



## Laurie Needs Affordable Housing

In the coming weeks, the Caledon Institute will be issuing the *Welfare Incomes* report for 2012. The calculations in the report make clear – with just a few exceptions – that welfare incomes for four sample household types fall below all major comparators, including the low income cut-offs (LICOs), the market basket measure (MBM), after-tax average incomes and after-tax median incomes.

The two poverty measures employed in the report are crucial standards for assessing the adequacy of welfare incomes. They provide vital barometers as to whether welfare recipients have sufficient income, on the whole, to meet their basic needs. They don't.

The *Welfare Incomes* reports that have been published over the years itemize the various components of those incomes – notably social assistance as well as federal and provincial/territorial benefits and tax

credits. However, the figures do not break down the welfare component, in particular, into its constituent parts.

The calculations do not assess, for example, the amount allocated for food relative to a nutritious food budget for a family of a given size. Neither do the figures look at the sufficiency of housing allowances – though these are supposed to be pegged, at least in theory, to rental costs in the local market. The 'theory' refers to the fact that, while rents and associated housing costs continue to rise, welfare budgets have generally stayed the same.

We know anecdotally through powerful stories that it is becoming increasingly difficult for welfare recipients to cope. The shelter allowances within welfare allocations have not kept pace with market rents, particularly in larger centres in the country. Here is just one example of those powerful stories.

Laurie, a resident of Calgary, recently sent this email to the Caledon Institute. She cannot manage on the housing budget provided by welfare even though she is on the Assured Income for the Severely Handicapped (AISH) program. AISH pays higher benefits than the regular welfare stream in Alberta.

Laurie is not alone in her desperate need for affordable housing. She is speaking on behalf of hundreds of thousands of Canadians in a similar difficult position.

I am a 54-year-old lady on permanent disability. I have problems with pain management. I have been out of the work force for 10 years. My disability income is low – not enough for me to keep living in Calgary.

I have a difficult time keeping up with rent inflation in this city where rents keep rising. I am living more poorly than ever before. I cannot keep up with the high cost of rent and there are virtually no vacancies here. I am forced to keep paying for rent increases until I can't afford them any more and have to make the choice to move to poverty.

If you are trying to get rid of poverty, how about putting a ceiling on our rents? They say it is because of the flooding that costs have to increase. I do not think our politicians can say that.

I would like to see relief for the rent charged to people with disabilities. I live with my husband and he carries the bill-paying load. I think he needs some kind of subsidy for looking after me and working and trying to keep the roof over our head.

We need advice about what to do. Is there compensation to our

landlord for our rent if I am on disability? If so, how do I apply for it and where do I go? I am so desperate that we have to go to the food bank for our food now.

I did not ask to be disabled. I was a hard-working citizen for 35 years in the provincial government and paid my share of taxes. I need this story to be heard.

Please help.

We are trying to help – by telling Laurie's story. But story-telling is only the first step.

More significant are the actions that governments take, as soon as possible, to tackle the affordable housing problem. Ottawa needs to step up to the plate in terms of leadership and investment in this national problem. Provinces and territories, in turn, need to commit to a combination of the following actions, which enhance the ability of renters to pay for housing and increase the availability of affordable housing:

- boost and index the shelter allowance component of welfare benefits
- pay a housing supplement to landlords that offer affordable housing rentals and/or to all low-income households, including welfare recipients
- enhance the supply of affordable housing.

A combination of actions is required because the problem of affordable housing is so deep and widespread. But some of these measures, particularly in terms of the supply of affordable housing, will take time to put in place.

Unfortunately, Laurie and the hundreds of thousands of Canadians she represents can't wait for the long-term solutions. An increased housing allowance would provide some desperately-needed help – right now.

*Sherri Torjman and Ken Battle*

Copyright © 2013 by  
Caledon Institute of Social Policy

1354 Wellington Street West, 3<sup>rd</sup> Floor  
Ottawa, ON K1Y 3C3  
CANADA

Tel/Fax: (613) 729-3340

E-mail: [caledon@caledoninst.org](mailto:caledon@caledoninst.org)

Website: [www.caledoninst.org](http://www.caledoninst.org)