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Chair: Mr. Sean Casey



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• (1535)
[English]

The Chair (Mr. Sean Casey (Charlottetown, Lib.)): I call this meeting to order.

Welcome to meeting number 15 of the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities.

Today's meeting is taking place in a hybrid format, pursuant to the House order of January 25, 2021, and the proceedings will be made available via the House of Commons website. The webcast will always show the person speaking, rather than the entirety of the committee.

I'm going to dispense with the other standard format directions that we normally give at the start of a meeting, because every single person here has heard them many times before.

Pursuant to Standing Order 108(2) and the motion adopted by the committee on Wednesday, October 28, 2020, the committee will commence its study of the rapid housing initiative. The study will examine all aspects of the proposed program, with specific focus paid to the number and location of units acquired.

I welcome our witness, Adam Vaughan, Parliamentary Secretary to the Minister of Families, Children and Social Development, for housing, to begin our discussion with five minutes of opening remarks followed by questions.

Parliamentary Secretary Vaughan, you have the floor.

Mr. Adam Vaughan (Parliamentary Secretary to the Minister of Families, Children and Social Development (Housing)): Thank you very much.

I'm appearing here in part because the minister whom I committed to try to get to this meeting unfortunately has a COVID committee meeting and is also helping to initiate and start the new housing council as part of the national housing strategy. Also, with Black History Month, he has multiple bookings. I really do apologize, but I have worked very closely with him to develop this policy and deliver it, and I hope there are no questions you ask me that I won't be able to provide an answer to. Luckily, that very mischievous member from Spadina—Fort York isn't here to cause me trouble, so I'm in good shape on that front.

First of all, I would like to acknowledge that I am speaking to you from the territory of the Mississaugas of the Credit, who hold the treaty on this land, but it's also the traditional territory of the Haudenosaunee Confederacy and the Huron-Wendat. From across

Turtle Island, and now in fact from around the world, it has been a gathering place for many people from many nations for generations.

We are now in to the 11th month of the pandemic, and to understand where rapid housing fits in to our response to homelessness during the pandemic we need to turn the clock back to almost a year ago when we realized the scale and the absolute devastating impact COVID-19 presented, both as a possible risk and, in fact, for too many Canadians, a reality, in terms of loss of life and hardship that have flowed from this unprecedented historic pandemic.

We immediately understood the impact on vulnerable populations. Especially as we watched COVID surface in Europe and in New York City in particular, we saw the impact it was having on homeless populations, people in precarious housing, people sleeping rough, and a whole series of populations that didn't have secure housing. We knew that we were going to have to act quickly because housing was effectively the medicine that was being prescribed to people. It was one thing to be told to stay home, but if you didn't have a home, that was medical advice that you just wouldn't be able to follow. What we immediately did was to work on the existing programs to see where they could be fortified, and this is the groundwork that, as I said, led to the rapid housing initiative.

Immediately, we more than doubled the resources for Reaching Home and removed many of the rules and restrictions and regulations to allow local communities to respond to COVID with as much flexibility and force as possible. We also then set up a stakeholder meeting, which we have been holding on a regular basis since, with our Reaching Home partners. Reaching Home, of course, is the housing program that addresses homelessness in the federal national housing strategy.

On top of that we've also been working on a weekly basis with the Canadian Alliance to End Homelessness to talk to front-line workers to take a look at the research and the data they've been calling in to make sure that not only are the Reaching Home dollars working hard, but also that for housing solutions that were coming forward and being proposed for isolation, for safety reasons, for medical treatment, for people with addictions in particular who are difficult to isolate, we started marshal resources immediately as the pandemic seemed to project a longer and longer timeline into the future. Work on the rapid housing initiative actually started last March. It took us time to understand what the sector was asking of us, how the sector was responding, how different cities and different communities were responding, and we built the rapid housing initiative around the front-line experience of many of these organizations.

We also know that precarious populations, or populations that live in precarious environments, such as indigenous communities in urban settings, and also racialized communities, which were also going to be impacted differently. In response to this, we made a call to our partners through the Reaching Home network, in the indigenous, northern, rural and the designated community stream, to show us what they would acquire quickly, if they could, to help address COVID in an emergency response, but also not just to flow dollars through these communities to deal with COVID, but if there were a way we could pool those dollars to create permanent solutions to homelessness as we addressed the COVID crisis.

In fact, we got a very strong response from different corners of the country and with that data went back to CMHC and budget in the summertime and working with the FCM, the Federation of Canadian Municipalities, and in particular the Big City Mayors' Caucus, where homelessness tends to have the highest impact and the largest municipal exposure, as well as our provincial-territorial-indigenous government counterparts, and we came forward with a program to do a couple of things.

One was to bolster and reinvest in Reaching Home, and \$236.7 million was announced in the fall as additional dollars for this year. Moreover, in the fall economic statement an additional \$299 million was forecast for the next year as a starting point so that the system would know what was coming from the federal government to help them plan and coordinate their communities' response to homelessness.

Second, we could see, certainly in major cities, that renting hotels was becoming extraordinarily expensive, costing up to \$3,000 a month in some cases, which could actually buy you a condominium in Toronto or Vancouver. We thought these dollars could be better spent acquiring those properties and acquiring distressed assets and building modular housing, as opposed to simply renting emergency temporary shelter. We formulated a program. We—the minister and I—moved it through cabinet and in September launched the rapid housing initiative. It's a billion-dollar initiative. The funds are forecast to be expended by March 31.

• (1540)

Based on research we had done, we broke it into two streams.

One was the designated community stream, in which there are 15 major centres. CMHC is with me today and they can break down for you some of the formulas that were used.

The second stream was on a project-by-project application basis and is open to all communities right across Canada, including indigenous-led housing programs and indigenous-led programs that are on reserves. There was a wide open throw that included all major housing systems and all major providers to try to get to the rapid housing initiative.

To date, we have closed the application process, but I can tell you that for the major city streams, there are a couple of cities where we are just finalizing details of the transfer agreements, but the properties have been more or less secured. To date, we have executed the city stream. Almost every city now has an agreement in place. In Toronto, for example, their \$203.3 million will secure 540 units of housing, some of it modular and some of acquired. Again, the details are for CMHC to share with you.

Even in Montreal and Quebec—

The Chair: I'll get you to wrap it up, please, Mr. Vaughan.

Mr. Adam Vaughan: —we've also had success. The city stream is out the door.

We are in the process of finalizing the applications that have been submitted through the project stream. There has been a significant oversubscription on that program, which is good news, because we expect to have a second chapter to this program. Those are to be announced in the coming days and weeks as we move through to execute the second part of the strategy, but we expect to be able to meet the deadlines.

With that, I'll leave it to my colleagues from CMHC to provide further details and turn it back to the chair.

The Chair: Thank you, Mr. Vaughan.

We're going to start off with Mr. Vis for six minutes, please.

Mr. Vis, you have the floor.

Mr. Brad Vis (Mission—Matsqui—Fraser Canyon, CPC): Thank you, Chair, and thank you, Parliamentary Secretary Vaughan, for your opening testimony today.

Just as a point of clarification, how many projects that we know of so far under the major city stream were truly distressed assets purchased or were agreed to be purchased by the major municipalities under RHI for affordable housing? How many of the projects were either new or co-op existing projects? In other words, were these funds just put toward other housing projects?

Mr. Adam Vaughan: CMHC may have more of those details, but it has been a blend of what we would call “distressed assets” or assets that have residential capacity but weren’t residential. Think of a hotel, a motel or a closed student residence and that sort of thing.

The second part of it has been a conversion of commercial space to residential. Think of an office block that could be converted. There has been modular housing as well, but CMHC has more detail on a city-by-city basis.

Mr. Brad Vis: If CMHC could provide that after our meeting today, that would be very helpful.

As you described, this was part of the government’s response to COVID-19. It’s clear that under the rapid housing initiative, we’ve seen some results, and I’m looking forward to hearing about how many people have already been housed under the program or will soon be housed.

Do you believe that the need for the rapid housing initiative is a result of the fact that the co-investment fund, as we’ve heard from so many people in our committee, hasn’t been working up to expectations?

Mr. Adam Vaughan: No. The co-investment fund is actually over-performing, and we’ve heard testimony before from CMHC on how we’ve compressed the turnaround times. It was a program that was launched from a dead start, because there wasn’t a housing strategy in place when we took office in 2015.

The rapid housing initiative seeks to build a different kind of housing. The co-investment fund does not in and of itself create deeply affordable housing. Housing requires you to buy land in the market and to buy materials and labour in the market, and there, to get it down to deeply affordable, you need government subsidies. There are no two ways about it.

In this particular case, the hardest to house, that particular population—the chronically homeless in particular, but people who are sleeping rough, in the shelter system or couch surfing, otherwise known within the sector as the “invisible homeless”—has never really had a focused intentional policy aimed at driving those numbers down in specific ways. What Reaching Home does is that it transfers people to that housing system. You need a housing system to transfer them to and house them—

● (1545)

Mr. Brad Vis: That’s a fair point.

I’m going to cut you off.

Mr. Adam Vaughan: This is intentional on the lowest income, hardest to house.

The Chair: Thank you, Mr. Vaughan.

Go ahead, Mr. Vis.

Mr. Brad Vis: Okay, that proves my point, that probably from what we’re hearing from stakeholders, what you’re hearing and I’m hearing, the co-investment fund wasn’t flexible enough, that it wasn’t responding—

Mr. Adam Vaughan: I disagree.

Mr. Brad Vis: —to all of the needs according to the criteria set out on the CMHC website.

Mr. Adam Vaughan: No, I disagree with you. That statement—

Mr. Brad Vis: Okay, but I’m not asking you to comment on that. I’m just going to go to my next question.

According to CMHC’s press release today, British Columbia, Saskatchewan, New Brunswick, Prince Edward Island, Newfoundland and Labrador, and the territories have yet to receive funding per the announcements outside of the major streams. When will we see announcements in these provinces?

Mr. Adam Vaughan: As the program says, it will have the dollars out the door and the projects established by March 31. Between now and then, we will have announcements in, hopefully, all of those jurisdictions and right across the country. I can’t comment on which ones specifically, but the entire \$500 million in the projects stream, which will be distributed more widely, will hit those communities.

Mr. Brad Vis: Thank you.

How many recipients are double-dipping? How many from the major cities stream have also applied to receive funding under the projects stream?

