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EVALUATION OF THE PRIVATE RENT
SUPPLEMENT PROGRAM

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EVALUATION OF THE PRIVATE
RENT SUPPLEMENT PROGRAM
(44(1)(a)) IN CANADA

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Canada Mortgage and Housing Corporation
Société canadienne d'hypothèques et de logement

Canadian Housing Information Centre
Centre canadien de documentation sur
l'habitation

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FOREWORD

The following report, on the private Rent Supplement Program, is one of several reports on social programs operated under the National Housing Act which have been produced or are in preparation. These include analyses of the client groups served under the Non-Profit, Cooperative, Rent Supplement (44.(1).(b)), Public Housing, Rural and Native Housing and the Residential Rehabilitation Assistance Programs. The intentions of producing such reports are, first, to subject the ongoing programs of CMHC to periodic review to document what has happened over a three to five-year period; second, to evaluate whether the agreed upon objectives are being attained; and, third, to compare the relative efficiency and effectiveness of social housing programs which might have related objectives and similar client groups.

In preparing this report Susan Carey received assistance from a wide range of people in CMHC offices, provincial housing corporations, private residential developments and municipalities. We are deeply grateful for this and hope that such cooperation and mutual help will continue to be in evidence as we work upon other evaluation studies.



Richard Peddie,
Director,
Program Evaluation Division.

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EXECUTIVE SUMMARY

The aim of this report is to present an evaluation of the private Rent Supplement Program (Section 44 (1)(a)NHA) in Canada to the end of 1978. Since most of the private rental units supplemented under the program are to be found in Ontario, British Columbia, Manitoba and Newfoundland, discussion is restricted to those provinces.

Major Conclusions of the Report

- The Rent Supplement Program has achieved limited success in meeting the housing needs of low-income Canadians, many of whom would have been housed in traditional public housing units or would have had to accept a lower quality of housing on the open market or would have been paying a higher than acceptable proportion of their income on shelter.
- The program now appears to have reached a stage of no or very slow growth. This has serious implications for the Federal Government if it wishes to ameliorate the housing problems of low income Canadians and if it prefers direct supplements to capital subsidies.
- The Rent Supplement Program has an inherent flexibility that public housing does not have. It can be fine tuned to deal with changes in the volume of need and market conditions. From that perspective it is attractive.
- It is obvious that the program has only made a small dent in the volume of need. If it was to be greatly expanded some critics claim that the overall amount of subsidy required would become too great because it is tied to specific units. There is no real evidence to suggest that subsidy costs per unit would be any greater than under comparable social programs. In fact if the program continues to serve the younger, small family type of clientele that it now serves, then subsidies might be controlled because their incomes might be expected to rise, at least as fast as rents.
- Much of the present debate also revolves around the issue of unit-tied subsidies. This is an important issue (i) because governments have a responsibility to ensure that public funds earmarked for housing purposes should be used for standard accommodation; and (ii) if the supplements were to be considered purely as income transfers then a wider, different program is involved in which housing agencies should in effect play no part.

On the first point, there is no good reason why the Rent Supplement Program could not be extended to encompass the existing stock of rental units. Both the federal and provincial housing agencies have sufficient field experience and expertise to ensure that supplemented units are up to standard.

- If trends in rental construction and vacancy rates in large population centres continue downwards there is an important role for a program of this type. But to make it effective, the program has to tap the large amount of existing private rental accommodation, has to stimulate entrepreneurs to build new stock and has to be vigorously promoted to avoid withdrawal of landlords as vacancy rates drop.

Program Performance

- At the end of 1978, approximately 10,500 households occupied private rent supplement units. 8,597 (79 per cent) of these were in Ontario, 804 were in British Columbia and 680 were in Manitoba.
- Approximately 565 landlords were involved in the program, 454 of these were in Ontario.

Administrative Problems

- After seven years' operation, the program still requires clarification under Section 44(1)(a) of the National Housing Act: it should be given unambiguous legal status.
- No real control is exerted over the program due to its fluid nature. The amount of verification of subsidy claims that can be done at National Office is limited.
- The basis on which administrative costs are determined is unclear. For example, Ontario has billed \$6.50 per unit in 1978, equal to three percent of total operating costs.

