

Federation of Canadian Municipalities
Standing Committee on Municipal-Aboriginal Relations

National Aboriginal Housing Association

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Introduction

Mr. Chairman:

My name is George Devine and I am here on behalf of Mel Buffalo, NAHA's President. I want to thank the Federation of Canadian Municipalities for the invitation to make a presentation before the Standing Committee on Municipal-Aboriginal Relations.

We are encouraged by FCM's commitment to a dialogue on a national urban Aboriginal housing strategy. NAHA welcomes the opportunity to participate in this dialogue.

Today, I would like to speak about NAHA and its membership, including the existing assisted urban Aboriginal housing portfolio. I will also discuss the Aboriginal housing and homelessness crisis, and attempt to relate these comments to the key components of an urban Aboriginal housing strategy. I will conclude my remarks by discussing how NAHA and FCM might collaborate in the coming months.

The National Aboriginal Housing Association

NAHA is a national association of urban Aboriginal housing providers, committed to building safe and healthy communities by helping Aboriginal housing providers achieve standards of excellence in the delivery and management of affordable housing and support services. Formed in 1993, NAHA brings together 110 housing providers located in all provinces and territories.

At the Annual General Meeting in April 1999, NAHA's membership adopted a three-year Strategic Plan, *Into the New Millennium*. The Plan articulates four key directions:

- ◆ Communications, advocacy and representation;
- ◆ Strategic position of Aboriginal housing;
- ◆ Innovation and partnership; and

- ◆ Diversification of services.

The Assisted Urban Aboriginal Housing Portfolio

The urban Aboriginal community's experience in developing and managing assisted housing goes back thirty years.

In 1970, the federal government launched a \$200 million demonstration housing program. One project funded under the Demonstration Program was Kinew Housing Corporation (Kinew) in Winnipeg, sponsored by the Native Friendship Centre. Kinew's project consisted of acquiring ten existing, older housing units. Between 1972 to 1975, five more urban native non-profit housing providers were created across Canada. All used the same approach of acquiring older existing housing, rehabilitating them and renting to low income families.

The National Housing Act (NHA) was amended in 1973, introducing 100 percent capital financing, a fixed long term mortgage interest rate and 10.0 percent capital forgiveness. In spite of these more generous terms, the five original Aboriginal housing providers still had to rely upon additional NHA "research" monies to allow them to operate. In 1974, CMHC urged provinces to use cost-shared funding under the former NHA Section 44, to provide deeper shelter subsidies, thus ensuring a modest degree of financial stability.

In 1977, under pressure from national Aboriginal organizations, Canada Mortgage and Housing Corporation (CMHC) agreed to set aside a specific target: 400 units a year or 10.0 percent of the 1978 social housing allocation, for urban Aboriginal housing. Under this initiative, the federal government provided mortgage interest assistance in the form of non-repayable subsidies over the life of the mortgage, usually set at thirty-five years.

The Aboriginal portfolio continued to increase in response to the demand, as more and more Aboriginal people moved into urban communities. But housing providers still faced serious viability problems and there was still no separate national program.

In 1983, the federal government did approve deeper funding for 1 000 existing units, guaranteeing tenants of native ancestry would pay no more than 25.0 percent of their income

for shelter. This new assistance bridged the gap between operating costs and operating income.

It was not until 1985 that a distinct Urban Native Housing Program was established under the NHA. It formalized the deeper funding, as well as targeting to persons of Aboriginal ancestry. In addition, it recognized tenant counseling costs, additional administration expenses and non-traditional households in the treatment of household income. Then in 1993, the federal government cancelled the program.

Today urban Aboriginal housing providers own and manage just over 10,000 rental units, serving an estimated 35,000 individuals¹.

Nfld	PEI	NS	NB	PQ	ON	Man	Sask	Alta	BC	Total
71	54	133	200	1124	2094	1336	1959	1080	1794	10074

Table 1
Urban Aboriginal Housing Portfolio (Source: Canadian Housing Statistics)

The current portfolio has a high concentration of young families. Over 50.0 percent of residents are under the age of 18; and less than twenty-two percent are over the age of 35. Single parent households comprise over half of all households; of which about 90.0 percent are led by women. Senior households, in 1996, accounted for less than 8.0 percent of the total households.²

The average household size is 3.5 persons and the average number of children is about the same as the number of adults. Less than 2.0 percent of all residents are non-Aboriginal. Almost 50.0 percent are status Indian and another 20.0 percent are Treaty Indian. The remaining report mixed Aboriginal, Metis, and Inuit ancestry, in that order.

