



September 8, 2011

Mr. Yutaka Dirks  
Co-Chair  
Housing Network of Ontario  
dirks@lao.on.ca

Dear Mr. Dirks:

Thank you very much for the Housing Network of Ontario's 2011 provincial election questionnaire. I am pleased to provide you with the attached response, which outlines the Ontario Liberal Party's position on these issues of key importance.

Ontario Liberals are the only party with a positive plan to move Ontario forward. Together, we got through the recession the Ontario way: we protected education and health care, stood by workers in the hardest hit industries, and worked together to find new opportunities for our province and our families. Our strong leadership, experienced team and thoughtful long-term plan are getting results for Ontario families.

Eight years ago, during the dark days of Conservative cuts and conflict, Ontario was moving backwards. Today, our schools are rated among the world's best, our health care ranks first in Canada, and old jobs are coming back while new jobs are being created in emerging industries like advanced manufacturing and clean energy.

Our province, as we know it today, is a place that offers one of the highest standards of living in the world, which is why affordable housing is one of the top priorities of Ontario Liberals. That is also why we have invested more toward housing than any previous government. In fact, in this election, we are the only political party to address affordable housing in our platform.

Our plan is getting results and Ontario is turning the corner out of recession. Ontario is back on track. The Hudak PCs would take us off track and put our fragile recovery at risk with their reckless schemes. We need to keep moving forward, together.

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Mr. Dirks, thank you for the opportunity to respond to the Housing Network of Ontario's questionnaire — and please accept my best wishes.

Yours truly,

A handwritten signature in black ink, appearing to read "Dalton McGuinty". The signature is written in a cursive, flowing style with a large initial "D" and "M".

Dalton McGuinty  
Leader of the Ontario Liberal Party  
Premier

Enclosure

## **QUESTIONNAIRE RESPONSE: HOUSING NETWORK OF ONTARIO**

### **1. Our Investments in Affordable Housing**

Ontario Liberals know that affordable and secure housing provides the stability needed to raise families and build futures. We have therefore invested more toward housing than any previous government. This speaks to our commitment that, despite a serious global recession, we stayed the course.

To date, we have invested more than \$2.5 billion for repairs, new construction and rent supplements. Through our investments, we have built and repaired over 270,000 units and provided 35,000 supplements. Our investments have benefited more than 680,000 low-income Ontarians since 2003.

Ontario's housing supply was put into a catastrophic state by the PCs. They underfunded housing and cancelled the construction of 17,000 new units. They downloaded the entire housing portfolio onto local governments without providing money to repair an aging system or to meet future demand. Similarly, the NDP voted against the 2009 stimulus package, which, through our partnership with the federal government, invested \$1.2 billion in the affordable housing sector.

In this election, we are the only party to address affordable housing in our platform. The NDP does not have a concrete housing plan and has time and time again stood against our strategic investments that have helped increase our housing stock in Ontario. Meanwhile, the PCs stated that they intend "to get out of the non-profit and co-op housing business." Their current plan to impose a one-year ban on eligibility for social assistance for new Canadians means that people who come to Ontario to start a new life — new Canadians and refugees, women and their children fleeing domestic violence, people with disabilities — will be denied the help they need to get that start. This includes any help we can give them to find — and afford — safe housing.

Ontario Liberals have been working hard to remedy the problems created by the PCs — and we will continue to work to help affected Ontarians receive the housing assistance they need. We are proud of our record and energized about doing more to meet the affordable housing requirements of Ontario. Together with our housing partners and other levels of government, we will continue to help Ontarians shift out of poverty.

### **2. Our Long-Term Affordable Housing Strategy**

Ontario Liberals are the first to develop a Long-Term Affordable Housing Strategy (LTAHS) and are committed to ensuring the resources are available. It builds on our unprecedented investments to date and is the first of its kind in Ontario, providing greater flexibility to local governments so that they can create plans for housing delivery that are reflective of their unique local needs.

**a) Our New Housing Services Act, 2011**

The supporting legislation of our LTAHS is our new *Housing Services Act (HSA)*, which passed with all-party support. It creates a new overarching framework for affordable and social housing in Ontario that will reduce barriers to affordable housing, eliminate complicated rent-geared-to-income (RGI) rules, and clarify the roles and responsibilities of municipalities and the province to create stronger partnerships and greater accountability.

**b) Affordable Housing and Land Use Planning**

Our Provincial Policy Statement (PPS) directs municipalities to provide a range of housing types and densities with minimum targets for affordable housing. In addition, our *HSA* makes amendments to the *Planning Act* that will require municipalities to establish official plan policies and zoning by-law provisions allowing second units. By adding “affordable housing” as a “matter of provincial interest” in the *Planning Act*, we are sending a strong signal to decision-makers/developers that affordable housing is one of our key priorities that they must take into account when making land use planning decisions.