Mr. Adam Vaughan: Well, I wouldn’t call it double-dipping; it’s flexibility built into the system to move the resources to where they’re going to have the biggest impact. We are currently evaluating and assessing the applications to make sure they’re compliant with the program, and as the programs stream moves forward, we’ll know.

What we have to understand is that homelessness is not distributed across the country on a per capita basis. The point-in-time count shows concentrations that need to be addressed.

Mr. Brad Vis: Thank you.

We do know in the north, for example, that homelessness or people couch-surfing, as you mentioned earlier, is a very big problem, yet I’m perplexed why Iqaluit, Whitehorse and Yellowknife were not part of the initial tranche of funding.

Can you provide an explanation for that?

Mr. Adam Vaughan: Sure. The 15 cities were chosen because of the extraordinarily high populations of people in distress.

For example, in my riding alone, there are 15 parks with encampments of over 30 people in each of them who are currently sleeping in tents in downtown Toronto.

That situation is replicating itself right across the country, so there is an asymmetrical or a non-proportional distribution of people in extreme housing need that presents a clear and present danger, where high levels of COVID are present in communities. High levels of homelessness and a lack of affordable housing are present due to market rents being beyond the reach of people on social assistance.

There are patterns of homelessness in certain parts of the country that are much more severe.

Mr. Brad Vis: Thank you. You answered my question.

To your first point about the Reaching Home resources, I will commend the federal government for doing that. Abbotsford and Chilliwack did receive funding, although a little less because it was split in half between the two communities.

I still believe we need to look at rural communities more, and the funds provided through ESDC for the rural stream, which I believe is still woefully inadequate to address indigenous rural communities and other remote parts of the country that have acute homelessness issues. What we're seeing is actually the reason the rates in major cities are so high, because people are leaving areas like the Fraser Canyon that I represent and going to Abbotsford to access resources.

Does the government have any plans in the upcoming budget to meet some of the points put forward by the National Alliance to End Rural and Remote Homelessness, to provide Reaching Home funding for remote communities?

The Chair: Mr. Vaughan, please give a short answer.

Mr. Adam Vaughan: As part of our response during COVID, we added six new communities to the designated communities stream. Those all came out of the rural community funding without taking dollars away from the rural communities, and that allowed us to serve more effectively the rural space.

The three commitments made in the throne speech and in the fall economic statement are about an urban and rural northern housing program that builds on the work our committee has been doing; secondarily, another investment into rapid housing and chronic homelessness with supportive housing; and the third part is deepening the capital commitments inside the social housing and non-profit sector within the co-investment fund to meet the full spectrum of housing challenges we face across the country.

In all three of those areas are expected new investments and additional chapters to the national housing strategy, which has gone from \$40 billion at announcement to \$70 billion as we move towards solving more housing challenges in Canada.

• (1550)

Mr. Brad Vis: Okay, and for the \$1 billion—

The Chair: Thank you, Mr. Vaughan and Mr. Vis.

Mr. Vis, you're well past time.

Mr. Brad Vis: Thank you, Chair.

That was very thoughtful. Thank you so much, sir.

The Chair: In fact, he started his answer after your time was up.

Mr. Turnbull, please. You have six minutes.

Mr. Ryan Turnbull (Whitby, Lib.): Thanks, Mr. Chair, and thanks, Mr. Vaughan, for being here.

I will start by acknowledging your depth of experience in this area and the many years you've put in on leading the national housing strategy and the incredible work that has been done to begin the process, the long process, of ending homelessness in Canada. Thank you for making time in your schedule to be here tonight.

I want to go back to something that Mr. Vis said, because he didn't give you the chance to respond and I think he drew a conclusion, perhaps, from something you said that wasn't intended by you. It had to do with the co-investment fund and the rapid housing initiative. Could you please clarify what you were about to say?

Mr. Adam Vaughan: The rapid housing initiative is aimed squarely at chronically homeless and people with the highest acuity on the street and in the shelter system. They require not just deeper forms of subsidy to make the housing affordable for them, but also the supports to live in it.

The co-investment fund is about building out the below-market, non-profit side of the housing agenda, as well as some market rents to blend neighbourhoods because we're not looking to build single-demographic scaled buildings. We like mixed buildings. We think that's the better model for housing. That's what the housing sector, cities and communities have told us.

The goal of the co-investment fund is very different from the goal of the rapid housing initiative, but you need both to solve homelessness. People, as they heal, graduate into greater self-sufficiency. They graduate into different forms of housing as their families and incomes change and their health, quite frankly, is improved. We need to make sure that every single bead on this bracelet is connected to the string and that people have the ability to make choices based on their circumstances.

While I share the frustration about how slow it's been sometimes for some applications to get through, the co-investment is a critical part of building the full continuum of housing right from shelters in the street all the way to first-time home buyers. You need to make sure that every part of that system is proportionately addressed, regionalized and made local to cities based on population and demographic data to make sure that you're addressing the full spectrum of housing needs across the country.

You will not solve homelessness with just supportive housing. You also need co-op and social housing. You also need to get people who can afford to purchase out of rental housing, so affordable market rental housing doesn't back into the other systems. I would argue that the move to end homelessness, which is the minister's initiative in this term of Parliament, is profound, but it requires a very focused, very intentional investment into supportive housing. Rapid housing is the first major step in that direction in the history of the country.

As I said, we are already working on rapid housing 2.0 and looking at how we can embed those services more strongly to make it more successful.

Mr. Ryan Turnbull: Thank you.

Just to really crisply clarify this, the rapid housing initiative is not addressing some inadequacy with the co-investment fund. It's actually targeting a different segment of the population, which is people with the most core housing need or maybe with the most complex needs.

Would you say that's true? Give just a brief answer, please.

Mr. Adam Vaughan: Yes. It's also for people who are being impacted by COVID differently because they don't have secure housing to isolate in.

Mr. Ryan Turnbull: Thanks.

The rapid housing initiative in its very title suggests that we're expediting the process. I know from my past experience that these projects can often take many years to get under way. In this case, we're expediting that process.

Can you give an example of how fast the rapid housing initiative can really address people's needs who are in that core housing need category?

Mr. Adam Vaughan: I can talk about Toronto most specifically because I've had a view to city council's work on it and the 540 units. They were part of the consultation process and had started to line up assets they were renting that they had options to purchase on. When rapid housing came in, they simply bought those units. The rent in those units went from almost \$3,000 a month down to about \$1,500 a month instead.

That has allowed the city to roll those savings into a further extension of programs and provision of service on site. It's been very much focused on those populations made vulnerable by COVID who have been subjected to decades of neglect around the absence of a supportive housing program. It set us up for much more success in the coming weeks and months.

The deployment of those dollars was virtually immediate. Within weeks of signing those agreements, cities were announcing the acquisition of assets and moving people in.

On a modular housing basis, it wasn't tied to rapid housing, but in the city of Toronto there was a six-month turnaround on two 60-unit projects from flat ground—from acquiring the property—to actually moving people in. It was done in less than six months.

That was done under the co-investment fund by coincidence, but it's the modular housing piece of this that is also showing great

promise. It is also a very good economic development tool to set up these factories in remote parts of the country to develop the rural housing program that Mr. Vis talked about.

There have been some really good findings from this that have been drawn from the quickness, but also the nimbleness of our municipal partners.

● (1555)

Mr. Ryan Turnbull: Great. It sounds like it's also more cost effective based on the remarks that you made.

Mr. Adam Vaughan: It's much more cost effective.

Mr. Ryan Turnbull: I'll move to my last question here.

You mentioned that it was oversubscribed in both streams. It's split between \$500 million for the cities initiative and then the rest of it was another \$500 million. Do you consider the fact that it's oversubscribed a sign of success? How would you define the success of the rapid housing initiative?

The Chair: Would you be brief, Mr. Vaughan.

Mr. Adam Vaughan: We have extraordinary partners in the cities and in front-line services, and they have been waiting for this kind of program for a long time.

In the city of Saskatoon, for example, we've seen four applications come forward without the city being involved, and what's clear to us is that if we had gotten the city the money, those four projects would probably be under way.

One of the learnings from this is that we need to expand the direct relationship with cities in delivering these dollars, both because of the way that money can quickly arrive in those cities, and also in the way in it can be deployed more quickly.

That said, not every city is as strong as every other city. In some cities indigenous populations don't have a seat at the table, and in others they are leading the programs, like they are in Vancouver and Regina.

It is also showing us where Reaching Home as well as the national housing strategy have some limitations, but it's also showing us the reward of working with front-line services and cities directly to deliver support to the most vulnerable Canadians.

The Chair: Thank you, Mr. Vaughan and Mr. Turnbull.

[Translation]

Ms. Chabot, you have the floor for six minutes.

Ms. Louise Chabot (Thérèse-De Blainville, BQ): Thank you, Mr. Chair.

Thank you for appearing as a witness, Mr. Vaughan.

I will focus on the \$1-billion rapid housing initiative, the funding for which was provided in two streams. As you mentioned, the initiative is now finished.

Our committee's mandate is not really about understanding the objectives that brought about the initiative. Clearly, no one can say that \$1 billion does not meet certain needs. When it comes to affordable and safe housing, you know as well as we do that all sectors face urgent needs. This is an attempt to meet those needs in the best possible way.

Instead, my questions will focus on the rational objectives behind how the large city stream's funding was allocated. If I understand correctly, the major determinants were the needs and the rate of homelessness.

For example, Quebec, with almost one-quarter of the population of Canada, has two projects under the large city stream: one for Montreal, and one for Quebec City. Other large cities with the same needs could have used the stream as well. The funding provided accounted for approximately 12% of the total amount. I agree with you; homelessness is not proportional to population size, but it still appears that some have been left behind.

Under what criteria did Quebec's two large cities receive only 12% of the funding?

[*English*]

Mr. Adam Vaughan: The two major indicators...the gap between social assistance and the average market rent in major cities.

First, we looked at where housing needs were going to be the most exaggerated and, therefore, the most critical to address quickly to get people into shelter and to keep people safe. Therefore, if you're in a community with virtually no homelessness, the chances of scoring high on that were very low. If you have a city like Toronto where you have a homeless population of close to 9,000 people who are on the streets, in comparison with Montreal, where the point-in-time counts usually come back at just under 1,000, you're going to see a differential in the distribution of dollars based on the number of people who are expressing that need.

