

4 February 2022

The Honourable Chrystia Freeland, PC, MP Deputy Prime Minister and Minister of Finance House of Commons Ottawa, ON K1A 0A6

Re: 2022 Pre-Budget Submission

Dear Minister Freeland,

The Indigenous Caucus of the Canadian Housing and Renewal Association (CHRA) is pleased to share its 2022 Federal Pre-Budget Submission with you. Established in 2013, the CHRA Indigenous Caucus is the common voice of Indigenous housing providers across Canada. Our caucus was created in recognition of the large number of Indigenous-led and Indigenous-serving organizations who desired the opportunity to work together for better housing for northern, rural, and urban First Nations, Métis, and Inuit Peoples.

Housing forms the foundation for vibrant Indigenous communities and remains a positive determinant of health and wellbeing, education, early childhood development, as well as meaningful and rewarding employment. For years, our membership has urged the federal government to move forward on implementing housing strategies anchored in true reconciliation, which includes acknowledging, respecting, and addressing the housing needs of Indigenous households. Our caucus brings decades of experience in developing innovative and sustainable housing for our communities. We wish to use this expertise to support the Government of Canada in its efforts to develop a housing strategy for Indigenous Peoples living in urban, rural, and northern regions in Canada. We believe that in order to reach our shared goals, the CHRA Indigenous Caucus and the Government of Canada must work together.

I am pleased to table two recommendations on behalf of the CHRA Indigenous Caucus for your consideration. The CHRA Indigenous Caucus recommends that the Government of Canada:

- 1. Deliver on its promise to co-develop and fund an Urban, Rural, and Northern Indigenous Housing Strategy that would result in the creation of 73,000 new units of Indigenous Housing over 10 years.
- 2. Leverage the Indigenous Caucus' unique expertise to support the creation and implementation of this plan.



<u>Recommendation 1:</u> That the Government of Canada deliver on its promise to co-develop and fund an Urban, Rural, and Northern Indigenous Housing Strategy that would result in the creation of 73,000 new units of Indigenous Housing over 10 years.

To demonstrate the costs of addressing core housing needs for Indigenous households in urban, rural, and northern regions, data and analysis produced for the Ontario Non-Profit Housing Association and its Urban Aboriginal Housing Advisory Committee were extrapolated and then included in a 2018 *"For Indigenous, By Indigenous"* (FIBI) National Housing Strategy.

To support those in need of affordable housing, Canada would require over 73,000 new units of Indigenous housing per year for ten years. Construction associated with this housing requirement would create 313,500 jobs, add \$12.5 billion to provincial economies, and create savings of over \$47 billion dollars across the country.

Operating on widely understood assumptions regarding current distributions of Indigenous housing units across Canada, the 73,000 units could be distributed using a geographic approach which ensures equity in dissemination. The assumptions are informed by the Canadian Housing and Renewal Association's 2019 Study on Urban, Rural, and Northern Housing that discovered 65 percent of housing providers exist in urban centres, 25 percent in rural areas, and 10 percent in Northern communities. A much more comprehensive needs-based assessment would need to be conducted to ensure distribution equity, particularly for Northern communities.

This would be done at the average cost per unit of \$330,000 dollars. Using this as a base assumption, it works out to a cost of approximately \$25 billion for 73,000 units, or an average annual investment of \$2.5 billion. Over the lifetime of this project, the plan will generate 184,890 construction jobs (18,489 jobs per year based on 10 years of sustained funding). This is based on Ontario industry ratios where \$180,000 in spending is equivalent to one FTE construction job. The \$25 billion spend on construction will generate a boost of \$12.5 billion to provincial economies, and this is based on an economic multiplier of 1.52 of net spend. Further to this, jobs in similar sectors should also see additional growth of 101,925. In total, the investment could create almost 300,000 jobs.

The clear benefit for communities is the increase in spin-off spending. As housing becomes more affordable, tenants spend more in their local communities which drives economic development. Increased economic development means more jobs, both during the construction phase and in maintenance and long-term service.



In mandate letters addressed to the Minister of Housing and Diversity and Inclusion, and the Minister of Northern Affairs, the Government of Canada emphasized their desire to work alongside Indigenous partners to "co-develop an Urban, Rural and Northern Indigenous Housing Strategy, a stand-alone companion to the National Housing Strategy." We applaud this first step; however, we are asking that the federal government build on this progress. Funding must be allocated in Budget 2022 to ensure the federal government adequately and promptly meet the dire housing needs of Indigenous Peoples. Therefore, we are recommending that the Government of Canada deliver on its promise to co-develop and fund an Urban, Rural, and Northern Indigenous Housing Strategy.

<u>Recommendation 2:</u> That the Government of Canada leverage the Indigenous Caucus' unique expertise in supporting the creation and implementation of this plan.

The CHRA Indigenous Caucus is the national and principal body for Urban, Rural and Northern Indigenous housing providers from across Canada. We represent housing and homelessness service providers who offer housing and support services to Indigenous families and individuals who do not live on reserve lands but who live in the urban, rural, and northern regions of the country.

Our Indigenous housing providers have a proud 45-year history and expertise delivering housing and support services to tens of thousands of Indigenous households, many of whom are femaleled. Providers own housing assets valued in the billions of dollars and are uniquely positioned to work with the Federal Government to retain and greatly expand the stock of non-profit Indigenous housing.

In these areas, "urban native" and "rural and native" housing providers have housed and supported Indigenous Peoples regardless of their ancestry, origin or nation. Urban native housing providers already serve households in need from First Nation, Métis, and Inuit backgrounds. This rich tradition of serving Indigenous People in need of housing inclusive of all backgrounds is the foundation upon which this Strategy should be built.



This is a once-in-a-lifetime opportunity to create generational change for Indigenous peoples across Canada. The Government of Canada has made great strides in addressing the unique housing needs our communities face. We hope you continue these efforts as they will undoubtedly lead to generational change for Indigenous peoples across the country. We value further engagement on this effort and welcome any questions you may have for us.

We thank the Government of Canada for their consideration of our submission for Budget 2022 and invite you to reach out to discuss our submission in greater detail.

Sincerely,

Justin Marchand, CPA, CMA, CIHCM |

Chair of Canadian Housing and Renewal Association's Indigenous Caucus I

Chief Executive Officer of Ontario Aboriginal Housing Services

- cc. Hon. Minister Ahmed Hussen Minister of Housing and Diversity and Inclusion
- cc. Hon. Dan Vandal, Minister of Northern Affairs