

**CANADIAN FEDERATION OF APARTMENT ASSOCIATIONS -
Federation Canadienne Des Associations De Proprietaires Immobiliers**

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For immediate release**

Great win for low-income renters and for taxpayers

The CFAA applauds Housing Minister Fontana's announcement that federal housing money may now be used to supplement rents, rather than being limited to the construction of new social housing. "This will represent a huge win for low-income renters and for Canadian taxpayers too", says John Dickie, President of the Canadian Federation of Apartment Associations.

Whether in the form of rent supplements or portable housing allowances, direct assistance to low-income renters is the single most cost-effective way to reduce housing affordability problems. When they use the existing stock of private rental homes (often 10 or 20 or 30 years old), government programs avoid the high costs that come with building brand-new social housing.

Studies show that for the cost of building and subsidizing one new "affordable" social housing unit, the government can give long-term, effective help to between two and eight families through rent supplements or portable housing allowances.

Portable housing allowances allow renters to choose the accommodation that best suits them and their needs and budget. That may be right where they live now, since between 75% and 92% of so-called housing problems are only due to the gap between renters' current housing costs and 30% of their income, rather than anything to do with the housing itself, such as unit size or quality.

Portable housing allowances can also help break the cycle of poverty because low income earners can move to where work (or better work) is available, rather than being forced to stay in their current social housing unit in order to keep their housing benefit.

In the upcoming budget, we look forward to the government implementing the Liberal Party's campaign promise of \$1.5B for housing assistance over the next 5 years. By supplementing rents, housing assistance can be given quickly and effectively to many more people who need the help, at the same cost to the Canadian taxpayer.

The CFAA applauds the federal government's decision to allow its housing money to be used to supplement rents. We urge provinces and municipalities to take full advantage of the new opportunities to provide quick and cost-effective help to low-income renters. "This is the win-win approach to dealing with the housing affordability problem," says John Dickie, President of the CFAA.

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