Rent Supplement As An Alternative to Public Housing

- By and large, the program has a similar clientele to regular public housing, though there are minor, but sometimes important, differences.

- Private rent supplement units are used slightly more for families (those with household heads under 60) than regular public housing units. Families account for 60 percent of the households in the program, 55 percent of the households in public housing.
- Families are younger (31 percent are headed by persons under 30) compared with those in public housing (23 percent under 30). They are also smaller households, 84.7 percent are three persons or less, compared with 47.8 percent in public housing.
- A higher proportion of senior citizen households are two-person, 25.5 percent, compared with 19.8 percent in public housing.
- Gross family tenant incomes are lower, 43.3 percent are below \$5,000, compared with 35.4 percent of family households in public housing. Senior citizen gross family incomes are higher, 33.9 percent are above \$5,000 compared with 23.3 percent in public housing.
- In terms of units, private rent supplement is only one-fifteenth the size of regular public housing, (10,500 as compared with 151,527 units under management).

Income Integration

- Despite efforts to conceal the identity of rent supplement tenants, their presence is well known.
- Other tenants frequently complain to the landlord about the behaviour of rent supplement tenants.
- About one-third of rent supplement landlords feel the reputation of their building has been adversely affected (but still want to continue in the program).

Increase the Housing Stock for Low-Income Households

- Approximately 10,500 households currently occupy market-level rental accommodation that they could not otherwise afford.
- Units leased under the program are normally hard to let units, raising the possibility that these may be inadequate or unsuitable for the rent supplement tenant in terms of space, amenities, project type or location.

- In the short-term, rent supplement is cheaper than public housing. Over the long-term, unless low incomes rise as fast as rents, the program may become more expensive as the provinces exercise limited control over the private market.

Private Sector Involvement

- Seventy-five percent of the units are leased from private entrepreneurs, but fifty percent are financed under different NHA-assisted or province-assisted housing programs.

Program Impact

- In the Census Metropolitan Areas of Ontario, British Columbia, Manitoba and Newfoundland, in 1974, 251,484 households, both renters and owners, had a shelter problem at 25 percent of their income. The average subsidy cost to bridge their "affordability gap" would have been \$51 per household per month, the total bill would have been \$155.2 million annually. This would probably be less than under the Rent Supplement Program, but not by too much in many metropolitan areas.

For Canada as a whole, in 1974 397,682 tenant households in the CMAS were in shelter need. It would have cost \$53 per month per household to subsidize them, or \$252.6 million annually.

- Looking at the "shelter-gap" alone ignores the fact that 43.7 percent have shelter problems other than affordability. By tying subsidies to units, the program ensures that standards of adequacy and suitability are maintained.
- Landlords presently participating in the program would be willing to expand their involvement. Those not participating would need financial incentives, and more publicity to increase their awareness of the program.

CHAPTER ONE
INTRODUCTION

This is a report on the evaluation of the Private Rent Supplement Program (44(1)(a)) in Canada from its inception in 1971 to the end of 1978. Although the program operates in most provinces, the majority of the units are in Ontario, British Columbia, Manitoba and Newfoundland; thus the report will concentrate upon the program in those provinces.

The report has three main purposes:

- o to examine upon the performance of the Private Rent Supplement Program from 1971 to 1978 in terms of some objectives that can be evaluated;
- o to identify operational and policy concerns which face the program; and
- o to consider the potential future of the program.

1.1 PROGRAM SUMMARY

The Private Rent Supplement Program, through leases with the private landlord, provides an alternative to government construction of rental housing for low-income households. Supplements for units in privately-owned rental

projects were first paid in Ontario in 1971 and have been applied more recently in other provinces. At present 10,500 tenants receive subsidies under the program, which has been growing at the rate of 2-3,000 units a year. Approximately 565 landlords are involved.

Through entering into lease arrangements with the private landlord, the program offers an alternative to "traditional" public housing to both suppliers and consumers of publicly assisted low-rental housing. Broadly, the program operates under a federal-provincial agreement which enables the provincial housing agency to enter into lease agreements with individual landlords. The province-landlord agreement designates particular units within a project for supplement, specifies the rental for each unit, and the length of the agreement. The provincial housing agency supplies the tenants from the public housing waiting lists of local authorities.

