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CANADA

CHRONIC HOMELESSNESS

Report of the Standing Committee on Public Accounts

John Williamson, Chair

**NOVEMBER 2023
44th PARLIAMENT, 1st SESSION**

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Chair**

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Reports from committees presented to the House of Commons

Presenting a report to the House is the way a committee makes public its findings and recommendations on a particular topic. Substantive reports on a subject-matter study usually contain a synopsis of the testimony heard, the recommendations made by the committee, as well as the reasons for those recommendations.

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THE STANDING COMMITTEE ON PUBLIC ACCOUNTS

has the honour to present its

THIRTY-FIRST REPORT

Pursuant to its mandate under Standing Order 108(3)(g), the committee has studied the Report 5, Chronic Homelessness, of the 2022 Reports 5 to 8 of the Auditor General of Canada and has agreed to report the following:



CHRONIC HOMELESSNESS

KEY FINDINGS OF THE AUDITOR GENERAL OF CANADA

- Infrastructure Canada and Employment and Social Development Canada (ESDC) did not know whether their efforts to prevent and reduce chronic homelessness were leading to improved outcomes.
- The Canada Mortgage and Housing Corporation (CMHC) did not know who was benefiting from its initiatives.
- There was minimal federal accountability for reaching the National Housing Strategy (NHS) target to reduce chronic homelessness by 50% by the 2027–2028 fiscal year.¹

1 Office of the Auditor General (OAG), Chronic Homelessness, Report 5 of the 2022 Reports of the Auditor General of Canada, [At a Glance](#), Our findings.



SUMMARY OF THE COMMITTEE’S RECOMMENDATIONS AND TIMELINES

Table 1—Summary of the Committee’s Recommendations and Timelines

Recommendation	Recommended Action	Timeline
<p>Recommendation 1</p>	<p>Infrastructure Canada must provide the Committee with a report showing:</p> <ol style="list-style-type: none"> 1) its workplan to accelerate the availability of national shelter, homelessness and chronic homelessness statistics, including goals and timelines; 2) its research plan on homelessness and chronic homelessness. The research plan should aim to understand factors driving homelessness trends, and assess the alignment of funded projects for addressing the needs of people experiencing homelessness; 3) estimates on emergency shelter use, homelessness and chronic homelessness in 2020, 2021 and 2022; 4) the 2020–2021, 2021–2022 and 2022–2023 annual goals and results of the Reaching Home program; 5) to what extent the incremental funding provided through Budget 2022 (for fiscal years 2024–2025 and 2025–2026) will be used; 6) any changes made to the Reaching Home program goals; and 7) the results of the gender-based analysis plus assessment. <p>In addition, a final report should be provided.</p>	<p>15 January 2024 31 March 2024</p>

Recommendation	Recommended Action	Timeline
Recommendation 2	<p>Infrastructure Canada must provide the Committee with a report indicating how many of the 44 eligible communities in 2021–2022 have fully implemented coordinated access to housing support services; for those communities that have not, the reasons explaining why they have not done so, the actions that will be undertaken to do so, and a new timeline for complete implementation. In addition, a final report should be provided indicating how many of the 64 eligible communities in 2023–2024 have fully implemented coordinated access; for those communities that have not, a similar supplementary report should be provided.</p>	<p>15 January 2024 30 April 2024 31 October 2024</p>
Recommendation 3	<p>The Canada Mortgage and Housing Corporation (CMHC) must provide the Committee with a progress report outlining measures taken to:</p> <ol style="list-style-type: none"> 1) define the housing needs of vulnerable groups and measure how programs are meeting these needs; 2) determine whether housing outcomes for vulnerable groups are improving, using specific metrics; 3) take the necessary steps to align the definitions of affordability for all initiatives so they are consistent; and 4) provide evidence that the targeted groups are actually those that are receiving housing assistance. <p>In addition, a final report should be provided.</p>	<p>15 January 2024 30 April 2024</p>
Recommendation 4	<p>Infrastructure Canada and CMHC must provide the Committee with a joint report indicating what measures have been taken to improve coordination between federal agencies involved in the National Housing Strategy as regards homelessness and chronic homelessness, as well as changes to clearly identify accountability regarding the National Housing Strategy.</p>	<p>15 January 2024</p>



INTRODUCTION

Background

On 15 November 2022, the reports of the Auditor General of Canada were tabled in the House of Commons and referred to the House of Commons Standing Committee on Public Accounts (the Committee) for study, one of which was entitled “Chronic Homelessness.”² This report summarizes the report of the Office of the Auditor General of Canada (OAG) and presents the Committee’s recommendations for the audited organizations.

Audit Parameters

The main parameters of the OAG’s performance audit are summarized in Table 2.