The second criterion we looked at was the point-in-time count, where we did the last round of counts across the country to understand exactly where the populations were centred. I have to give Quebec full credit here. Their housing program is one of the strongest in the country. B.C. gives them a good run for their money, but that's only been recently.

When you take a look at the point-in-time counts in Montreal and Quebec City and other major cities—Laval and Gatineau, for example—you see that they are much lower in total number, so the emergency need to push money immediately to keep people safe with housing was not as pronounced in Quebec as it was in other parts of the country. Hence, the resources were proportionalized in that way.

That being said, when we looked at the criteria, they still scored fairly high in the rankings—they're in the top of the second tier of the numbers. We wanted to see how they spent the money, how that money flowed through the Quebec housing accord, which was recently signed and which also sees this money transferred to Quebec

and then to cities in a different way. We needed to see how the dollars were spent, how they addressed the population before we came back to rapid housing 2.0 to achieve our goal of eliminating homelessness everywhere.

That's the way it was formulated. We looked at a list of six, 10, 15 and 25 cities, and at what a project-by-project application would look like.

Before we get to the next wave of funding, we want to take the learnings from these fundings and adjust it based on observations like your own, where you said that it didn't work in these smaller communities and how do we address those? Is it through bulk funding, is it city-by-city funding, or is it a specific kind of funding that needs to be changed to deliver that kind of housing to smaller communities with smaller populations?

● (1600)

[*Translation*]

Ms. Louise Chabot: First of all, thank you for saying that Quebec has good programs. I agree with you.

I want to ask you about the answer you just gave. As we know, some cities have higher real estate markets. For example, Toronto and Montreal are two different worlds.

Is a city penalized based on the nature of its real estate market? If a city has a more successful real estate market, will it be penalized as a result?

There is also another stream: homelessness. We know the homelessness rates in Montreal and Quebec City, because they are large cities. Elsewhere, homelessness may be less visible, but that does not mean that it does not exist.

It is quite difficult to understand why only two cities in Quebec were able to use this program.

[*English*]

Mr. Adam Vaughan: There are two points in that.

First, it's very difficult to count invisible homelessness. It's been a challenge for the sector and it is an issue that we're concerned about. It also implies that these homeless are living somewhere, as opposed to living in parks and ravines or on the street. That's a very clear definitional difference that drove some of the funding as it was assigned to different cities.

Second, you're right that areas with extreme real estate conditions, such as Vancouver and Toronto in particular, are treated differently because the cost of living in those cities is massively different from other parts of the country. As a result, the housing needs are more likely to be more pronounced during COVID as circumstances roll out.

CMHC can explain the exact formula they use, but a calculation was made on the population facing core housing needs, and that drove part of where the dollars were assigned. That is part of the reason, particularly in smaller cities away from the major cities, even though there are invisible homelessness issues to be contended with. Indeed, rural homelessness is just as serious as urban homelessness, but the numbers aren't the same.

In focusing the projects, those communities are still eligible to apply to the project base, which may change Quebec's numbers, but the city allocations were driven by the numbers in the cities.

The Chair: Thank you, Mr. Vaughan.

[*Translation*]

Thank you, Ms. Chabot.

[*English*]

Ms. Gazan, you have six minutes, please.

Ms. Leah Gazan (Winnipeg Centre, NDP): Thank you so much, Mr. Chair.

Thank you, MP Vaughan, for being on the hot seat today.

I know you're usually on committee, but here you are on the hot seat. I have some tough questions for you.

The most recent throne speech about the rapid housing initiative was recycled from the previous speech.

Mr. Adam Vaughan: You mean the fall statement?

Ms. Leah Gazan: Yes. But we still don't have adequate investment. I think you and I can both agree that the 3,000 units doesn't cut it. Now we have a mandate letter—another recycled announcement.

Communities like mine, as you know, where we work very closely, are in dire need. We're dealing with trench fever. That's extreme poverty, yet only 88 housing units were offered.

When are we going to see new money to deal with this housing crisis? I'm not talking about recycled announcements, but new money?

• (1605)

Mr. Adam Vaughan: Not being a minister, I'm a little less handcuffed by that question. I'm also a seat farther away from the table than I'd like to be in giving you a clear answer.

The commitment to end chronic homelessness that was made in the throne speech and then restated with clarity in the fall economic statement is a goal. What we're looking at there, and what we think we need to do there, is to get to about 50,000 units of supportive housing through a systems planning mechanism to achieve that goal. That's the target we have aimed at.

We have shelter capacity of 38,000. This is 3,000 and we need to get to the rest, and that's coming. We can't spend those dollars without parliamentary consent and that requires a budget. As soon as the budget lands, we'll have new dollars.

Ms. Leah Gazan: Between 3,000 and 50,000 is a huge gap, though, in all fairness.

Mr. Adam Vaughan: Absolutely, but you can't finish a march without taking a first step.

Ms. Leah Gazan: That's a massive gap.

It's a start, but as I said, the 3,000 units is a drop in the bucket compared with what's needed.

We also know that sustainable, operational dollars are required if we want to keep functional these housing units we now have funded.

What are the plans for sustainable, operational dollars so these units can continue to exist and serve those in need of housing?

I have to be honest: the rapid housing initiative is already a panic. It's great that we have it, but how are we going to keep these things running?

When are we going to see a plan for that?

Mr. Adam Vaughan: That's what the budget is going to lay out—the plan forward. We thought it was critically important to get these dollars into the hands of the sector immediately to keep people safe and to keep the public safe, quite frankly, during COVID.

Please remember that when we took office, there was no tap, let alone a bucket, let alone any water in that bucket to serve this community, so we've had to construct all of those components over the last four years to get to where we are. I agree with you that we should have built these units 10, 15 or 20 years ago. It's why I got into politics.

However, we're at a really good place now where we're moving into supportive housing. As you say, the operational and the supports, which are two different questions, both need to be part of that solution. This three-legged stool needs that. Part of it is working with provinces and territories to make sure the health services arrive in residential settings in community-based programs, and the second part of it is how we pay the rent.

The good news there is that shelters are more expensive on a nightly basis than rapid housing. Hotels are massively more expensive when they're rented than they are when they're owned. We're remodelling the system. We'll be working with provincial, territorial and indigenous governments, as well as cities and frontline service providers, to get all three legs of that stool securely in place.

Ms. Leah Gazan: Thank you so much.

Going back quickly, we have a couple of projects on the docket in my riding, as you're aware.

I would like just a yes or no answer so I can ask my next question. Do you have a date by which we will see more funding for the rapid housing initiative?

Mr. Adam Vaughan: It's budget day.

Ms. Leah Gazan: Okay. When's that?

Mr. Adam Vaughan: That's beyond my pay grade. It's very soon. How's that?

Ms. Leah Gazan: Okay. Thank you. You have no date.

The city councillors in my riding welcomed the \$12.5 million through the rapid housing initiative, but they've shared very clearly and vocally with me that it didn't even come close to what is needed to deal with our very severe housing crisis, which I know you're very aware of.

The other issue they identified is that the criteria for the rapid housing initiative did not reflect the realities of the needs of our community. We need an indigenous-led harm reduction housing strategy with wraparound supports now. As a result of the funding criteria, many of our frontline organizations did not even qualify. Going forward, how will your government ensure that the funding criteria reflect the needs of our community and other communities and clearly support low-barrier housing?

Mr. Adam Vaughan: Under COVID, the emphasis on rapid qualified those who had provided and created housing in the past, as opposed to people with new ideas and new initiatives. That is one of the design dynamics of rapid housing. As we move to a supportive housing program to end chronic homelessness, you're going to start to see the program broaden and start to take on new initiatives.

For example, I was talking with Sharon Redsky in Winnipeg this morning about the project near Thunderbird. It's a project-based application that's coming through the other half of the stream, which is indigenous-led and low barrier, and serves women in particular, who are the hardest group in the homeless sector to access and provide the most needed services to.

The next phase is going to learn from this program, take a look at those applications and model the next stage under the full slate of the programs that have been presented to us to make sure we can realize the aspirations of frontline service providers right across the country, particularly in indigenous communities.

• (1610)

Ms. Leah Gazan: I'm familiar with the village project and certainly support it.

Thanks so much, Adam. Thanks for being a good sport.

The Chair: Thank you, Ms. Gazan.

Mr. Schmale, you are next, please, for five minutes.

Mr. Jamie Schmale (Haliburton—Kawartha Lakes—Brock, CPC): Good afternoon, everyone.

Hello, Mr. Vaughan. It's good to see you here.

Mr. Adam Vaughan: Everyone used to call me Adam.

Mr. Jamie Schmale: I do when you're on the other side of the table. I won't do that now.

When it comes to the funding programs, whether they for the rapid housing initiative or any housing program—I could list them all, but I won't—are there any conversations going on about ensuring the efficiency of the program rather than spending x amount of time filling out application after application and waiting? What do you think about more direct funding, so taxpayer dollars have more velocity?

Mr. Adam Vaughan: I absolutely agree with you. What I'm happy about with the rapid housing initiative is that it was a two-page

application form with a turnaround time that was very tight. That is something we need to aim for. We have to do our due diligence of course, because there's a lot of money on the table, but compressing and simplifying the application process would see a lot of smaller cities and smaller projects get to the finish line more quickly.

We've changed CMHC from being a referee in this process to being a coach, and its frontline workers are helping to realize projects faster. That's why the compression on the turnaround times and the co-investment funds have been realized.

We also know there have been various demands from different players in the system to transfer the money to the provinces, let them distribute it to the cities and have the cities go to the front line. Think of housing money like water. The more people touch it, the smaller it gets and the more administrative costs are built into the transfer from partner to partner to partner before it hits the person it's supposed to help, which is the homeless individual. We've worked very hard to find ways of working with provinces, territories and indigenous-led governments to get the money directly to frontline service providers so the dollars are not administered four or five times before they hit a person's monthly cheque to pay for housing.

One of the breakthroughs on rapid housing—and it's worked really well in Quebec, in particular—is this relationship between the federal government and frontline providers. We're working in a coordinated fashion with the provinces, but getting the money directly to those projects and fitting it into the systems that Quebec and cities have designed. That is allowing us to get the dollars with less and less handling into the hands of the people who are actually doing the building and the people who are actually moving into the units we're constructing. It's a priority.

Mr. Jamie Schmale: That's a very conservative answer from you. I appreciate that.