Under Section 44(1)(a) of the National Housing Act, the Corporation pays up to fifty percent of the operating losses incurred by any province, municipality or public housing agency operating a public housing project.

Such contributions fall into categories usually termed "44 regular", "provincially-owned", and "private rent supplement". The first is the subsidy paid on public housing financed under Section 43 and on "provincially-owned" public housing financed by the province. "Private rent supplement" (44(1)(a)), with which this report is concerned, is the subsidy paid on units leased by provinces from private landlords. In addition, under 44(1)(b), units within non-profit or cooperative housing projects are also eligible for equivalent subsidies.

These distinctions between types of ownership have become very blurred. This has a number of implications for the objectives of the program, which the report will deal with later.

1.2 WHY AN EVALUATION?

Three reasons led to examination of the program in late 1977:

- (i) it was an important program which had been in operation for some time and had not been evaluated;
- (ii) it was planned to expand the number of private rent supplement units substantially from 10,500 units in 1978 to 23,000 units in 1979; and
- (iii) present policy initiatives, concerned with shelter allowances, might have a significant effect on this program; therefore it was considered important to evaluate both its performance and potential at this point in time.

The evaluation has consisted of three stages: program description; measurement of program performance; and, assessment of future potential for the program. The first stage involves an overview of program operation and administration; the second stage has entailed extensive data collection in order to analyse program performance against stated objectives. The third stage involves the comparison of present performance with the target group.

1.3 STRUCTURE OF THE REPORT

How the program operates is described in Chapter Two. A brief background is sketched, to explain why the program was introduced. A description of the major points relating to program administration follows, from the perspective of the three major actors: CMHC, the provincial government and the local housing authority. Unit selection, tenant selection and how subsidies are paid are described. A section on program take-up illustrates the number of units under subsidy, under commitment and allocated annually. An indication of type of ownership is given.

Chapter Three describes the evaluation framework and criteria, and program objectives. Each objective is examined and evaluated.

The program's future is discussed in Chapter Four in the context of three issues - (i) how much of the real need shown by the "affordability gap" data the program serves; (ii) low effective demand indicated by public housing waiting lists; and (iii) program costs.

Chapter Five contains the summary and conclusions of the study.

CHAPTER TWO

PROGRAM DESCRIPTION

It is difficult to understand the Private Rent Supplement Program without setting it in the context of issues existing at the time it was introduced. It is necessary to understand also the complexities that have arisen as a result of operating a program the legality of which is doubtful.

2.1 HISTORICAL BACKGROUND

Rent supplements provide a direct subsidy under the NHA aimed at bridging the gap between the shelter costs of low-income tenant households and their ability to pay. The 44(1)(a) program enables provincial agencies to enter into agreements with private landlords to lease from them a specific number of rental units at agreed market rents. The provincial agency then provides the tenant, from the public housing waiting list, and pays the landlord (tenant in British Columbia) the difference between the amount the tenant pays, according to the public housing rent-to-income scale, and the agreed market rent. Naturally the lower the income of the tenant sent by the public housing authority, the greater will be the subsidy paid out to the landlord or tenant.

The idea of bridging the renter's "affordability gap" was one of the intentions of the program when it passed into law under amendments to the NHA in 1973. Prior to 1973, Ontario had been experimenting with rent supplements of various kinds.

Between 1960 and 1964 a rent certificate program existed in Toronto which was operated by the provincial government and, at its peak, subsidised 240 families. The scheme foundered partly through the unwillingness of federal and Metropolitan Toronto governments to participate and partly through landlords being quick to increase rents. The program worked as an enabling form of assistance: the tenant was given a rent certificate and list of approved projects and the choice of unit was his. This type of scheme is one of the variants under scrutiny in the United States Experimental Housing Allowance Program. The Existing Housing Program financed under Section 8 in the U.S. also puts the onus on the tenant to find a suitable unit, before he can qualify for rent assistance.

In 1970 the federal government provides \$200 million for the promotion of innovative approaches to housing. One of the "innovations" approved under this \$200 million scheme

was the designated rent supplementation of 500 limited dividend units in Toronto. These were units in projects that had high vacancy rates, and it was intended to make the units available to low income households via rent supplements. The scheme met with approval on all sides, because everybody seemed to benefit: the entrepreneur filled his units; the mortgagee, CMHC, did not have to foreclose; the provincial government reduced its public housing production by 500 units and incidentally avoided unnecessary duplication of subsidised housing production; and 500 tenants entered housing which lacked the stigma of "public housing"¹. The program proceeded steadily in succeeding years, just over 1,000 units were leased in 1972 and the same in 1973.