¹ In addition, there are six urban Aboriginal housing co-operatives funded under the old NHA Section 95 Program

² All data in this and following paragraphs pertaining to socio-demographic characteristics of the portfolio are from internal NAHA surveys.

The average tenant household income in 1996, was approximately \$15,000³. This is approximately half of the reported average household income of the general Canadian renter population. Social assistance was the single most important source of income. Full and part time employment makes up the second most important source of income.

Approximately 14.0 percent of residents moved directly from an Aboriginal community or a Reserve. The balance had lived in private rental or other publicly assisted housing prior to moving into this portfolio.

The physical condition of the portfolio is important to the quality of life of residents. CMHC data indicates that in 1995, just over 3.0 percent of the projects in the portfolio failed to meet the NHA Minimum Property Standards.⁴ NAHA believes this figure is much higher if you look at individual units. The average cost of deferred repairs was estimated by CMHC to be approximately \$2,200. per unit.

Much of the stock in the portfolio is older, existing units, compared to the higher percentage of new housing in the private/public non-profit and co-operative housing programs. As a result, maintenance costs will continue to be much higher than in other publicly assisted housing. Most urban Aboriginal housing providers do not have adequate capital replacement reserves. In many instances, CMHC did not recognize annual replacement reserve allocations, instead funding capital repairs from operating subsidies in the year in which they were required. The absence of funded replacement reserves has serious long-term implications now that the federal government is in the process of transferring the portfolio to provinces and territories.

I want to pause at this point and comment on the 1996 decision by the federal government to transfer responsibility for this portfolio. NAHA, along with its national partners, such as the Congress of Aboriginal People and the Native Women's Association of Canada, have called upon the federal government, without success, to "halt the transfer", and to consider

³ Over 90 percent of residents had income below the federal government CORE Need Threshold.

⁴ Source: CMHC Physical Inspection Survey, 1995.

transfer to the Aboriginal community. To date, the government has signed agreements with nine provincial and territorial jurisdictions.

We not only believe this is unconstitutional, we believe the financial arrangements under which the transfer occurs puts the limited, but crucial, existing portfolio at risk. Provinces and territories have the ability to make program administration changes that may have serious implications for the Aboriginal community. There are many unanswered questions.

Will tenants have to pay higher rent-to-income ratios (i.e. 30% Vs 25%)? Will funds for tenant counseling, higher administration fees and maintenance costs continue to be recognized? Will non-traditional households continue to be recognized in determining household incomes? Does the transfer funding arrangements guarantee that the deeper subsidies will continue over the life of the project? Will there be adequate funding for future capital replacements? In Ontario, where the province is in the process of further downloading responsibility to local governments, will there be pressure to “harmonize” administration, tenant selection, maintenance, with other non-Aboriginal housing providers?

In Manitoba, Caroline Bruyere, a NAHA Director, and Aiyawin Non-Profit Housing Corporation, has filed a Claim with the Federal Court of Canada⁵ seeking a permanent injunction against CMHC from divesting responsibility for the NHA’s Urban Native Housing Program to the Province of Manitoba. If successful, the Bruyere/Aiyawin action will have implication in other jurisdictions, including Ontario, where the transfer has just occurred.

NAHA will continue to call upon federal and provincial governments to ensure that the portfolio remains with the Aboriginal community. As illustrated above, the portfolio serves the most fragile households. The portfolio has struggled with under-funding and viability concerns for much of its thirty years. We firmly believe protecting the Aboriginal community’s control and ensuring the ongoing viability of this portfolio is an important component in a larger urban Aboriginal housing strategy.

⁵ See: Caroline Bruyere and Aiyawin Corporation and Her Majesty The Queen, Statement of Claim T-423-99, March 8, 1999.

The Housing and Homelessness Crisis

There have been numerous reports and studies on the current housing and homelessness crisis. However, not all studies have examined the impact upon Aboriginal peoples. The City of Toronto Mayor's Report, *Taking Responsibility for Homelessness: An Action Plan for Toronto*, did however, devote an entire section to Aboriginal issues. I want to summarize three of its key observations.

Firstly, it noted that Aboriginal people made up a disproportionate part of Toronto's homeless population, representing about 15 percent of the total homeless, or about 4,000 people in 1996. Another 8,000 were at risk of becoming homeless.