Table 2—Audit Parameters

Audited Organizations	<ul style="list-style-type: none"> • Employment and Social Development Canada (ESDC); • Infrastructure Canada; and • Canada Mortgage and Housing Corporation (CMHC or the corporation).
Audit Objectives	<p>To determine whether:</p> <ul style="list-style-type: none"> • ESDC and Infrastructure Canada prevented and reduced chronic homelessness through interventions that helped those at risk of or experiencing homelessness and chronic homelessness obtain housing and supports needed to remain housed; and • CMHC contributed to the prevention and reduction of chronic homelessness through its delivery and administration of federal housing programs and services that address the housing needs and improve housing outcomes for vulnerable Canadians.
Audit Period	<p>The audit conclusion applies to the period from November 2017 to 31 March 2022. However, to gain a more complete understanding of the subject matter of the audit, the OAG also examined certain matters that preceded the start date of this period.</p>

Source: Office of the Auditor General of Canada, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, About the Audit and paras. 5.17 and 5.18.

² House of Commons, [Journals](#), 15 November 2022.

Definitions

The definitions of key terms used in the report are provided in Table 3.

Table 3—Definitions

Homelessness	The state of individuals who lack stable, permanent, appropriate housing or who lack the immediate prospect, means and ability to acquire it. People who are experiencing homelessness can include those who are unsheltered, are in emergency shelters, are in temporary accommodations and are at risk of homelessness. Homelessness is a fluid experience, where a person's housing situation and options may change frequently.
Chronic homelessness	The state of individuals who are experiencing homelessness and who meet at least one of the following criteria: <ul style="list-style-type: none"> • a total of at least six months (180 days) of homelessness over the past year; • recurrent experiences of homelessness over the past three years, with a cumulative duration of at least 18 months. They have also spent time staying in any of the following contexts: <ul style="list-style-type: none"> • unsheltered locations without consent or contract, or places not intended for permanent human habitation; • emergency shelters; • with others temporarily or in short-term rentals, without the guarantee of continued residency or the prospect of permanent housing.
Adequate housing	Housing that is not in need of major repairs, such as repairs to defective plumbing or electrical wiring, or structural repairs to walls, floors, or ceilings.
Suitable housing	Housing that has enough bedrooms for the size and make-up of the resident household. This is according to National Occupancy Standard requirements.
Affordable housing	Housing that costs less than 30% of before-tax household income.

Source: Office of the Auditor General of Canada, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, Exhibit 5.1, para. 5.3 and Definitions.



Roles and Responsibilities

The roles and responsibilities regarding homelessness are described in Table 4.

Table 4—Roles and Responsibilities

ESDC	<p>Launched in 2019 by ESDC, Reaching Home is the National Housing Strategy’s (NHS) homelessness program. It is the most recent iteration of the federal homelessness program, which has existed since 1999. It is a \$3.4 billion, 9-year program under the NHS, and its ultimate goal is to prevent and reduce homelessness. Reaching Home also uses the NHS’s commitment to reduce chronic homelessness by 50% by 2027–2028 as a target to measure success.</p> <p>In fall 2021, responsibility for Reaching Home was transferred to Infrastructure Canada. Despite this transfer, ESDC retains some responsibilities for regional delivery and oversight of the program, such as monitoring funding agreements through Service Canada.</p>
Infrastructure Canada	<p>The department leads the Reaching Home program and is responsible for measuring performance and for reporting on national homelessness outcomes. It is also responsible for sharing information and best practices with partners across Canada who provide supports for people experiencing homelessness. This includes reporting on progress toward the NHS target to reduce chronic homelessness in Canada by 50% by the 2027–2028 fiscal year and coordinating with CMHC on the federal approach to housing and homelessness.</p>
CMHC	<p>The corporation leads the NHS and oversees the majority of its \$78.5 billion funding, which is primarily allocated to build, repair and provide subsidies for housing. CMHC is responsible for reporting on the status of the strategy and the achievement of its key targets.</p>

Source: Office of the Auditor General of Canada, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, paras. 5.9 to 5.14.