It's true because I've got a note here from the Native Council of P.E.I. talking about the issue they're dealing with. It's about the timeline and capacity requirements of your program. In this case, it's the national housing co-investment fund. They said that the competitive application is 200 pages long, and it's very difficult for a small organization to get the expertise required without hiring out.

I appreciate those comments about streamlining and taking a look at the complexity of these applications.

I want to talk about the rapid housing, if I could.

Chair, how much time do I have left?

The Chair: You have two minutes.

Mr. Jamie Schmale: Two minutes. Okay, that's perfect.

For this organization in particular, my understanding is that the rapid housing criteria require groups to already possess land to build on in many cases. A lot of not-for-profit organizations are telling me about their limited capacity to carry debt when they don't already own the land.

Mr. Adam Vaughan: The emphasis was on rapid.... As we move towards supportive housing, which is the real solution to ending chronic homelessness, not quick acquisition of distressed properties, but an intentional move into supportive housing, you will see the criteria broaden to incorporate smaller communities with specific target populations they're looking to serve. That's where you'll start to see those rules and regulations relax.

I'd add one point. The idea of getting money directly to people is not a Conservative notion. The Conservative notion was not to have the housing strategy, so I'll correct you on the record.

Mr. Jamie Schmale: You know what? I gave you a compliment and you had to go too far.

Let's talk about those modular units. Yes, for speed they do work in a number of cases, but many times the construction jobs aren't always local—I want to understand if I misheard this when you were talking to Brad—but are where the factory is.

• (1615)

Mr. Adam Vaughan: Yes, and what's good about that is.... I was talking with members of the Atlantic caucus about the idea that perhaps there is some economic development. You think about the softwood lumber issue in New Brunswick. There's a part of the country that has the resources needed to build these modular units. If we're going to move to modular units, and I think that's where the industry is going—I think we've gone from six to 16 providers across the country in the last two years, and we're working with the Canadian Standards Association to try to standardize this so that they're pre-approved in the sense—we can start setting up to create jobs through federal investments and take advantage of our natural resources to decentralize the construction and delivery of these modular housing units because they work whether they're three units, six units or 12 units. And that's an off-the-shelf, ready to go, approved high-quality, highly affordable housing program. You could literally build factories in every part of the country to meet the housing needs of Canadians right across the country. In fact, some of the resource providers in Saskatchewan, some of the folks who build temporary housing for the resource sector, are pivoting to modular housing to take advantage of this opportunity.

Mr. Jamie Schmale: I agree. Modular housing is great.

The Chair: Thank you, Mr. Schmale and Mr. Vaughan.

Ms. Young, please. You have five minutes.

Ms. Kate Young (London West, Lib.): Thank you very much, Parliamentary Secretary Vaughan, for being here today to talk about this important issue.

I think we can all agree that you know your file better than anyone.

Mr. Adam Vaughan: I hope not.

Some hon. members: Oh, oh!

Mr. Adam Vaughan: That scares me.

Ms. Kate Young: As you know, London, where I'm from, is unfortunately one of the 15 cities that is most in need.

I was really happy to make an announcement in December that saw the City of London receive \$7.5 million under the rapid hous-

ing initiative to build 150 modular and affordable housing units by the end of 2021. This news was hailed as a game-changer by our mayor, Ed Holder, who as you know was a former Conservative MP. He really understands how important it is for the well-being of Londoners who are on our very lengthy housing wait list.

Would you agree that it's not only a game-changer for London, but also for cities across the country?

Mr. Adam Vaughan: John Tory, a former leader of the provincial Conservative party in Ontario and now Mayor of Toronto, has said the same thing. Kennedy Stewart in Vancouver has also made similar remarks.

This is really the first, since the early 1990s and even before the 1990s.... Those of us who have worked on this file for a long time know this. No one has ever really specifically built supportive housing in the country. When mayors talk about the game changer, it's this particular form of housing that is making a huge difference. The rapid piece is tied to COVID, but the housing model is tied to supportive housing as a goal.

A number of communities have really taken this issue and are having some extraordinary achievements. Hamilton is another city. Edmonton and Victoria are all cities that are very close to getting to functional zero on homelessness. This may be the exact housing program that will put them over the finish line in that regard.

For example, London has effectively eliminated veterans' homelessness by focusing on moving veterans into housing environments with supports unique to veterans with services from Veterans Canada. As a result, their shelters have not seen a surge during COVID, which is quite remarkable because other populations have grown.

It's a game changer absolutely, but it doesn't work unless we have chapter two. Chapter two doesn't work unless you put the other two legs of the stool together, one of which is health supports. Poverty puts you on the street. Health care keeps you on the street. It's usually mental health and addiction issues, but brain injury is another big driver. Undiagnosed developmental disabilities is the fourth.

Getting the medical services and the income supports in place to make this acquisition and quick, rapid modular housing model work the best. Those three things working together will allow us to make huge savings.

The other big savings that accrue to government are in justice and the health care system. The City of Barrie is running a pilot project right now that shows that when you take the frequent users of police and the hospital services out of the mix, you save the justice and the health system huge money. In fact, 20 people were responsible for the most calls to police services in Barrie, Ontario. Twenty people generated 1,000 police calls over a two-year period. When you house them, the police calls stop.

This is one of the ways to save money in social services and justice as we move towards better outcomes for the people who are at the heart of the challenge in these situations.

It's good news for governments, but it's even better news for people.

• (1620)

Ms. Kate Young: As you know, we also have a real problem with youth homelessness in London. We have some really innovative ideas. You have been down to London to see what Youth Opportunities Unlimited, or YOU, has done in building youth housing.

Is that one of the key features of this?

Mr. Adam Vaughan: Youth aging out of care and custody in the child welfare system are referred to as being on the superhighway to homelessness.

If you're homeless at 16, the chances you will be homeless at 28 is close to 80%. As kids age out of care, if we don't have supportive housing to move them from the provisional housing they have had in the child welfare system to independence—if we don't have that hop, skip and a jump to a higher quality of life—those kids will end up as the chronically homeless we have to deal with in a generation.

Focusing on youth, and in particular gay, lesbian, two-spirit and queer youth, is fundamental to this. During COVID, one of the highest jumps and spikes in population has been kids in that community as they get kicked out of their homes because their sexuality or their gender presentation presents a challenge to their families.

The homeless encampments in Toronto in particular are seeing a much higher count of racialized youth and queer youth, so building intentional housing in that space is fundamentally important to ending homelessness.

Ms. Kate Young: Thank you very much.

The Chair: Thank you, Mr. Vaughan and Ms. Young.

[*Translation*]

Ms. Chabot, you have the floor for two and a half minutes.

Ms. Louise Chabot: Thank you.

I will be brief, because I only have two questions.

The position of federal housing advocate was created as part of the national housing strategy. In other words, one person will oversee the strategy and act as a watchdog. As we speak, the position remains vacant. We know that housing is an important right. In fact, it is a major determinant of health.

Can you tell us when this position will be filled?

[*English*]

Mr. Adam Vaughan: The right to housing was legislated as part of the national housing strategy legislation. That called for not only the housing advocate, but also the housing advisory panel.

That panel met for the first time today with the minister. We wanted their input as to where they saw the advocate coming from.

We have five people on that panel with lived experience, but nobody with the experience of living rough on the street or with shelter experience. We're taking steps to address that through an additional appointment to the body. We're working through that process right now.

On the process to hire the advocate, we have put the call out and should be able to follow through on that appointment very shortly.

[*Translation*]

Ms. Louise Chabot: All right.

Additional funding was announced for the Reaching Home stream. However, there is little information about the strategy, the plan, the forecasts and the criteria. Will there be any announcements along those lines? Will there be a plan for this strategy?

[*English*]

Mr. Adam Vaughan: Reaching Home was restructured—

[*Translation*]

Ms. Louise Chabot: It's hard to figure out, because there are no details or timelines.

[*English*]

Mr. Adam Vaughan: The Reaching Home program was started in 1999. It was reprofiled from the homelessness partnering strategy, or HPS, into Reaching Home two years ago with the work we did to update it. It hadn't really been touched since 1999. That's when we added an indigenous stream and a northern stream to deal with the territorial issues.

One of the clear things we heard out of Quebec and from the panellists from Quebec—I might transpose their names, so I won't try to test my memory on this one—was the notion that, first of all, it's driven locally. The federal government doesn't decide how the dollars are spent locally. That's done by local leaders on the ground. In Quebec, because of the model of the National Assembly, we have regions with all of the stakeholders—hospitals, police, legal as well as housing providers, municipalities and the social service sector. They design the program. They take the dollars and they spend it into that program to coordinate both the access of people into a housing system and the services required to make them succeed in housing.

Chronically homeless individuals don't succeed if you just give them a set of keys and put them in a house. They do better, but they don't get better because of the housing. They get better because they're in shelter, but in order to give them independence and a higher quality of life, those social services have to be applied to the housing. Quebec does it better than any other jurisdiction in North America, I would argue. We used the Quebec model and changed Reaching Home to reflect it rather than make Quebec the outlier in this situation. Quebec is doing excellent work here. We shared the best practices of Quebec and rolled them into Reaching Home. In fact, Jean-Yves Duclos played a critical role in that.

• (1625)

The Chair: Thank you, Mr. Vaughan.

[*Translation*]

Thank you, Ms. Chabot.

[*English*]

Ms. Gazan, go ahead for two and a half minutes, please.

Ms. Leah Gazan: Thank you, Chair.

My next question is in regard to, first of all, an urban-led, indigenous-led, urban, rural and remote housing strategy. I'm wondering what the current plans are to rapidly and substantially increase new units of affordable housing.

I hear all of these announcements, but I'm not hearing dates, and it's dire. It looks like we could be in the pandemic until September. We're dealing with life-and-death matters. Can I get a date?

Mr. Adam Vaughan: Do you mean the date that the URN strategy will hit the ground with housing dollars?

Ms. Leah Gazan: Yes. We've been waiting a long time, with all due respect—

Mr. Adam Vaughan: No, I hear you.

Ms. Leah Gazan: —for the development of the urban, rural and northern indigenous housing strategy. When is it happening?

Mr. Adam Vaughan: It will happen when the budget is launched. You will have the dates when the budget is launched. I don't have that information to give you, because it's in Finance now. As they compose the budget with inputs from MPs, from the public, we'll get there.