This observation is supported by other evidence suggesting urban Aboriginal peoples are facing a worsening housing crisis. The urban Aboriginal population is the fastest growing segment in Canada. In the decade between 1981 and 1991, it grew by 62.0 percent while the rest of the urban population grew by only 11.0 percent. As well, between 40.0 and 76.0 percent of Aboriginal households in large urban areas, fall below the poverty line. The incidence of urban Aboriginal peoples living in dwellings that fall below one or more of the three standards in the federal government's Core Housing Need Model, is significantly higher than the rest of the Canadian population. As **Table 2** (below) illustrates, just less than 10.0 percent of non-Aboriginal households are in Core Need, compared to 32.0 percent of urban Aboriginal households.⁶

⁶ International Covenant on Economic, Social and Cultural Rights, Third report of Canada, Background Report, Article 11: Housing; Canada Mortgage and Housing Corporation, 1998; page 18.

Location	Total Households	Below One or More Standards	Incidence	In Core Housing Need	Incidence
Urban Aboriginal	196,375	97,100	49.0%	63,070	32.0%
Non Aboriginal	3,149,000	N/A	N/A	309,000	9.8%

**Table 2
Comparison of Aboriginal/Non-Aboriginal Households in Core Need (1991)**

Despite rapid population growth and the high incidence of housing need, the federal government cancelled the Urban Native Housing Program in 1993. As a result, there is approximately 10,000 (See: Table 1) federally assisted urban Aboriginal rental units nationally, representing affordable housing for less than 6.0 percent of total urban Aboriginal households (compared to approximately 19.0 percent for non-Aboriginal households)!

Secondly, the Toronto report laid the major responsibility for this crisis on government inaction. The Toronto report recommended that the federal government should carry responsibility for funding housing and supports to the Aboriginal homeless population.

Thirdly, the Toronto report noted that because Aboriginal people are more comfortable using services specifically designed for Aboriginal people, new programs to combat homelessness should be funneled through Aboriginal organizations. Aboriginal-led agencies are places where people can “feel good about being Aboriginal” and find support and acceptance. Aboriginal-led services can embrace the values of their own culture and as a result be more effective.

This third observation echoed *The 1996 Royal Commission on Aboriginal Peoples* which also commented upon the benefits of Aboriginal owned and operated housing. Tenants felt that “...access to affordable accommodation and basic amenities...(provided them)...a sense of

permanence, providing roots in the city while maintaining ties with reserve and rural communities.”

NAHA members are at the forefront of the housing crisis. Everyday, they must place eligible applicants on a long waiting list because of the lack of available housing.

A National Urban Aboriginal Housing Strategy

NAHA is convinced that it is important for the Aboriginal and non-Aboriginal communities to work together. For this reason, NAHA is a member of the National Coalition on Housing and Homelessness. NAHA members are collaborating in various municipalities across Canada on joint homelessness initiatives. The Co-operative Housing Federation of Canada membership has supported NAHA’s challenge of the federal decision to transfer the portfolio to provinces and territories. NAHA is also working with other national Aboriginal organizations such as the Native Women’s Association of Canada and the Congress of Aboriginal People to make our voice heard among our national political leaders.

I want to set out what we believe are the key objectives of a national urban Aboriginal housing strategy:

(1) Self-Determination

The strategy has to be premised upon the principle of self-determination. The Aboriginal community must be responsible for the delivery and management of its housing services. In some cases, this will require assistance in developing appropriate infrastructure supports. In other cases, it will require recognition of the delivery and management capabilities of existing housing providers.

(2) Protection of the Existing Portfolio

The strategy must provide for protection of the existing urban Aboriginal housing portfolio. It represents a significant component of the housing needs of off-reserve Aboriginal peoples. Federal devolution to provincial and territorial jurisdiction has placed this portfolio at risk.

We need agreement among these jurisdictions on the future administration of this portfolio. Because Aboriginal stakeholders have been shutout of the negotiating process, there is a climate of distrust and disappointment. I think we all agree that we need to re-establish operating certainty.

(3) New Housing Supply

New and significant investment in assisted housing and support services is urgently needed.

NAHA acknowledges that while poverty is at the root of the housing crisis, many homeless Aboriginal people suffer from addiction and mental illness, which contributes to the complexity of dealing with the problem. As well, many Aboriginal youth lack job skills and education, and suffer from cultural alienation.

Urban Aboriginal people also see their identity as the core of their existence⁷ adding another dimension to finding lasting housing solutions. In addition to the sheer obstacle of private rental housing affordability, low-income Aboriginal households face major difficulties in dealing with non-Aboriginal housing agencies. Large assisted housing providers, such as municipal non-profit housing corporations and public housing authorities, generally have no programs specifically targeted to Aboriginal people. NAHA members, in most communities, offer the only culturally sensitive assisted housing services to the urban Aboriginal population.