Meetings of the Standing Committee on Public Accounts

On 29 November 2022, the Committee held a meeting to discuss the OAG’s report with the following in attendance:

- OAG—Karen Hogan, Auditor General of Canada, and Sean MacLennan, Director

- ESDC—Jean-François Tremblay, Deputy Minister, and Nisa Tummon, Assistant Deputy Minister, Program Operations Branch
- Infrastructure Canada—Kelly Gillis, Deputy Minister; Janet Goulding, Assistant Deputy Minister, Community Policy and Programs Branch; and Kris Johnson, Director General, Homelessness Policy Directorate
- CMHC—Romy Bowers, President and Chief Executive Office, and Nadine Leblanc, Senior Vice-President, Policy³

While the Committee does not typically invite Cabinet ministers to appear, given the Committee’s concerns about the gravity of the issue and of the OAG’s findings, exceptionally, the Committee held a second meeting on 18 May 2023, during which the Honorable Ahmed Hussen, Minister of Housing and Diversity and Inclusion, appeared to answer questions, accompanied by the following people:

- Infrastructure Canada—Kelly Gillis, Deputy Minister, and Kris Johnson, Director General, Homelessness Policy Directorate
- CMHC –Nadine Leblanc, Senior Vice-President, Policy⁴

FINDINGS AND RECOMMENDATIONS

A. Understanding Whether Efforts to Prevent and Reduce Homelessness Affected Outcomes

According to the OAG, Infrastructure Canada, ESDC and CMHC “did not know whether their efforts improved housing outcomes for people experiencing homelessness or chronic homelessness and for other vulnerable groups.”⁵

3 House of Commons, Standing Committee on Public Accounts, *Minutes of Proceedings*, 1st Session, 44th Parliament, 29 November 2022, [Meeting No. 41](#).

4 House of Commons, Standing Committee on Public Accounts, *Minutes of Proceedings*, 1st Session, 44th Parliament, 18 May 2023, [Meeting No. 65](#).

5 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, para. 5.22.



1. Understanding Trends in Homelessness

The OAG found that “Infrastructure Canada was not able to measure progress toward its prevention target because of challenges with the data.”⁶

Additionally, despite “identifying changing trends in homelessness and chronic homelessness, the department did not examine why this was happening. Although shelter-use data alone may not have accurately portrayed the state of homelessness nationally because it excluded those outside the shelter system, supplemental data such as analysis from point-in-time counts may have helped explain some of the reasons for these changes. This is because these counts included people in transitional housing and unsheltered locations.”⁷

Without timely and comprehensive analysis and reporting of up-to-date national shelter use and other sources of data, the department’s ability to lead national responses to emerging homelessness trends, provide targeted support to local responses, and adjust its programs where required was limited.⁸

At the second meeting, Kelly Gillis, Deputy Minister, Infrastructure Canada, stated that the department had recently reported a 12% increase in homelessness in Canada.⁹ This increase occurred in the 55 communities that had conducted a point-in-time count in 2018, between that year and the time period of the second count, carried out between March 2020 and December 2022.¹⁰

2. Incomplete Collection and Analysis of Data on the Reaching Home Program

The OAG found that “Infrastructure Canada had not completed its analysis of results from Reaching Home–funded projects. Between the 2019–20 fiscal year and the 2020–21 fiscal year, communities allocated about \$356 million in program funding to projects that required results to be reported annually.” The “department’s collection and

6 Ibid., para. 5.34.

7 Ibid., para. 5.35.

8 Ibid., para. 5.38.

9 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 18 May 2023, [Meeting No. 65](#), 1600.

10 See Infrastructure Canada, [Everyone Counts 2020–2022: Preliminary Highlights Report](#).

analysis of results were delayed in part because of decisions to extend community reporting deadlines and defer the implementation of an online reporting platform.”¹¹

Additionally, because “the department’s data and analysis for these 2 fiscal years were incomplete, it did not know whether it was on track to meet the 2022 target. It was also unable to determine whether it was on track to meet its target of placing 115,850 individuals in more stable housing by the end of March 2024.”¹²

The OAG also found that ESDC “considered gender-based analysis plus in the design of the Reaching Home program.”¹³ However, “the departments did not collect project result data for all targeted populations and did not consistently obtain information on gender identity for those benefiting from the program.”¹⁴

Consequently, the OAG made the following recommendation:

Infrastructure Canada should

- collect and analyze data in a timely manner so that it can report up-to-date results on homelessness and chronic homelessness
- finalize the implementation of its online reporting platform
- use the information and data that it collects to determine why trends in homelessness are emerging and how its programs are addressing the needs of people experiencing homelessness and chronic homelessness
- use the information that it collects and the resulting analysis to make program adjustments where required.¹⁵

During the second meeting, Minister Hussen stated that the “Auditor General pointed to a lack of adequate data from the organizations [and that the Department was] working with them to get that data and to better report.”¹⁶ Kelly Gillis added the following details:

11 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, para. 5.39.

12 Ibid., para. 5.40.

13 Ibid., para. 5.41.

14 Ibid., para. 5.42.

15 Ibid., para. 5.45.

16 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 18 May 2023, [Meeting No. 65](#), 1640.



The time of the audit was during the COVID period. The non-profit organizations in the homeless-serving sector were dedicated to saving the lives and protecting the health of the clients they were serving and could not provide the data at that time.