Rest assured that the work this committee is doing feeds into the work our minister has been doing and feeds into the work I've been doing as the parliamentary secretary in composing both a new ur-

ban indigenous housing assembly across the country as well as getting the funding dollars. In the interim, every single chapter in the national housing strategy has explicit instructions from the minister, and it's also written into the program, that all indigenous applications must be received and no one can be turned away. That's the way it was four years ago—

Ms. Leah Gazan: I don't have a lot of time here, but I want to let you know that every time we have to wait, there are lives being lost in my riding.

Mr. Adam Vaughan: I hear you. Every—

Ms. Leah Gazan: It's a life-and-death matter. Would your office be willing to perhaps contact my office with a follow-up letter, giving us dates and times of when these things are going to occur? People's lives are on the line, certainly in my riding, and we've heard stories coming out of east Vancouver.

Mr. Adam Vaughan: If you give me until the budget, I will sit down with you and walk you through what the budget means and what that means for a timetable.

In the interim, as I said, we inherited a program that disqualified indigenous applications. That was the previous government's approach on indigenous housing. We've changed it. We've made indigenous applications eligible in every stream and then prioritized them in the case of rapid housing. When we hit the ground with the new....

When we get the committee report and when we get the budget, I will sit down with you and show you what the timetable looks like as we compose both the system and the delivery of real housing to real people.

Ms. Leah Gazan: Okay. I will hold you to that.

Mr. Adam Vaughan: Please do.

Ms. Leah Gazan: Thanks, Adam.

Mr. Adam Vaughan: I'll hold myself to it as well.

The Chair: Thank you, Ms. Gazan and Mr. Vaughan.

Mrs. Falk, you have five minutes, please.

Mrs. Rosemarie Falk (Battlefords—Lloydminster, CPC): Thank you, Chair.

Thank you, MP Vaughan, for being here and taking our questions. A few times now I've heard you mention the budget. Is budget day going to be in this Parliament or the next one?

Mr. Adam Vaughan: Oh, oh! Like you, I am eager to see it. Budget day is an important day in the parliamentary cycle, and it's when we get to do the work we need to do as MPs. The sooner the better for me.

Mrs. Rosemarie Falk: Absolutely, and also for Canadians. It's very important for Canadians and—

Mr. Adam Vaughan: Absolutely, I agree.

Mrs. Rosemarie Falk: —for the provinces. We see this with health transfers in particular.

As you know, I've been on this committee with you for a very long time. You know that I come from a rural riding. I guess something's bothering me in hearing some of your testimony today. You did say that rural homelessness is just as important or just as—I can't remember the exact word you used, but that urban and rural is all bad; we need to make sure that all homelessness is looked at.

Given the streams here, and as a rural Canadian, I hear from my constituents all the time that they feel they're treated unfairly by this government, or that their ways of life are not recognized because they're different from downtown Toronto.

An example is the carbon tax. They're paying more taxes because of where they live, for example. When I see and look through this program, it doesn't look like rural homelessness was taken into account. It really doesn't.

Mr. Adam Vaughan: I disagree. We could have taken the top 25 largest cities in the country and spent a billion dollars. We still wouldn't have solved the problem in the largest cities, and we wouldn't have had a project stream to deal with smaller applications and small communities where the work is just as critical.

One of the ways in which we balanced that was to look at the major cities and take advantage of the large governmental structures in major cities. Toronto has a population of—I'm going to get the number wrong, and I'm from Toronto. It's almost as large as Atlantic Canada in population terms. The challenge has been—

• (1630)

Mrs. Rosemarie Falk: But that's not all of Canada. That's just my point.

Mr. Adam Vaughan: Understood.

Mrs. Rosemarie Falk: There have to be lenses used for different parts of this country.

Mr. Adam Vaughan: That's why we compressed the list of designated cities to create more bandwidth for smaller communities, so that we could distribute the money more equitably geographically into smaller rural communities.

We have also, during the Reaching Home changes during COVID, added dedicated funds to smaller communities, which has allowed more dollars to be left in the hands of a smaller cohort of rural municipalities.

We've been very focused on making sure that we move upstream on homelessness from where it is in major pools of homelessness

into the headwaters of homelessness, which, unfortunately, also are present in rural Canada. We have to do both simultaneously, but we have to do both differently because homelessness is different in major cities than in rural Canada.

Mrs. Rosemarie Falk: Absolutely. That's kind of my point, right? It needs to be acknowledged and done differently, so those lenses have to be applied.

I've heard you mention a lot this hour a second chapter or rapid housing 2.0. Have there been lessons learned thus far that are going to make that different? If so, what is going to be different, and are there going to be...? For example, I've spoken to a lot of seniors and seniors' groups who have been left out of this. What is the government going to do differently or put an emphasis on to make sure that we're reaching all of the vulnerable populations that need this help?

Mr. Adam Vaughan: There are two things to say.

One was the organization that Brad Vis referenced, the rural homelessness chapter of the Canadian Alliance to End Homelessness. They're giving us good data and good information as to where to direct dollars. We are just now receiving and assessing the project application pool. Inside that pool, those will be the lessons. That will tell us where the opportunities lie and where the focus is being placed in different communities across the country, and it will allow us to start to articulate a rural strategy that responds directly to the opportunities and the work that's being done on the ground in rural Canada.

I agree with you about seniors' housing, and I would add to that long-term care, which is just a form of supportive housing. We need to bridge the divide between the housing sector and long-term care. Long-term care has always been seen as part of the hospital system and therefore a provincial responsibility, but the pathway to long-term care.... I know that in St-Pierre-Jolys in southern Manitoba, I was at a complex that had retirement housing, seniors housing with some support, long-term care, and then a space in-between for families that had one parent on one side of the hallway and another parent on the other side of the hallway. It was a brilliant program in Ted Falk's riding. It was near Jolys; it wasn't in Jolys, but that's the kind of modelling into rural Canada that will give a full continuum to seniors who want to stay in the community, close to family, close to business and close to doctors, to and evolve and age in place with different chapters of their life being approached in the same project.

We're going to be taking a look at those supportive housing models that come to us through the application process and use that information and data to strengthen our response to housing needs in rural Canada, because we can't solve homelessness in Toronto if we don't solve it in your community.

Mrs. Rosemarie Falk: Thank you.

The Chair: Thank you, Mrs. Falk and Mr. Vaughan.

Now we're at the moment that Mr. Housefather has been waiting for, for some time.

You have the floor for five minutes, sir.

Mr. Anthony Housefather (Mount Royal, Lib.): I was fascinated by all that was going on.

I want to congratulate Adam not only for being the subject matter expert on this—and I have to say that his passion is so clear when he talks about housing—but also on his ability to speak more quickly than anyone else.

Mr. Adam Vaughan: Peter Kent will know that every producer I have ever worked with has told me that.

[*Translation*]

Mr. Anthony Housefather: I must say, that as an MP from Quebec, I was very pleased with—

[*English*]

Mr. Adam Vaughan: I apologize to the translators.

[*Translation*]

Mr. Anthony Housefather: I was very pleased with the January 22, 2021 announcement of the agreement between the federal and Quebec governments to create projects in Quebec that will receive \$116 million in investments. This will lead to 54 projects and 1,201 housing units. Furthermore, \$56.8 million will be invested for rapid housing in Montreal, where my riding is located. As a result, 12 projects will launch, and 263 units will be provided.

This will help many of our society's most vulnerable people.

• (1635)

[*English*]

Adam, I am going to switch back to you.

Could you talk to me about some success stories that you've seen in Quebec, if you can, but if not, in Canada. What kinds of people have really been helped here? Give me one or two examples.

Mr. Adam Vaughan: In old Quebec City there is the conversion of an old hotel across from the train station, where on every floor they treat a different segment of the population who are homeless. Homeless young women are kept together, separate and distinct, as are older homeless individuals who obviously can't go out during the day, where others might.

The former monasteries and religious buildings in virtually every major Quebec community are congregate living, with individual rooms with communal settings with meal programs. They are set up for conversion.

What we're seeing in these situations is that once you stabilize a homeless person's living environment, adding the health services to get them back to full health and independence, the real success is not housing people who are homeless, but watching homeless people lead the system. In fact, people with lived experience are some of the best housing providers now in the country.

If you're looking for advocates who do great work—and I'm not sure I can share this—one of the top-ranking bureaucrats in Hamilton came through the housing system and was homeless as a youth and graduated into the system, graduated through university, through the municipal sector and is now leading that city's charge to end homelessness. They have one of the most pronounced and aggressive housing programs in the country.

To me, there is no joy comparable to watching a homeless person get their own unit, and there is nothing as brilliant as watching one of those individuals graduate to leadership and to delivering the housing to solve the problem for us, on the ground in different communities across the country.

The stories roll through my head so quickly I can't even tell all of the stories, but the reality is that when we make that difference, we turn someone who has high needs into a high contributor.

I'll tell you the population that is the most inspiring. It's former armed forces personnel. They come with public service trained into them. They have extraordinary skills in construction, group management, and in interfacing with authority and structured figures. I think that homeless veterans, in particular, have the potential to literally be the next brigade of housing workers, and are transformational in their capacity to be redeployed into the sector. The good news is they come from every corner of the country, every community in the country. They are indigenous, they are anglophone, they're francophone, and they live on the coasts, in the north and in the major cities.

What's really interesting is the way in which government responds to veterans and the public responds to veterans. I don't think there is a community in this country that would have the Nimbyism toward them or the reaction that I don't want a group home in my neighbourhood. When you tell them that it's a group home for veterans, they calm down. When you tell them that the group home will be led by a former veteran, they respect the public service and the authority that's invested in that kind of training.

I think we have the potential to end chronic homelessness very quickly in this country. It just takes all of our deciding that's what we're going to do. I think we're at a turning point in this country's history, and that, to me, is the most inspiring thing that's come from rapid housing. It's what inspired me about the throne speech and it's the work that lies ahead with the budget. Getting those dates, those projects, but more importantly, those keys into the hands of homeless people and that transformation in their lives, to me, is the real opportunity here. Rapid housing has untied that knot and I expect great things in the future and we are working very hard to realize that with all of you.

Mr. Anthony Housefather: Thank you.

I imagine that's eaten up all of my time, Mr. Chair.

The Chair: Yes, indeed.

Mr. Adam Vaughan: I can run the clock, and so can you, Anthony, too.

The Chair: He has you figured out.

