

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

**February 24, 2005
For immediate release**

Further wait for low-income renters

The CFAA regrets that the \$1.5 billion promised for housing in the Liberal election platform was not earmarked in yesterday's federal budget. "Too many tenants do not earn enough income to pay for their rent and other necessities too. Through our government, Canadians need to provide low-income citizens with assistance that is immediate and cost-effective," says John Dickie, President of the CFAA.

The CFAA applauds the announcement that current federal housing money may now be used to supplement rents, rather than being limited to the construction of new social housing.

The CFAA is a strong proponent of government putting money towards direct assistance to low-income renters rather than building new social housing units, and encourages the Federal Government to allocate federal housing money in the 2006 budget for such assistance.

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.

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.

In the 2006 budget, we look forward to the government implementing the Liberal Party's campaign promise of \$1.5B for housing assistance over the 4 years starting then. 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. "That is the win-win approach to dealing with the housing affordability problem," says John Dickie, President of the CFAA.

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