Since that time, they've started to recoup and are providing us with data and working with us on the data collection. We've done point-in-time counts with 55 communities across the country. By fall of this year, they will be completely caught up on their cycle of reporting on data, and they have already started reporting up until 2022 on the results that they achieved.¹⁷

According to its detailed action plan, Infrastructure Canada had already taken the following steps by fall 2022:

- Developed a new methodology for estimating shelter use that accounts for changes that took place among shelter services due to the pandemic in 2020;
- Developed the 2020 estimate of shelter use and chronic homelessness;
- Put in place projects that seek to understand the factors and drivers of homelessness; and
- Released and made available to communities the new Reaching Home Results Reporting Online platform, in February 2022. Annual results for 2021–2022 will be available by March 2023, while annual results for 2022–2023 will be available starting in June 2023.¹⁸

In winter and spring 2023, the department will work on:

- Developing a workplan for further accelerating the availability of national shelter statistics;
- Developing a 2023–24 research plan that includes projects that:
 - further explore factors driving homelessness trends; and
 - assess alignment of funded projects for addressing the needs of people experiencing homelessness; and

17 Ibid., 1630.

18 Office of Infrastructure of Canada, [Detailed Action Plan](#), pp. 1–2.

- Seeking access to incremental funding provided through Budget 2022 (for 2024–25 and 2025–26) supported by available homelessness and housing data, and community progress on coordinated access.¹⁹

These steps should ensure that Infrastructure Canada can review “existing program policies and guidelines (e.g., Reaching Home Directives, implementation of coordinated access) and identify changes that may be merited given available data, feedback from program partners, and the evolving context of Canada’s housing market and homelessness challenges.”²⁰

At the first meeting, Kelly Gillis stated the following:

We are catching up with that. Before the end of this calendar year, we’ll be publishing the shelter data for 2020. Soon into 2023, we’ll be publishing the data for 2021 and 2022. By the fall of next year, we’ll be completely caught up in the cycle of the normal data capture on the homelessness systems across the country.²¹

As regards the responses to the recommendations outlined in the action plans, Karen Hogan, Auditor General of Canada, made the following observation:

I must admit that it looks like actions will be taken, but I am disappointed that a lead will only be identified by December 2023, which in my view is another year out and almost six years into the national housing strategy. I believe federal accountability is important in order to align the programs properly and demonstrate achievement of the targets.²²

The Committee will make a point of asking for initial progress reports as soon as possible. Regarding the OAG’s first recommendation, the Committee recommends the following:

Recommendation 1—On homelessness data and the Reaching Home program

That, by 15 January 2024, the Office of Infrastructure Canada provide the House of Commons Standing Committee on Public Accounts with a report showing:

19 Ibid., pp. 1–2.

20 Ibid., p. 3.

21 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 29 November 2022, [Meeting No. 41](#), 1735.

22 Ibid., 1610.



- 1) **its workplan to accelerate the availability of national shelter, homelessness and chronic homelessness statistics, including goals and timelines;**
- 2) **its research plan on homelessness and chronic homelessness. The research plan should aim to understand factors driving homelessness trends, and assess the alignment of funded projects for addressing the needs of people experiencing homelessness;**
- 3) **estimates on emergency shelter use, homelessness and chronic homelessness in 2020, 2021 and 2022;**
- 4) **the 2020–2021, 2021–2022 and 2022–2023 annual goals and results of the Reaching Home program;**
- 5) **to what extent the incremental funding provided through Budget 2022 (for fiscal years 2024–2025 and 2025–2026) will be used;**
- 6) **any changes made to the Reaching Home program goals; and**
- 7) **the results of the gender-based analysis plus assessment.**

In addition, a final report, should be provided by 31 March 2024.

3. Meeting Coordinated Access Implementation Targets Unlikely

Coordinated access is the process by which “individuals or families who are experiencing or are at risk of homelessness are directed to community-level access points where trained workers use an assessment tool to evaluate the individual’s or family’s need, prioritize them for housing support services, and help to match them with available housing.”²³ According to the OAG, implementing “coordinated access was a transformation intended to give communities the tools and support they needed to develop local, evidence-based responses to homelessness.”²⁴

For the 2021–2022 fiscal year, the Reaching Home program required that coordinated access be implemented in 29 (66%) of 44 eligible designated communities. By the 2023–2024 fiscal year, all 64 designated communities were to have implemented it. The OAG found that, “as of March 2021, 9 (about 20%) of the 44 eligible communities reported

23 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, Definitions.