Mr. Vaughan, thank you so much.

Thank you, Mr. Housefather.

Mr. Vaughan, this is the point when we usually thank the witnesses and tell them what a great job they did. I'm just going to echo what a couple of my colleagues have said about your grasp of the file and your passion for the subject: With your being the subject matter expert, there's not much doubt about that.

Yes, your apology to the interpreters was well placed. I'll direct the next panel to speak slowly and clearly. You did speak clearly.

Thank you so much.

We're going to suspend for three minutes to do sound checks for the next panel.

Thank you.

• (1640) _____ (Pause) _____

• (1645)

The Chair: I call the meeting back to order. We are resuming our study on the rapid housing initiative.

Thank you to the witnesses for appearing. I think there are a couple of people here for the first time, so please bear with me.

Before speaking, please wait until I recognize you by name. When you are ready to speak, you can click on the microphone icon to activate your mike.

Interpretation in this video conference will work very much as it does in a regular committee meeting. You have the choice at the bottom of your screen of either the floor, English or French.

If any of you watched the last panel, please don't be like Mr. Vaughan. Speak slowly and clearly, but with the same amount of passion and knowledge. When you are not speaking, your mike should be on mute.

I would like to welcome our witnesses to continue the discussion with five minutes of opening remarks followed by questions.

From the Canada Mortgage and Housing Corporation we have Romy Bowers, senior vice-president, client solutions; Caroline Sanfaçon, vice-president, housing solutions, multi-unit; and Yannick Monaghan, senior manager, financial solutions.

We'll start with Ms. Bowers for five minutes.

Go ahead, please. You have the floor.

• (1650)

Ms. Romy Bowers (Senior Vice-President, Client Solutions, Canada Mortgage and Housing Corporation): Thank you very much, Mr. Chair.

I just want to confirm that you can hear me clearly.

The Chair: Yes, it's excellent.

Ms. Romy Bowers: That's great.

I'm joining you today from Toronto, the traditional territory of the Wendat, the Anishinabeg, the Haudenosaunee, the Métis and the Mississaugas of the Credit First Nation.

[*Translation*]

I'm pleased to appear before this committee on behalf of the Canada Mortgage and Housing Corporation.

As Canada's national housing agency, we are guided by a bold aspiration. We want to ensure that by 2030 everyone in Canada has a home that they can afford and that meets their needs.

[*English*]

Over the past year our goal has become more pertinent than ever. As Canadians do their part to contain the spread of COVID-19, their homes have become a sanctuary, a place of safety and refuge in very challenging times.

The pandemic has only underscored and worsened housing challenges. The reality is that the most at-risk populations are more likely to find themselves in very precarious housing. This includes women and children fleeing violence; seniors; and racialized groups, including Black Canadians and indigenous people.

The COVID-19 crisis has brought a new urgency to create more permanent, affordable housing, both to keep these groups safe through the pandemic and to ensure a strong recovery once we emerge from these very difficult times.

This why the rapid housing initiative was created. We launched this \$1-billion dollar program on October 27, 2020. It will lead to at least 3,000 new, affordable units across the country, all completed within 12 months of the funding agreement being signed.

The initiative is funding projects to quickly create new, modular, multi-unit rentals, convert non-residential buildings into affordable, multi-residential units, and rehabilitate buildings that are abandoned or in disrepair into affordable, multi-residential units.

It's important to point out that the initiative takes a rights-based approach to housing. As such, it will directly benefit Canadians in severe housing need and people and populations who are vulnerable. In particular, it will create safe, stable housing for those who are at risk or experiencing homelessness or who are living in temporary shelters because of the pandemic.

To get the funding out the door as efficiently as possible, the funding was split into two streams.

The first is the major cities stream, which is providing \$500 million in much-needed direct support to our cities, which are on the front-lines in dealing with the impact of the pandemic. The 15 cities receiving the funding have the country's highest levels of renters in severe housing need and people experiencing homelessness.

As of January 25, we have announced contribution agreements and projects for Ottawa, Edmonton, Hamilton, Waterloo region, London, Calgary, Winnipeg, Toronto, Halifax, Montreal and Quebec City. Construction work has already begun in some of these cities.

The second stream of the rapid housing initiative is the projects stream. This stream includes \$500 million in funding, available through an application process open to provinces, territories, municipalities, indigenous governing bodies and organizations, as well as non-profit organizations.

The deadline for applications under the projects stream was December 31. We are completing our assessment and will notify all applicants by the end of February so that they can get their projects up and running as soon as possible. We expect to have all funds committed by March 31, 2021.

I wanted to note here that we at CMHC have received an overwhelming number of very high-quality applications. Over 765 applications went through a triage process to assess eligibility. We have reviewed and prioritized 678 applications, requesting over \$4.2 billion in funding.

This indicates clearly the deep levels of housing need that exist in communities, and the capacity of our partners, as Parliamentary Secretary Vaughan mentioned, to act quickly, given the funding support.

I wanted to also note that even as CMHC leads this particular initiative, we've also continued to deliver on the national housing strategy's longer term programs. As you know, the NHS is a 10-year, \$70 billion-plus plan, and this includes more than \$13 billion proposed in the 2020 fall economic statement.

Mr. Chair, and all members of the committee, I'm extremely proud of CMHC's ability to quickly roll out this initiative. I'm very proud of our housing partners for working with us to make it a success. This means that in the year to come, our most vulnerable populations will be safer and our communities will be more resilient and better positioned to recover from this crisis.

Thank you very much, Mr. Chair. At this point, I would be very happy, and so would my colleagues, to answer any questions from the committee.

Thank you so much.

• (1655)

The Chair: Thank you, Ms. Bowers.

We're going to proceed with questions right away, beginning with Mr. Schmale, please, for six minutes.

Mr. Jamie Schmale: Thank you very much to our witnesses for attending. It's good to see everyone so far.

Your initiative talks a lot about modular housing. I know there are other criteria as well, but is there any flexibility given to other types of housing, such as small homes and that type of thing?

Ms. Romy Bowers: Yes. We have received requests for flexibility, especially from communities in the north and indigenous communities on reserve. We have exercised flexibility in accommodating requests from these particular groups.

Mr. Jamie Schmale: You've had flexibility, but is there a plan to implement? What kind of flexibility are you looking at?

Ms. Romy Bowers: It's hard to say. It's determined on a case-by-case basis. We recognize that in certain areas of the country modular housing may not be an option. We're willing to accommodate that, depending on the situation.

As a minor point, I think you mentioned tiny homes. Those are housing types that we can accommodate under this program, under the modular stream.

Mr. Jamie Schmale: Okay.

Just out of curiosity, if I were filling out an application requesting a modular home, would there be a delay in the approval time if I were to ask that question?

Ms. Romy Bowers: No, there would not be a delay in the approval time.

Mr. Jamie Schmale: Okay. Perfect.

I'll ask you the same question I asked Adam Vaughan. It comes specifically from the Native Council of Prince Edward Island. They talk about the amount of paperwork required. Obviously, a certain amount of due diligence needs to be done, but specifically in regard to the national housing co-investment fund, they're saying the process involves about 200 questions.

For a small organization, it could really stress them or turn them off from even applying in the first place. I know that Adam did mention that, but I want to get into some specifics with you in terms of what is actually being done and when we can see some greater efficiencies in these application processes.

Ms. Romy Bowers: We at CMHC listened to our clients regarding the pain points in our co-investment process. In 2020 we focused on really looking at our processes. We're very proud to report that we reduced the processing times for all co-investment applications by approximately 50%.

With particular reference to indigenous groups, which is what I think your example referred to, MP Schmale, we have a client service group that is focused specifically on serving our indigenous clients. We have client service representatives who are there to help indigenous groups fill in the application and navigate their way through our processes.

We consider ourselves a learning organization. We are always listening to feedback from our clients and are trying to continuously improve. Some of the success we've had in effectively deploying the RHI has really been due to the fact that we have learned from the pain points in our co-investment process.

Having said that, we know we're not perfect. If you have any other comments or feedback from your constituents, we're always very willing to listen as we try to continue to improve our processes on an ongoing basis.

Mr. Jamie Schmale: Okay. I'll give you a quick piece of feedback I received from that same group in regard to the rapid housing initiative. It's specifically related to not-for-profit organizations. I guess a barrier to many organizations, in particular this one, to getting really involved with the rapid housing initiative is the requirement to already possess land. Of course, as Adam mentioned, the focus is on "rapid". Having said that, the deadline is coming up on March 31. The construction deadlines are in 2022. I can't see it pushing that far behind in the acquisition of land as to be that much of a barrier to create a barrier for not-for-profits getting into it.

• (1700)

Ms. Romy Bowers: I'm not 100% clear on the question.

Mr. Jamie Schmale: You said you were looking for feedback on the program.

Ms. Romy Bowers: Oh, okay. Fair enough. It's just commentary.

Mr. Jamie Schmale: I was just relaying some feedback. I didn't know if you wanted to respond to that at all.

Ms. Romy Bowers: Fair enough.

Just in designing the RHI, you can imagine that our focus was on rapid execution. In order to do that, we did prioritize groups that had access to land, because sometimes the whole process of acquiring land takes a longer period of time. In those instances, it probably would be more suitable for the proponent to look at our longer-term funding programs versus something like the RHI.

We take all feedback from our clients. If there was another project in the future like the RHI, we would incorporate that feedback in terms of refining the design.

Mr. Jamie Schmale: Okay.

When you're talking about the 3,000 units in the rapid housing initiative to be completed, is the government still on track to meeting its goal of looking after those with immediate housing needs, such as the most vulnerable populations?

Ms. Romy Bowers: Yes, we are.

As I mentioned, we are oversubscribed and the quality of the applications for projects has been quite outstanding.

Mr. Jamie Schmale: Okay.

I wanted to talk to you about the application process again. I know you are oversubscribed, but I think that has to do with almost every program that the government rolls out, whether it be infrastructure or housing—you name it. There's always more. At that point, you get community fighting against community.

I'm always looking for ways to streamline the process so that there is the ability for communities to get that. I'm thinking with municipalities, too, where they can see stable funding—the gas tax is one—and where they can debenture programs or projects knowing they have x amount of dollars coming in.

This might be something that could be of interest in housing, whether it be rapid housing or others. This way, every municipality—or first nations community or however you want to do it—is able to see a steady stream of funding come in and they don't have to compete against each other.

