affordability for Québec households in the *Accès-Logis* program

Households paying 30% or more	2006	2011
Quebec	<b>448 841</b> (35.6%)	<b>479 750</b> (36.8%)
Canada	<b>1 546 985</b> (40.3%)	<b>1 622 700</b> (40.1%)
Households paying 50% or more		
Quebec	<b>203 085</b> (16.1%)	<b>227 835</b> (17.5%)
Canada	<b>697 405</b> (18.6%)	<b>773 555</b> (19.1%)
Households paying 80% or more		
Quebec	<b>87 075</b> (6.9%)	<b>108 475</b> (8.3%)
Canada	<b>319 185</b> (8.3%)	<b>382 590</b> (9.5%)



Average rent according to CMCH (2 rooms)	2008	2016	Increase % 2008 - 2016
Montreal (CMA)	\$654	\$778	19%
Quebec (CMA)	\$597	\$719	20%
Halifax (CMA)	\$771	\$951	23%
Toronto (CMA)	\$1,023	\$1,501	47%
Regina (CMA)	\$661	\$905	37%
Calgary (CMA)	\$1,014	\$1,214	20%
Vancouver (CMA)	\$979	\$1,199	22%



# Impact on vacancy rates

Vacancy rate according to CMCH	2008	2016
Montreal (CMA)	<b>2.4 %</b>	<b>3.9 %</b>
Quebec (CMA)	<b>0.6 %</b>	<b>4.9 %</b>
Halifax (CMA)	<b>3.4 %</b>	<b>2.6 %</b>
Toronto (CMA)	<b>2.0 %</b>	<b>1.3 %</b>
Regina (CMA)	<b>0.5 %</b>	<b>5.5 %</b>
Calgary (CMA)	<b>0.5 %</b>	<b>7.0 %</b>
Vancouver (CMA)	<b>0.5 %</b>	<b>0.7 %</b>



# Social housing projects create collective wealth

In 2014, the Réseau québécois des OSBL d'habitation conducted a study of the financial status of non-profit housing organizations.

The study revealed that these organizations hold **\$5 billion in collective real-estate holdings**, including **2.5 billion in net assets**.