24 Ibid., para. 5.46.

that they had fully implemented it, 1 year in advance of the required timeline.”²⁵ The department “had no action plans or timelines to support communities in meeting the 2023–24 target.”²⁶

Consequently, the OAG made the following recommendation:

Infrastructure Canada should collaborate with designated communities and other partners to develop an action plan with timelines to address the barriers to the implementation of coordinated access that were identified in its analysis of community reporting.²⁷

In response to this recommendation, the department has already undertaken the following actions:

- Released additional guidance related to coordinated access implementation, to clarify the Reaching Home program requirements and help communities to self-assess their progress; and
- Developed an engagement strategy that outlines next steps to support communities by putting individualized action plans in place, so that they can work to meet any outstanding coordinated access requirements by 31 March 2023.²⁸

Infrastructure Canada also anticipated that it would have completed the following steps by 31 March 2023 by:

- holding a first meeting with each community in fall 2022 to
 - review their current status with coordinated access implementation in detail;
 - discuss their plan to meet any outstanding minimum requirements by 31 March 2023; and
 - discuss local challenges they may be facing and the supports that may help them move forward;

25 Ibid., para. 5.47.

26 Ibid., para. 5.48.

27 Ibid., para. 5.49.

28 Office of Infrastructure of Canada, [Detailed Action Plan](#), p. 3.



- ensuring each community has an action plan in place by 31 December 2022 that outlines their next steps to address any outstanding minimum requirements, as well as the timelines by which they will be met;
- hosting subsequent meetings with communities on an as-needed basis, to continuously support communities toward coordinated access implementation; and
- encouraging communities to work with the Canadian Alliance for Ending Homelessness (CAEH) to help them move forward with their plan to meet the minimum requirements, which could include supports through Built for Zero or training and technical assistance funded through Reaching Home. In addition, Reaching Home funding can be used to help cover the costs of developing and implementing this plan.²⁹

Therefore, the Committee recommends:

Recommendation 2—On coordinated access implementation

That, by 15 January 2024, the Office of Infrastructure Canada provide the House of Commons Standing Committee on Public Accounts with a report indicating how many of the 44 eligible communities in 2021–2022 have fully implemented coordinated access to housing support services; for those communities that have not, the reasons explaining why they have not done so, actions that will be undertaken to do so, and a new timeline for complete implementation. In addition, a final report should be provided by 30 April 2024 indicating how many of the 64 eligible communities in 2023–2024 have fully implemented coordinated access; for those communities that have not, a similar supplementary report should be provided by 31 October 2024.

B. Identifying Who Benefited from Initiatives

The OAG found that CMHC “did not know who was benefiting from its initiatives. While the corporation knew vulnerable groups were intended to benefit, it did not know whether those groups were actually occupying housing supported by its initiatives.”³⁰

29 *Ibid.*, pp. 3–4.

30 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, para. 5.50.

1. Minimal Measurement of Housing Outcomes for Priority Vulnerable Groups

According to the OAG, CMHC “could not determine if vulnerable groups and those in greatest need were benefiting as intended. While the strategy addresses housing needs across the entire housing continuum, the primary goal of the National Housing Strategy [NHS] is to make safe and affordable housing accessible for the most vulnerable Canadians and for those struggling to make ends meet.”³¹

At the first meeting, Karen Hogan provided the following:

The point we’re trying to make is that building a unit targeted for a group doesn’t mean a member of that group is actually being housed. In order to demonstrate that you’re meeting the needs of the most vulnerable, you need to track that information: to measure the outcome, not just the output of creating a unit.³²

2. Affordability of Approved Rental Housing

The OAG found that “the National Housing Co-Investment Fund had a measure for affordable housing that was not the same as the [NHS] overall. The result of this was that rent for approved housing was often unaffordable for low-income households, many of whom belong to priority vulnerable groups.”³³ According to the OAG, having “affordability criteria linked to market rent will continue to produce housing that is unaffordable to many of these groups.”³⁴

Consequently, the OAG made the following recommendation:

The Canada Mortgage and Housing Corporation should assess the impact of its programs on vulnerable groups at all stages of its National Housing Strategy initiatives. The corporation’s efforts should include the following:

- Define the housing needs of vulnerable groups, how it will prioritize meeting those needs, and what the successful result of this prioritization would be.

31 Ibid., para. 5.56.

32 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 29 November 2022, [Meeting No. 41](#), 1610.

33 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, para. 5.59.

34 Ibid., para. 5.61.



- Develop performance measures and report on whether housing outcomes for vulnerable groups are improving.
- Verify who is being housed in units generated and supported by its initiatives and use this data to determine whether program adjustments are required so that the housing needs of vulnerable groups are met.
- Take the necessary steps to align the definitions of affordability for all initiatives so that they are consistent.³⁵

At the first meeting, Romy Bowers, President and Chief Executive Officer, CMHC, provided the following:

The national housing strategy is composed of a number of different programs. The level of affordability that is targeted is different depending on the program. There are a number of programs that are very targeted and directed toward vulnerable populations.