The Chair: Give a quick answer if you could, please, Ms. Bowers. We're out of time.

Ms. Romy Bowers: I can't agree with you more in terms of the need to form strong partnerships with cities and municipalities and streamline our processes as much as possible.

Thank you for that feedback.

The Chair: Thank you, Mr. Schmale.

We have Mr. Long, please, for six minutes.

Mr. Wayne Long (Saint John—Rothesay, Lib.): Thank you, Mr. Chair.

Good evening, now, to all of my colleagues. Certainly I want to thank Ms. Bowers and other officials at CMHC for coming in and giving us answers to our questions with respect to the very exciting rapid housing initiative.

Housing is a human right. I'm proud that our government has entrenched the recognition of this right into law through the National Housing Strategy Act. I'm also proud that we have made historic commitments to help implement that right through our \$55 billion national housing strategy.

We still have a lot of work and a lot of catch-up to do to ensure that this right is upheld for all Canadians and the promise of the NHS is fulfilled.

In my riding of Saint John-Rothesay, were experiencing, unfortunately, a housing affordability crisis, much like across this country. It's been exacerbated by the COVID-19 crisis. There are currently over 1,500 people on the waiting list for affordable housing. Unfortunately, despite all of our efforts, that list continues to grow by the day. That's why I've advocated for additional pathways for direct federal funding for affordable housing through the NHS. It's why I was thrilled when our government announced the \$1 billion rapid housing initiative this past fall. Immediately after this announcement, my team and I began working closely with the City of Saint John and other proponents in the riding to ensure that our community took full advantage of this opportunity to rapidly and significantly increase the stock of affordable housing within it.

This effort resulted in the submission of an application by Housing Alternatives and their group for funding through the projects stream of the RHI to create 30 affordable housing units in the old St. Vincent's High School in Saint John.

We have been working closely with Minister Hussen's team to advocate for this project. I was pleased to see positive announcements through the major cities stream in recent weeks, but I am also keen to see this and other projects stream applications accessed quickly by CMHC. I'm pleased to hear from you that all proponents will have news from CMHC by the end of the month.

Obviously, I certainly understand and respect that there were the two streams. Halifax was the only city in Atlantic Canada that qualified for that stream. Obviously, in my province, we have Moncton, Fredericton, Saint John, Bathurst, Miramichi and other cities that are very anxious about their applications.

My first question for you, Ms. Bowers, is what was the regional breakdown of the 765 applications received through the projects stream?

• (1705)

Ms. Romy Bowers: As intended, we received applications under the projects stream from all across the country. Large cities, small cities and rural areas were represented in all the project applications.

Mr. Wayne Long: Again, certainly the officials here in my city of Saint John have submitted an application. They haven't really heard anything back. I know you mentioned the timelines earlier.

Can you go through the timelines again as to when they should expect to hear something back? Obviously, the applications were submitted by the end of December. There's a lot of anxiety. I get calls every day from proponents who submitted applications.

Ms. Romy Bowers: Absolutely. We took the month of January to do the assessments of the projects and the prioritization.

Mr. Wayne Long: Right.

Ms. Romy Bowers: During the month of February all proponents will receive notification of the status of their application. We are planning to have all funds, commitments and contracts in place by the end of March.

Mr. Wayne Long: Okay.

There has been talk about the stream that Saint John applied to as being oversubscribed. I know that's a good thing. Obviously, it shows there is a lot of interest in that program.

Are you able to share with the committee what lessons can be drawn from the success of the city stream?

Ms. Romy Bowers: Mr. Chair, I'm not sure if you're signalling that I have a time limitation, but—

The Chair: You have almost a full minute.

Ms. Romy Bowers: Fair enough.

I think one significant lesson learned is that for the large city stream, we worked in collaboration with the Federation of Canadian Municipalities, and that we developed the methodology for allocation and the selection of the 15 cities in that collaboration. I think that was a first for CMHC. It was a great partnership, and something I think we can build on in the future.

Mr. Wayne Long: Is it worth considering expanding it to include small major cities like Saint John?

Ms. Romy Bowers: I think that is a decision for the government to make. CMHC is ready if it's the desire of government to implement that.

The Chair: Thank you, Ms. Bowers and Mr. Long.

Mr. Brad Vis: Mr. Chair, on a point or order, I just want to point out that the staff have been kicked out of the Zoom meeting room.

If the technicians could please let them back in, that would be most helpful. Thank you.

The Chair: Madam Clerk, I hope you were able to hear that.

Okay, we're on it, Mr. Vis. Thank you for raising that.

[*Translation*]

You have six minutes, Ms. Chabot.

Ms. Louise Chabot: Thank you for being here today.

I have a very simple question for you.

At the beginning, you talked about the number of projects that were received. This \$1-billion program was a very short-term one. There were probably more project proposals than positive responses.

How many projects do you estimate were rejected by this program?

• (1710)

Ms. Caroline Sanfaçon (Vice-President, Housing Solutions, Multi-Unit, Canada Mortgage and Housing Corporation): We didn't reject any of them. We received many applications, as we said.

To date, we have sent responses for only 90 applications that were incomplete or that did not meet the eligibility criteria. We still have to process 678 applications for eligible projects, and we will be communicating our decisions on those files in the coming weeks.

Ms. Louise Chabot: Do you have a regional breakdown of the applications?

Ms. Caroline Sanfaçon: Yes, we do. We can send it to you in writing.

Ms. Louise Chabot: All right. I suppose that, although there were criteria, the issue of fairness must have come up.

My other question is about the second stream.

I won't make any false comparisons, but we know that some organizations are more robust and have more resources and better capacity. We see it, even as MPs, in all kinds of existing projects, from real estate projects to Canada summer jobs. Those organizations are familiar with these types of programs and they are better at preparing applications than more vulnerable groups or smaller organizations. However, the second stream is very much about the latter.

We want to know how they became aware of the program and what difficulties they may have had. Could they apply as easily as organizations that have much more expertise?

The difficulties of smaller groups and organizations with fewer resources is an issue that is often raised.

Ms. Caroline Sanfaçon: That's an excellent question. You are absolutely right. Groups have different capacity, and that is why our experts were on the ground to help them submit their application forms.

The Community Housing Transformation Centre was also available and was a huge help to groups in submitting their application forms to CMHC.

Ms. Louise Chabot: My other question is also about the second stream.

As my colleague Mr. Housefather mentioned earlier, the second stream included \$500 million, and Quebec received \$116 million, if my math is correct. However, this was funded by the second stream of the rapid housing initiative, which [*Technical difficulty—Editor*] was already a few years old and was awaiting funding. As we know, it took three years for the money from the national strategy to get to Quebec, which caused delays for us.

Given that projects on hold received funding from this envelope, isn't there a risk that other organizations might not be able to access the program?

Ms. Caroline Sanfaçon: The question about the decision to negotiate a supplementary agreement with Quebec should actually go to the government.

Ms. Louise Chabot: So I should have asked it in the first part.

A Conservative MP asked whether organizations whose projects were not completed within the 12-month period would be penalized.

Does the project need to be completed by the end of this period, or does it only need to be started, or on the way to completion? Is there any flexibility in that regard?

• (1715)

Ms. Caroline Sanfaçon: We ask organizations to complete their projects within 12 months. However, we must recognize that sometimes there are delays that are not caused by those groups, but by factors beyond their control. If that is the case, we work with them to get their projects back on track and give them the flexibility that they need.

The Chair: Thank you, Ms. Sanfaçon and Ms. Chabot.

[*English*]

Next we have Ms. Gazan, please, for six minutes.

Ms. Leah Gazan: Thank you very much, Mr. Chair.

My first question is for Ms. Bowers.

We know that the COVID-19 funding under Reaching Home and other funding streams is set to close on March 31. Many of our front-line organizations around the country depend on those, especially the front-line organizations that are doing things like providing PPE and other essential supplies.

Are there any plans to notify the organizations about whether these funds will be renewed beyond March 31? As we know, the pandemic is not ending, and many organizations are expressing deep concern.

Ms. Romy Bowers: Unfortunately, the Reaching Home program is the responsibility of ESDC. Although we at CMHC are we're familiar with the program, I'm not in a position to answer this question. I apologize for that, but we can certainly look into getting an answer for you from the appropriate department.

Ms. Leah Gazan: Thank you. I would appreciate that.

One of the issues that we experienced in Winnipeg—and I know other organizations experienced it across the country—is with the rezoning process to convert buildings to residential facilities. In some places, including Winnipeg, this can be long and cumbersome.

Have there been any arrangements made with applicants who faced issues with restrictive zoning regulations to ensure that they were not excluded should they not be able to complete their project within a 12-month completion deadline?

Ms. Romy Bowers: As I've noted in prior appearances, we have housing specialists located throughout the country. We worked with the proponents on a case-by-case basis and we realize that, depending on the municipality, there are zoning challenges.

Where we can, we did work with proponents and the municipality to have workarounds for this. Again, it really depends on the municipality and the particular situation.

I would go back to saying that housing solutions require very strong partnerships and that CMHC is committed to working with cities and provinces to make sure that the funding gets out the door.

Ms. Leah Gazan: I know that in my riding really excellent projects were disqualified because of zoning issues and because of the speed of the rapid housing initiative. Four weeks was not a reasonable time frame to really get things out the door, according to many city councillors whom I worked very closely with. I say that just as a point that I think you should be aware of.

Does CMHC have anything in place to ensure that the 3,000 new units that have been acquired will remain permanently as affordable housing? How are these regulations, if there are any, going to be put in place if they haven't already been?

Ms. Romy Bowers: As part of the RHI program we do have governance and reporting requirements. We do have an infrastructure set up within our organization to make sure that we monitor these projects on an ongoing basis.

Ms. Leah Gazan: How are they monitored?

Ms. Romy Bowers: Through the reporting.

Ms. Leah Gazan: But how are you going to ensure that they're not transitioned out of being affordable housing units?

Ms. Romy Bowers: There are attestation processes and we do have staff on the ground in the various regions of Canada to verify the information that's being provided by the proponent.

Ms. Leah Gazan: Okay, but that still doesn't answer my question. We now have money to purchase 3,000 units. How are you going to ensure that they remain affordable housing units permanently?

• (1720)

Ms. Romy Bowers: As I mentioned, we do have requirements as part of the funding conditions to ensure that the affordability requirements are met. We have an attestation process for people to report on this information on an annual basis.