There is a range of existing tools that local governments can use to promote and support affordable housing. For example, under the *Planning Act*, we allow municipalities to set minimum density standards to ensure more units are required on a given parcel of land, pass by-laws for second units, and use community improvement plans to encourage affordable housing.

Also, pursuant to the *Municipal Act*, we allow municipalities to establish Municipal Services Corporations, which can acquire and develop sites for affordable housing. Municipalities may also enter into agreements with municipal housing corporations to provide financial and staff support. Under the *Development Charges Act*, municipalities may also provide full or partial exemptions from development charges for types of development, which can include affordable housing.

**c) Consolidation of Housing and Homelessness Programs**

Housing and homelessness program consolidation will enable local governments to tailor solutions to reflect local housing needs through more responsive and integrated services. It will begin with five homelessness-related programs (including the Provincial Rent Bank Program — see below) that are targeted for consolidation by 2013. For example, funding that must currently be used for another emergency shelter bed could instead be used to provide that person with transitional housing.

**d) Wait Lists and our Special Priority Policy**

Our LTAHS provides flexibility to local governments to adopt alternatives to the current chronologically based system, and will facilitate tenant transfers across wait lists or across service manager areas. Under our *HSA*, the Special Priority Policy will be clearly maintained as a provincial interest, providing priority access to RGI housing for victims of domestic violence.

**e) Our Simplified Rent-Geared-to-Income Calculation**

We amended the RGI calculation that removes disincentives to employment. For example, under the previous system, a single mother living below the poverty line who is taking extra work shifts to make ends meet would see her rental assistance reduced each time her income changed. This creates a barrier to getting ahead. We want to help her keep more of her money to invest in her family's future.

Our new *HSA* simplifies the RGI calculation by moving to an annual calculation and reducing or simplifying income and asset exclusions.

**f) Our Commitment to Measurement and Accountability**

Four performance measures specified in our LTAHS will drive and monitor our progress. They include an Ontario Housing Measure, a Rental Affordability Index, a Service Manager metrics along the housing continuum, and a Social Housing Tenant Satisfaction Survey. We established these measures in consultation with our municipal partners and are committed to developing local performance measures and the tenant satisfaction survey in collaboration with local governments and other housing partners — including tenants.

**g) Social Housing Review Process for Tenants**

Our LTAHS will require service managers to have a review process for tenants, allowing for fair decisions related to eligibility, rent determinations and type of accommodation for tenants.

**3. Our Commitment to Funding**

We recently signed an agreement with the federal government that guarantees new, four-year funding for affordable housing in Ontario (Investment in Affordable Housing — IAH). This agreement will see \$480.6 million invested in Ontario's housing stock — with \$240.3 million coming from the provincial government — and will provide local governments with funding for an array of housing options and the flexibility to design

strategies across the housing continuum based on local needs and priorities. This investment will improve access to affordable housing that is safe, sound and suitable for households across Ontario. It is noteworthy that both the PCs and NDP voted against our 2011 Budget, which included our \$240.3-million investment.

The IAH will offer seven components:

- Rental Housing
- Homeownership
- Northern Repair
- Rent Supplement
- Housing Allowance
- Ontario Renovates
- Off-Reserve Aboriginal Housing (to be delivered in partnership with Aboriginal Funding Administrators).

The future of housing depends on sustained long-term funding that is fair and will help meet the needs of Ontario. We will continue to actively lobby the federal government for a long-term deal and a national housing strategy.

Unlike the PCs and NDP, Ontario Liberals have not wavered during difficult economic times and we will continue to work with our partners to identify opportunities to help create affordable housing.

#### **4. Other Key Initiatives**

##### **a) Our Poverty Reduction Strategy – Options for a Housing Benefit**

Ontario Liberals are working hard on behalf of low-income Ontarians and will continue to make poverty reduction a priority going forward. In 2008, we released the province's first-ever Poverty Reduction Strategy, with a target of reducing poverty by 25 per cent by 2013. To enshrine this commitment into law, we passed the *Poverty Reduction Act, 2009* to ensure that successive governments remain focused on the fight against poverty.

According to Statistics Canada, while poverty in other Canadian jurisdictions increased during the global recession, poverty decreased in Ontario. Our Poverty Reduction Strategy and other concerted efforts are contributors to this trend.

As part of the strategy, Ontario Liberals are delivering programs and services that are making a real difference in the lives of low-income Ontario families. The Ontario Child Benefit is providing up to \$1,100 a year to over one million children and helping families to move from social assistance to employment more easily. This will increase to \$1,310

in 2013. Full-day kindergarten is saving families thousands of dollars per year on child care costs. We have increased the minimum wage to \$10.25, increased social assistance rates seven times and launched the largest review of social assistance in 20 years.