For example, the rapid housing initiative was a program that was developed during the COVID crisis. We have delivered over 10,000 units in funding commitments for housing units serving those most in need. Many of these units are still in the process of being constructed. We can confirm who is using these units once the construction is complete.

There is a timing lag that's created in the provision of this data. CMHC is very committed to providing greater transparency and making sure that the gap between when we receive this information and when it's available to the public is closed.

We accept the recommendations of the Auditor General and we feel that we can work much more collaboratively with Infrastructure Canada to make sure that there is greater transparency and accountability about these outcomes.³⁶

In its action plan, CMHC divided its response to this recommendation into three parts. First, as regards the first point of the OAG's recommendation (defining housing needs), it plans to "leverage its program data, upcoming evaluations, and data from the record-linkage project in partnership with Statistics Canada to:

- Further define and analyse the housing needs of vulnerable populations, including those benefiting from NHS initiatives by end of December 2023
- Define the successful result of NHS programs in prioritizing vulnerable populations by end of December 2023

35 Ibid., para. 5.62.

36 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 29 November 2022, [Meeting No. 41](#), 1650.

- Measure how programs are meeting these needs by March 2024.”³⁷

In response to the second and third points of the OAG’s recommendation, CMHC will:

- further develop strategies, including through the Statistics Canada record-linkage project, to access more comprehensive administrative data regarding who is being housed in NHS units by end of December 2023; and
- report on its progress through its website as well as through the Triennial NHS Report to Parliament expected to be published in 2023–24.³⁸

To address the final part of the OAG’S recommendation:

CMHC will align how affordability is measured across NHS programs, and how affordability is reported on for the programs by the end of December 2023. CMHC will publicly report on the updated affordability measures by the end of March 2024.

Therefore, the Committee recommends:

Recommendation 3—On identifying who benefits from initiatives

That, by 15 January 2024 the Canada Mortgage and Housing Corporation provide the House of Commons Standing Committee on Public Accounts with a progress report outlining measures taken to:

- 1) define the housing needs of vulnerable groups and measure how programs are meeting these needs;**
- 2) determine whether housing outcomes for vulnerable groups are improving, using specific metrics;**
- 3) take the necessary steps to align the definitions of affordability for all initiatives so they are consistent; and**
- 4) provide evidence that the targeted groups are actually those that are receiving housing assistance.**

37 Canada Mortgage and Housing Corporation, [Detailed Action Plan](#), p. 1.

38 Ibid., p. 2.



In addition, a final report should be provided on 30 April 2024.

C. Federal Accountability for Reaching the National Housing Strategy Target

1. Federal Accountability

According to the OAG, CMHC “is the lead for the [NHS] and oversees the majority of its funding. However, the corporation took the position that it was not directly accountable for the achievement of the federal [NHS] target to reduce chronic homelessness by 50% and that its initiatives in the strategy did not specifically target chronic homelessness.”³⁹

In addition, “Infrastructure Canada is the lead federal department responsible for addressing homelessness, and the Reaching Home program was the only initiative in the [NHS] dedicated to addressing chronic homelessness. The department acknowledged accountability for contributing to and reporting on the status of the [NHS] target to reduce chronic homelessness by 50% by the 2027–28 fiscal year through the Reaching Home program. However, it considered accountability for the achievement of the target to be shared among a range of stakeholders, community service providers, and other levels of government. This meant that despite being a federally established target, there was minimal federal accountability for its achievement and it was unclear how federal organizations were working together to do so.”⁴⁰

2. Coordination of Federal Housing and Homelessness Initiatives

The OAG found that the NHS “initiatives led by [CMHC] and Infrastructure Canada’s Reaching Home program were not well integrated. This was despite the fact that the strategy indicated that some initiatives led by the corporation were to be complementary to the Reaching Home program and that the strategy was to help reduce chronic homelessness by supporting communities to deliver a combination of housing measures.”⁴¹ Furthermore, “the organizations’ efforts to coordinate with each other were limited. This was despite the organizations’ acknowledgement that collaboration

39 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, para. 5.69.

40 *Ibid.*, para. 5.70.

41 *Ibid.*, para. 5.71.

and coordination within and outside the federal government are vital to addressing the housing needs of priority vulnerable groups and to reducing chronic homelessness.”⁴²

At the first meeting, Karen Hogan provided the following on this matter:

One of my biggest concerns is the lack of federal accountability for achieving Canada’s target to reduce chronic homelessness by half by 2028. The national housing strategy was launched five years ago, in 2017, yet there is still no lead to achieve this target.

...