To the extent there is no compliance, we will—

Ms. Leah Gazan: So in the reporting requirements, it must stay as an affordable housing unit permanently? Is that part of it? Is that what you're telling me? I just want to make sure that I'm understanding this.

Ms. Romy Bowers: Yes. The affordability is for a 20-year duration. It's not just affordability, as there are a number of other criteria and conditions that we will be following up on as well.

Ms. Leah Gazan: Great. Thanks very much.

Many communities are frustrated that they didn't get an allocation under the rapid housing initiative, and smaller communities might not even have had the resources to produce as strong of an application as bigger centres.

How will CMHC be responding to this reality for smaller communities going forward?

Ms. Romy Bowers: In terms of the design of the rapid housing initiative, it was purposely designed for the project stream to make sure that the application process would be as simple and streamlined as possible. We received a large number of applications from smaller non-profits, and also indigenous organizations, which would indicate that we have achieved some success in that streamlining process.

Having said that, there are always improvements that we can make. If there are specific comments that your constituents have made, we'd be very happy to receive them. One of the keys to our success is having people on the ground working with the proponents, helping them through the application process, and we feel that in general this has been very successful with the rapid housing initiative.

The Chair: Thank you, Ms. Gazan and Ms. Bowers.

Ms. Leah Gazan: Thank you so much.

Ms. Romy Bowers: Thank you. Bye.

The Chair: We will go to Mr. Vis, please, for five minutes.

Mr. Brad Vis: Thank you, Mr. Chair.

Just quickly, what dataset does the CMHC use to measure rural and remote homelessness?

Ms. Romy Bowers: I'll have to get back to you on that question. Thank you.

Mr. Brad Vis: Okay.

The National Alliance to End Rural and Remote Homelessness, which I mentioned, said there is no dataset to measure this, so we need to be very careful about making any assumptions about the reality, especially in indigenous communities, and extent and severity of homelessness. We cannot always base the measure of homelessness solely on the total number of people, but we have to look at the proportion of people who are homeless in conjunction with the rest of the community. Failing to recognize that is a failure to recognize the societal impact and the other factors related to homelessness that need to be addressed, too, for communities. That's just the point to start.

On decision-making, I'm very pleased to hear that there have been 678 applications. Who is going to make the final decision on which projects are approved? Will there be an equitable regional

disbursement between all regions of Canada in that final decision-making process?

Ms. Romy Bowers: On the first point, thank you very much, Mr. Vis, for noting that there are data gaps in understanding homelessness. I think that's a very valid point. It's something that CMHC is willing to look into and invest in, into the future, in alleviating it.

In terms of the applications under the project stream, we published a scoring grid that we are using to evaluate the projects. We've just gone through the process. With regard to the 678 projects you refer to, we've put all them through that scoring grid.

Given the demand on this project stream, obviously, there are a lot of projects that are not going to meet the qualifications, because the bar has been set very high. We are in discussions right now with our minister's office on the final decision-making.

Mr. Brad Vis: It's likely to be Mr. Vaughan, Minister Hussen and officials from CMHC who will be doing the final decision-making on those projects that pass the threshold according to the grid score you've established.

Ms. Romy Bowers: Yes. One of the things that we are—

Mr. Brad Vis: Is that correct?

Ms. Romy Bowers: Yes, that's correct.

Mr. Brad Vis: Okay. Thank you.

Ms. Romy Bowers: One of the things I also wanted to mention was that we do have a host of other programs under the national housing strategy. If a proponent is not successful under the rapid housing initiative, our specialists will be in touch with them to offer other financing tools that may be useful for them in getting their projects off the ground.

• (1725)

Mr. Brad Vis: I would love to have more information on that. I understand there's just over \$7.5 billion committed to the co-investment fund, and, as you have mentioned, \$4.2 billion for the 678 applications. Given that there remains about \$3.7 billion in projects that won't be funded, either we're going to have a funding gap remaining there or we're going to have to wait for a commitment from the federal government in its upcoming budget. So, I look forward to more details on that.

Because I have you here today, Ms. Bowers, I'd like to follow up from our previous committee meeting. On November 4, I asked Minister Hussen for proof about the number given by the government that they've housed or helped house one million families. On December 7, the day before the minister was due back in committee, CMHC tabled their response. It consisted of a table with a single row, claiming to have helped over 1.1 million, but which contained a small asterisk and a caveat that, unfortunately, annulled everything. It said that this table does not include "projects at the letter of intent stage (conditionally committed)". On December 8, I did ask you for clarification, which was promised, but I haven't received anything. Is it safe for me to assume that the government hasn't, indeed, helped 1.1 million families, but that it only intends to help 1.1 million families? Would that be a correct understanding of the data provided by CMHC?

Ms. Romy Bowers: I give you my most sincere apologies that your request has not been responded to. If you will give me a little bit of time, I will look into this to see if I can provide you with the information you requested.

Mr. Brad Vis: Okay.

Finally, as one more point, I will commend CMHC for some of the good work you've been doing to allocate staff and to provide information on other points I've asked about, such as helping indigenous communities and the service delivery model that you're moving to. On that front, I did submit an ATIP request about the major cities stream of the rapid housing initiative. I had to write a personal cheque and send an application by snail mail with Canada Post.

Can CMHC commit to coming into the 21st century and establishing an electronic ATIP system? It's not only me; there are a lot of other Canadians who want to have information. Right now the process at CMHC is prohibitive to Canadians trying to get that information.

In my own personal experience, I was told that I couldn't even have information that I received today here until May.

The Chair: Give a short answer, if you could, please. We're well past the time.

Ms. Romy Bowers: We'll take these comments into consideration and provide a response.

Thank you.

Mr. Brad Vis: Thank you.

I appreciate your time today, and I look forward to a further understanding of the 678 applications. That was very helpful.

The Chair: Thank you, Ms. Bowers.

The last questions for this evening will come from Mr. Dong, for the Liberals, for five minutes.

Mr. Dong, you have the floor.

Mr. Han Dong (Don Valley North, Lib.): Thank you, Chair.

I want to thank all of the presenters and the staff for coming to today's committee. I know it goes without saying, but I just want to be on record that under the COVID situation, all of the staff have been working extremely hard. I see many working from home, just like we do, so I want to acknowledge that and make sure that this appreciation is felt, especially considering the rollout of support for small businesses and support for first-time home buyers. I will save that for the next time to ask about. Your work has been appreciated, so thank you very much.

Just as a follow-up on MP Vis' question, can you tell us the difference between the co-investment fund and the rapid housing initiative?

Ms. Romy Bowers: Yes, I certainly can.

We view the rapid housing initiative as a response to the COVID crisis. The focus is on the rapid construction of housing. I think it's been mentioned that we anticipate that all projects will be completed within 12 months of funding. It's 100% contribution-based, and

for this reason we were able to have a very streamlined application process.

The co-investment fund is more of a long-term funding program. It comprises both contributions and loans, and it's very important to note the word "co-investment". It requires proponents to find other funders for projects. In an average project, the co-investment fund provides about 40% to 45% of the funding, and other sources of funding come from municipalities and provinces, and also from the funds of a non-profit or other organization.

• (1730)

Mr. Han Dong: So your agency has less control of the overall timeline for those projects.

Ms. Romy Bowers: That's right, and as old construction, it takes a longer time, especially when you're working outside the modular space.

Mr. Han Dong: Of course.

In my riding, Don Valley North, homelessness is not as obvious. We do witness some homeless in the ravines during the warmer months. It is an issue that many constituents and especially the local organizations have flagged for me. Some have been involved themselves for decades in trying to solve this problem in different parts of the city.

One overall feeling they have is that every time there is a housing initiative announced by the federal government, the funding being provided for that housing unit to actually be built takes years for them to see. They're really frustrated with that fact. Quite honestly, with the political climate, if there is a change of government, there is a lot of uncertainty tied to these types of investments.

How is the rapid housing initiative different from that, and what exactly has CMHC put in place to avoid the traditional delay in the flow of funding? If you have multiple levels of government involved, it seems to be the symptom that you always have those stoppages in the flow of funding. What have you done that's different? Is there any early evidence to show that the plan is actually working to solve urban homelessness?

Ms. Romy Bowers: I think I have one minute.

As I mentioned previously, the RHI is a 100% contribution-based program, which creates a certain simplicity in terms of its implementation.

In addition to that, we have relied on very strong partnerships with the Federation of Canadian Municipalities. We are also partners in the larger municipalities and with the various proponents on the project stream. I believe those strong partnerships are absolutely crucial in getting the money out the door quickly and making sure that the most vulnerable Canadians have housing that meets their needs.

Mr. Han Dong: Can you remind me how many units will be built in Toronto?

Ms. Romy Bowers: We don't know for certain yet because we have not made a final decision regarding the project stream, but for RHI as a whole, the projected unit count is 3,000, and it's our anticipation that it's going to be well in excess of that.

The Chair: Thank you, Mr. Dong and Ms. Bowers.

We're a little bit past the appointed hour, but I would ask the members of Parliament to stand by for a couple of administrative things.

Ms. Bowers, Madame Sanfaçon and Mr. Monaghan, thank you so much for being with us. We hope you enjoyed the experience, because the motion that we adopted indicates that you will be back. We all look forward to receiving further updates. Certainly, we appreciate the comprehensive way you answered the questions today and your co-operation in agreeing to provide further information in subsequent appearances or in written form.

Good luck with those 678 applications. Godspeed, and we'll see you again before too long. You are welcome to stay, but you are free to leave.

Colleagues, I want to remind you of the deadline of Tuesday at 5 p.m. eastern time for witness lists for our next study, which is on employment insurance.

Mr. Vis, I want to let you know that despite our best efforts to bring the staffers back in, it appeared that the only solution, which we discovered about five to seven minutes before the end of the meeting, was to terminate the meeting and restart it, which didn't make sense. Please pass our apologies along to them for not being able to resolve the technical difficulties sooner. By the time we found out the solution, it was too late to implement it.

● (1735)

Mr. Brad Vis: Thank you, Mr. Chair.

The Chair: Do we have consent to adjourn the meeting?

I see thumbs up.

Thank you very much, everyone. I hope you have a Zoom-free constituency week.

Mr. Ryan Turnbull: Oh, sure.

Voices: Oh, oh!

The Chair: Yes, it's not likely.

We'll see you after that.

We're adjourned.

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