Because of these investments, we are seeing results. A single mother with a small child working full-time at minimum wage has seen her income increase by \$10,500 since 2003. Despite the worst global economic downturn in recent memory, child poverty levels decreased in Ontario from 2008 to 2009 — meaning that 19,000 fewer Ontario children were living in poverty.

Ontario Liberals will continue to make poverty reduction a priority and are committed to building on our success. If re-elected, we will consider delivering a new housing benefit for Ontarians who are struggling and we will ask our experts working on the social assistance review to develop options.

#### **b) Our Infrastructure Ontario Loan Program**

As announced in our 2008 Ontario budget, our Infrastructure Ontario Loan Program has been expanded to include housing providers, helping them finance and develop affordable housing. The loans offer attractive interest rates and can now be used for any capital costs, including:

- Construction or renovation of facilities
- Energy efficiency projects (windows, doors, lighting, appliances, etc.)
- Water, hydro, HVAC and communications systems
- Accessibility improvements.

#### **c) Our Strategic Use of Government Lands**

Infrastructure shapes our communities, improves our standard of living and gives us a better quality of life. Building Together, Ontario's long-term infrastructure plan, will help provide us with the right kind of infrastructure for the next decade to build vibrant communities.

Through Building Together, we will continue to explore opportunities to strategically use surplus publicly owned land to improve access to affordable housing. We will also continue to find new ways to work with other levels of government to build and renovate affordable housing that meets local housing needs.

We welcome input from our housing stakeholders and other partners on innovative ways of using government lands to provide better housing options.

**d) Our Ontario Clean Energy Benefit**

To help consumers manage the cost of the transition to a reliable, cleaner electricity system, we have introduced the Ontario Clean Energy Benefit (OCEB). Over the next five years, the OCEB will give eligible consumers a benefit equal to 10 per cent of the total cost of electricity on their bills, including tax. It will provide relief to over four million residential consumers and over 400,000 small businesses, farms and other consumers.

Tim Hudak's PCs voted against taking 10 per cent off consumers' electricity bills and are, instead, along with the NDP, promising to remove the provincial portion of the HST from hydro and heating bills. It is noteworthy that the OCEB will provide more relief to residential consumers than removing the provincial portion of the HST from electricity bills.

**e) Home Ownership**

Under the Homeownership component of the Affordable Housing Program Extension (2009), we have provided down-payment assistance to help low- and moderate-income households purchase affordable homes, while encouraging new affordable ownership housing development.

Homeownership is currently one of the seven components offered through the IAH.

**5. Key Tenant Protections**

**a) Rent Increase Guideline**

The NDP voted against our reforms to the Rent Increase Guideline. Our changes resulted in tenants across Ontario paying the lowest increase of any government — a year-over-year average of 1.9 per cent through 2010. By contrast, the PCs had an annual rent increase average of 2.9 per cent, and the NDP doubled that, with an average 4.8 per cent increase. Under the NDP and the PCs, renters saw increases consistently above the rate of inflation, while the Ontario Liberals have never had an increase outpace the rate of inflation.

Currently, the annual rent increase guideline is based on the Ontario Consumer Price Index, which is calculated by Statistics Canada. While we are pleased with our results to date, moving forward we will revisit and fix the *Residential Tenancies Act, 2006 (RTA)* so that the increase is in line with what is happening for those who rent. That system worked well in the past and during the recession but needs adjustment due to the higher price of products like gas.

**b) Our Provincial Rent Bank Program**

Ontario Liberals understand the importance of keeping families in their homes when facing eviction due to a temporary financial setback resulting from an illness, a job loss or a family emergency. This is why we initiated our Provincial Rent Bank Program. As part of our Poverty Reduction Strategy, we have stabilized funding for the program with a dedicated commitment of \$5 million per year.

To date, the program has helped protect more than 28,000 families from eviction. Unfortunately, the PC and the NDP parties voted against our stabilization of funding.

**c) Key Changes to our Residential Tenancies Act, 2006**

We introduced and amended our *RTA* to provide stronger tenant protections, including increased fines for landlords who fail to provide vital services to tenants, such as heat, water and hydro. Specifically, we increased the maximum penalties for withholding these services from \$10,000 to \$25,000 for individuals, and from \$50,000 to \$100,000 for corporations. It is noteworthy that the NDP voted against these reforms.

The PCs' policies caused evictions to grow dramatically. During 2001, almost 61,000 households faced eviction. Under our *RTA*, by prohibiting automatic evictions, we have provided stronger protections to help keep vulnerable Ontario families in their homes. Tenants facing eviction now have the right to present their case to the Landlord and Tenant Board (LTB). The NDP voted against reforms for fair hearings for disputes through the LTB.