Without a better alignment of efforts and clear accountability at the federal level, Infrastructure Canada and the Canada Mortgage and Housing Corporation are unlikely to meet the country’s target to reduce chronic homelessness by half by 2028.⁴³

Consequently, the OAG made the following recommendation:

The Canada Mortgage and Housing Corporation and Infrastructure Canada should

- align, coordinate, and integrate their efforts to prevent and reduce homelessness and chronic homelessness
- engage with central agencies to clarify accountability for the achievement of the National Housing Strategy targets to eliminate gaps.⁴⁴

According to their action plans, Infrastructure Canada and CMHC have already established an Assistant Deputy Minister–level committee to collaborate more formally on infrastructure, housing and homelessness. They also plan to establish two additional interdepartmental committees, one on chronic homelessness, and one “to promote alignment, share emerging gaps, and coordinate the range of federal initiatives available to support the implementation of the Veteran Homelessness Program.”⁴⁵

As regards accountability, CMHC and Infrastructure Canada “will collaborate to clarify and define federal accountability for the National Housing Strategy’s target to reduce chronic homelessness by 50% by 2027–28.”⁴⁶

42 Ibid., para. 5.72.

43 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 29 November 2022, [Meeting No. 41](#), 1550.

44 OAG, [Chronic Homelessness](#), Report 5 of the 2022 Reports of the Auditor General of Canada, para. 5.74.

45 Office of Infrastructure of Canada, [Detailed Action Plan](#), pp. 4–5.

46 Ibid.



At the second meeting, Kelly Gillis stated the following:

Again, when this particular audit was done, the transition from CMHC coming in and working with Infrastructure Canada...and the homelessness policy and programs had just moved into Infrastructure Canada. That has been clarified. Under the minister's direction, Infrastructure Canada is responsible for homelessness policy and the program Reaching Home.⁴⁷

Therefore, the Committee recommends:

Recommendation 4—On coordination and accountability

That, by 15 January 2024, the Canada Mortgage and Housing Corporation and the Office of Infrastructure Canada provide the House of Commons Standing Committee on Public Accounts with a joint report indicating what measures have been taken to improve coordination between federal agencies involved in the National Housing Strategy as regards homelessness and chronic homelessness, as well as changes to clearly identify accountability regarding the National Housing Strategy.

CONCLUSION

The Committee notes that the OAG found that Infrastructure Canada and Employment and Social Development Canada did not know whether their efforts to prevent and reduce chronic homelessness were achieving the intended results.

The Canada Mortgage and Housing Corporation did not know whether it was addressing the housing needs of, and improving housing outcomes for, vulnerable Canadians or whether it was contributing to the prevention and reduction of chronic homelessness. CMHC did not know who was benefiting from its initiatives or whether housing outcomes were improving for priority vulnerable populations, including people experiencing chronic homelessness. Furthermore, rental housing considered affordable and approved under the National Housing Co-Investment Fund was often unaffordable for low-income households, many of whom belong to vulnerable groups.

In addition, there was minimal federal accountability for the achievement of the National Housing Strategy target to reduce chronic homelessness by 50% by the 2027–2028 fiscal year. Moreover, Infrastructure Canada's and CMHC's initiatives were not well

47 House of Commons, Standing Committee on Public Accounts, *Evidence*, 1st Session, 44th Parliament, 18 May 2023, [Meeting No. 65](#), 1650.

integrated, and the two entities were not working in a coordinated way to deliver on the strategy's objectives.

As a result, the Committee is making four recommendations to ensure that the OAG's recommendations are adequately followed and that the audited organizations provide progress reports to the Committee. These recommendations pertain to homelessness data and the Reaching Home program, on identifying who benefits from CMHC initiatives, on implementing coordinated access to services, and on coordination and accountability.

APPENDIX A LIST OF WITNESSES

The following table lists the witnesses who appeared before the committee at its meetings related to this report. Transcripts of all public meetings related to this report are available on the committee’s [webpage for this study](#).

Organizations and Individuals	Date	Meeting
Canada Mortgage and Housing Corporation Romy Bowers, President and Chief Executive Officer Nadine Leblanc, Senior Vice-President, Policy	2022/11/29	41
Department of Employment and Social Development Jean-François Tremblay, Deputy Minister Nisa Tummon, Assistant Deputy Minister, Program Operations Branch	2022/11/29	41
Office of Infrastructure of Canada Kelly Gillis, Deputy Minister Janet Goulding, Assistant Deputy Minister, Community Policy and Programs Branch Kris Johnson, Director General, Homelessness Policy Directorate	2022/11/29	41
Office of the Auditor General Karen Hogan, Auditor General Sean MacLennan, Director	2022/11/29	41
Canada Mortgage and Housing Corporation Nadine Leblanc, Senior Vice-President, Policy	2023/05/18	65

Organizations and Individuals	Date	Meeting
<p data-bbox="298 432 708 468">Office of Infrastructure of Canada</p> <p data-bbox="298 480 597 516">Kelly Gillis, Deputy Minister</p> <p data-bbox="298 529 906 590">Hon. Ahmed Hussen, P.C., M.P., Minister of Housing and Diversity and Inclusion</p> <p data-bbox="298 602 651 667">Kris Johnson, Director General, Homelessness Policy Directorate</p>	2023/05/18	65

REQUEST FOR GOVERNMENT RESPONSE

Pursuant to Standing Order 109, the committee requests that the government table a comprehensive response to this Report.

