



Making demand-side housing support work better for people

Why income support is good housing policy

The problem

Too many people in Canada are struggling to find or keep their home – not because they aren't trying, but because our housing and income support systems are letting them down. For people receiving social assistance, the numbers just don't add up. Despite billions in public spending, many are left in deep poverty and are either unhoused or at risk of homelessness.

This fact sheet highlights key insights from *Why income support is good housing policy: A new case for a permanent housing benefit in Canada*, exploring why stronger income supports are an essential part of housing policy for people in need.

Read the full report: <https://bit.ly/455jTha>.

Social assistance is the main demand-side housing support for people with low incomes

Provincial and territorial social assistance programs are supposed to help working-age people with low incomes afford necessities, including housing. In Ontario, financial assistance from Ontario Works and the Ontario Disability Support Program accounted for nearly \$8.8 billion in government spending in 2023-24,¹ supporting about one million people.²

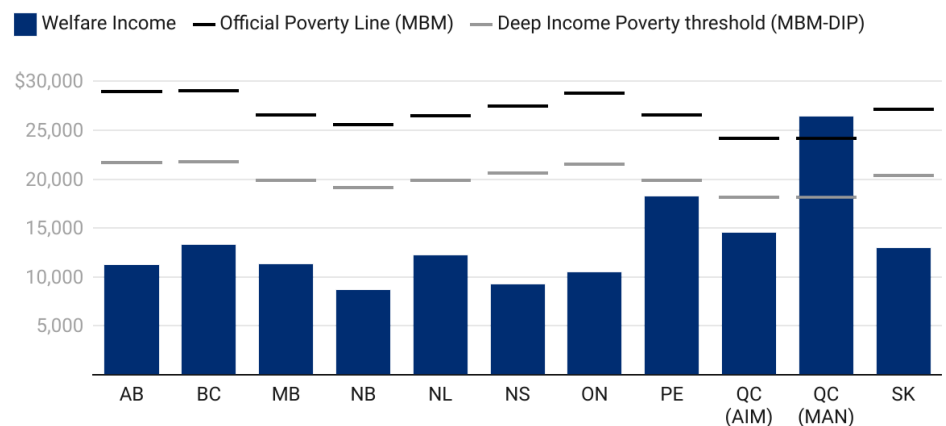
Yet most recipients live in deep poverty.³ In nine of thirteen jurisdictions in Canada, social assistance benefits don't keep up with inflation. Even when

combined with tax credits and other supports, benefits fall far short of what's needed to afford a safe, stable place to live.

In March 2025, a single person accessing Ontario Works received up to \$733 per month at a maximum. The average rent for a one-bedroom unit? \$2,110.⁴

About 8 per cent of Ontario Works individuals and families are unhoused, a number that has doubled in recent years.⁵ Perversely, unhoused recipients are denied the Ontario Works shelter allowance.

Adequacy of total welfare incomes for example unattached singles in each province, 2023



Note: AIM refers to Quebec's Aim for Employment program. MAN refers to Quebec's Manpower Training measure.

Other income supports are struggling to fill in the gaps

Programs like the Canada Housing Benefit (CHB) are designed to bridge the gap for lower-income people between rent and what they can afford, based on income. While a step in the right direction, the CHB has several challenges:

- It's set to expire in 2029.
- It's typically for renters in the private market and can't be combined with other supports.
- It's underfunded and oversubscribed.
- Eligibility rules can be restrictive, vary by region, and outcomes are not always clear.

Manitoba's Rent Assist offers another example. It supports people with low incomes who rent in the private market – whether or not they receive social assistance – by helping cover a portion of rent. While Rent Assist is promising, it could be improved. For example, the benefit has been shown to help with housing costs and well-being, but the amount is still too low. Awareness of the program for people who do not receive social assistance is also limited.⁶

Integrating demand-side housing supports should be the priority

Demand-side housing supports, like social assistance and the CHB, operate in a piecemeal fashion, contributing to a system of unpredictable, inequitable, and inadequate benefits. We need a new and permanent benefit that integrates into our housing and income support systems.

This new benefit should:

- Support new or existing renters with low incomes;
- Be developed, funded, and delivered across governments, leveraging each of their unique capacities; and
- Use human rights principles to guide its design and accountability structure, recognizing that the right to adequate housing is a fundamental human right.

We have the tools, examples, and resources necessary to create a demand-side housing benefit that works better for the people who need it most. What we need now is to act.

1 Ontario Treasury Board Secretariat. (2024). *Public Accounts of Ontario: Ministry Statements and Schedules 2023-2024*. <https://www.ontario.ca/files/2024-09/tbs-public-accounts-2023-24-ministry-statements-and-schedules-en-2024-09-17.pdf>.

2 Tabbara, M. (2024). *Social Assistance Summaries, 2023*. Maytree. <https://maytree.com/wp-content/uploads/Social-Assistance-Summaries-2023.pdf>.

3 Laidley, J. & Tabbara, M. (2024). *Welfare in Canada, 2023*. Maytree. https://maytree.com/wp-content/uploads/Welfare_in_Canada_2023.pdf.

4 Rentals.ca. (2025). *April 2025 Rentals.ca Report*. <https://rentals.ca/national-rent-report>.

5 Pinkerton, C., & Hauen, J. (2024). Number of homeless OW, ODSP recipients has almost doubled in two years: government data. *The Trillium*. <https://www.thetrillium.ca/news/social-services-and-society/number-of-homeless-ow-odsp-recipients-has-almost-doubled-in-two-years-governmentdata-9577826>.

6 Cooper, S., Hajer, J., & Plaut, S. (2020). *Assisting Renters: Manitoba's Rent Assist in the Context of Canada's National Housing Strategy*. Canadian Centre for Policy Alternatives. <https://www.policyalternatives.ca/wp-content/uploads/attachments/Assisting%20Renters.pdf>.