⁷ See the Royal Commission on Aboriginal Peoples, "Urban Perspectives" section, 1996.

However complex the issues of poverty, mental illness, addiction and identity are, NAHA firmly believes the basis of an urban Aboriginal housing strategy rests in increasing the supply of assisted housing.

A key finding of a study of poor and homeless New Yorkers, undertaken by New York University and published in the *American Journal of Public Health*⁸, found that regardless of social disorders, 80.0 percent of formerly homeless families with subsidized housing stayed permanently housed. This landmark study puts an end to the often-misunderstood phenomena that homelessness is “a life style choice” or that we must first treat the root causes of homelessness. The delivery of support and healing services can only occur where there is housing and shelter stability.

(4) Accessing Non-Aboriginal Assisted Housing

We must ensure greater access to the existing assisted housing portfolio nationally.

I noted that most local public housing and municipal non-profit housing providers do not have special outreach programs targeted to Aboriginal peoples. Collectively however, they are responsible for the largest supply of assisted housing in this country.

We need to create a dialogue with these providers on Aboriginal housing needs. Just as the co-operative housing sector has reached out to create Aboriginal owned and managed housing co-operatives, we need to examine the feasibility of specific Aboriginal targets for public and municipal housing providers.

There are many options that come to mind. Sub-contracting the management of specific projects or a portfolio of units to existing Aboriginal housing providers is one option. There may be many others. In Ontario, the download of all social housing responsibilities to local government creates a unique opportunity to explore a number of options that would result in greater access by Aboriginal peoples.

⁸ American Journal of Public Health; *Predictors of Homelessness Among Families in New York City: from Shelter request to Housing Stability*; November 1998, Vol. 88, No. 11.

(5) Specific Targets

New housing and homelessness initiatives must meet the needs of three specific targets:

- ◆ Visibly homeless Aboriginal people on the streets or in hostels.
- ◆ Hidden Aboriginal homeless people living in unsuitable or over-crowded (doubling-up) accommodation, because of the lack of suitable, affordable housing.
- ◆ Aboriginal households at risk of becoming homeless due to affordability.

The recommendations outlined in both the Toronto *Mayor's Task Force Report*, and FCM's *Policy Options* provide a blueprint for addressing many of these needs.

I now want to touch briefly on how NAHA and FCM's can collaborate in developing a national urban Aboriginal housing strategy. Your invitation to speak today is one example. However, I would like to outline some specific suggestions for future collaboration.

As I noted at the outset, NAHA's three year *Strategic Plan* states four key directions:

- ◆ Communications, advocacy and representation;
- ◆ Strategic position of Aboriginal housing;
- ◆ Innovation and partnership; and
- ◆ Diversification of services.

These directions provide the collaborative framework within which we can jointly work on the development of a national urban Aboriginal housing strategy.

We recognize the need for greater accuracy in forecasting housing needs among urban Aboriginal peoples. The additional research undertaken by the Toronto *Mayor's Task Force* is a very good example. Unfortunately this has not been repeated in other areas. NAHA is prepared to work in partnership with FCM, and others, to secure funding and undertake similar urban Aboriginal housing need studies, in other major urban areas.

I spoke of the need to access a greater share of the existing public and municipal housing stock. FCM is in a position to facilitate discussions with provinces and municipalities on ways that this might be accomplished.

We can collaborate to ensure that the messaging to senior levels of government on the need for significant new funding, continues to single out the over representation of Aboriginal peoples among the homeless and those at risk of becoming homeless. Combined with this message is the need to remind senior levels of government on the need to ensure that the Aboriginal community must take lead responsibility for the delivery and management of new housing programs.

Organizations such as NAHA lack funds or the membership base to provide the full measured response that is required during this housing crisis. The fact that our President, Mel Buffalo was unable to be here himself is evidence of that situation. The leadership that we are providing is based upon the goodwill and dedicated support of our volunteer directors. We urge you to take this into consideration when you and your members consider potential joint initiatives.

Conclusion

In conclusion, I want to reiterate our two fundamental messages: There persists a high level of housing need among Canada's urban Aboriginal population, supporting a continuing and significant societal equity rationale for public funding. In recognizing the inherent Aboriginal right of self-government, which includes housing, there is a clear rationale for articulating a separate urban Aboriginal housing strategy.

NAHA and its members thank you for the opportunity to speak to you today and look forward to continued discussion and collaboration.

Ottawa

December 12, 1999