A copy of the relevant *Minutes of Proceedings* ([Meetings Nos. 41, 65, 73, 74 and 77](#)) is tabled.

Respectfully submitted,

John Williamson
Chair

The Conservative Party of Canada's Dissenting Report: Chronic Homelessness

Conservative members of the Standing Committee on Public Accounts (PACP) demand action be taken by the Government of Canada to stop the housing crisis, including the immediate implementation of the Legislation called for in C-356 *An Act respecting payments by Canada and requirements in respect of housing and to amend certain other Acts*, the **Building Homes Not Bureaucracy Act**, introduced by the Member from Carleton.

Conservative members of the Committee recommend:

Recommendations

Recommendation #1: Establish a target for the completion of new homes in high-cost cities that increases 15% every year and ties federal infrastructure funding allocated to high-cost cities to that target.

Recommendation #2: Provide for the reallocation of \$100 million from the Housing Accelerator Fund to municipalities that greatly exceed housing targets.

Recommendation #3: Require that federal transit funding provided to certain cities be held in trust until high-density residential housing is substantially occupied on available land around federally funded transit projects' stations.

Recommendation #4: Make it a condition for certain cities to receive federal infrastructure and transit funding that they not unduly restrict or delay the approval of building permits for housing.

Recommendation #5: Amend the *Canada Mortgage and Housing Corporation Act*, the *National Housing Act* and the *Excise Tax Act* in order to eliminate executive bonuses unless housing targets are met and to reduce executive compensation if applications for funding for new housing construction are not treated within an average of 60 days.

Recommendation #6: Provide a 100% GST rebate on new residential rental property for which the average rent payable is below market rate.

Recommendation #7: Require the Minister of Public Works to table a report on the inventory of federal buildings and land, to identify land suitable for housing construction and to propose a plan to sell at least 15% of any federal buildings and all land that would be appropriate for housing construction, subject to certain exceptions. In addition, require the Minister of Public Works to place these properties on the market within 12 months of tabling the report.

Background

On 15 November 2022, the reports of the Auditor General of Canada were tabled in the House of Commons and referred to the House of Commons Standing Committee on Public Accounts (the Committee) for study, one of which was entitled “Chronic Homelessness.”¹

The Auditor General’s report “Chronic Homelessness” displays an utter lack of accountability and record keeping within departments, the Government’s failures to meet their own goals, and that the Government’s own programs and initiatives have failed to address the evolving housing crisis.

After 8 years of the Trudeau Liberal Government the number of tent cities have become larger with worsening conditions. “The homeless count in the Lower Mainland revealed a 32-per-cent increase since 2020 to almost 5,000 people living on the streets, in shelters, in vehicles or in other precarious spots. And the problem has spread dramatically into Vancouver’s suburbs, where some communities are seeing a near doubling of their numbers.”²

The Minister of Housing, Infrastructure and Communities’ own riding has experienced immense issues with housing with “Affordable Housing Association of Nova Scotia’s By Name List showing that there are 1,012 people experiencing homelessness in HRM³, an almost 60 per cent increase since August of last year and approximately 500 per cent increase since 2018. These numbers don’t include people who may be sheltering in rural HRM, sleeping in their car or staying at a friend or family member’s house.”

Halifax resident, Wade Tanner, who has taken shelter within one of the tent cities provided the following descriptions of the chaotic state of tent city: “water shortage for one, the rats, the drugs, that’s about it around here.”⁴ Mr. Tanner also described an average night in the tent city; “it’s drug haven at night, you get all the druggies from all over the city here in the tent city. Running up and down here all night long, you can hardly get any sleep here.”⁵

The housing situation in Canada has become dire and if the recommendations above are not adopted, homes ownership will continue to be out of reach of Canadians and more dangerous and hazardous tent cities will appear throughout Canada.

1 [Report 5—Chronic Homelessness \(oag-bvg.gc.ca\)](#)

2 [Globe and Mail, October 5, 2023](#)

3 [AHANS | HRM Homelessness Statistics](#)

4 [Homeless in Halifax: Man living in tent asks for health-care help | Globalnews.ca](#)

5 Ibid.