Ontario was the major user of the program from 1970 to 1973 mainly because the difficulties it faced in gaining

¹This was the theory behind the innovative approach. In practice the majority of the units leased were not limited dividend, but privately-funded. Only 72 out of 562 units in 1971 were limited dividend, 373 out of 1006 in 1972, and 185 out of 1009 in 1973.

community and tenant approval for new public housing projects were more acute than in other provinces. Elsewhere the impetus to use the program came from the 1973 amendments to the NHA, although New Brunswick has "operated" a small number of rent supplement units since 1971.

In Manitoba the Province became involved in the program through the Limited Dividend Program. In proposal calls for L.D. projects in 1973 a clause was added requiring that 20 percent of the units be made available for rent supplement. It is difficult to separate the background to the program in Manitoba from the complexities that surround its five years of operation. In brief, however, the essential feature of the program in the Province is its application to provincially-owned limited-dividend and non-profit projects not financed under the NHA. It has not, in fact, operated as a private rent supplement program. Moreover, the distinction between 44(1)(a) subsidies and 44(1)(b) payments for in-situ non-profit and co-op tenants is not very clear.

The program really got underway in British Columbia as a result of a proposal call clause in 1975 related to the Assisted Rental Program. The province reserved the right to lease up to 25 percent of the units in ARP projects for rent supplement.

In Newfoundland, CMHC's decision in 1975 to apply rent supplements to senior citizens and non-profit groups was instrumental in its introduction in that Province. The program dovetailed with the dual problems of Section 15 Limited Dividend projects with high vacancies and the absence of regular public housing units for senior citizens, principally in St. John's.

Elsewhere a confused situation exists. Alberta has a few units under the private rent supplement program, but over 600 provincially-owned units on which supplements are paid. Quebec has, apparently, finally signed landlord agreements for approximately 2,500 units, after requesting but not committing a large annual allocation since 1976. Prince Edward Island has 317 scattered senior citizen units,

provincially-owned, which are counted as private rent supplement. New Brunswick had 81 units, but 55 were transferred to Section 44 regular subsidy payments in 1978. The Yukon has 40 privately-financed units, and the Northwest Territories has 20 units under supplement.

In summary the program has developed haphazardly, certainly unplanned. Even in Ontario, the major user, the R.S. program has not developed on a rational basis.

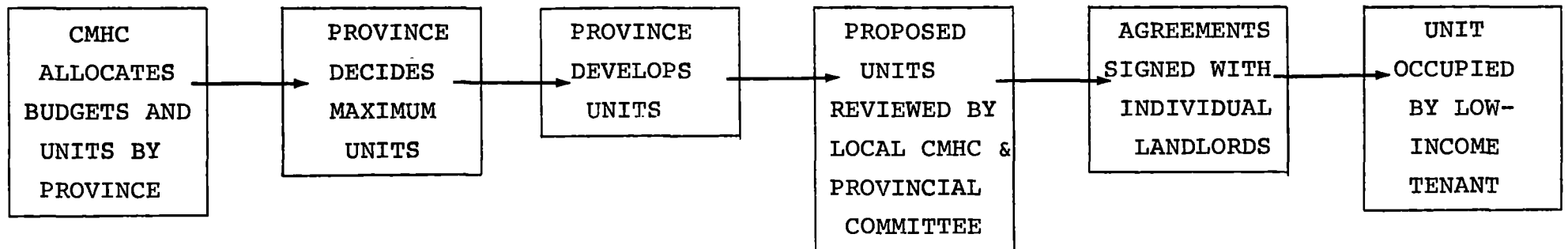
2.2 PROGRAM ADMINISTRATION

This section describes the administration of the program in minimal detail in an attempt to clarify who does what and who makes decisions. The path from the Corporation's annual provincial allocation to occupancy of an individual unit is depicted linearly, but of course there is consultation at every stage (Chart 2.1).

Section 44(1)(a) of the NHA allows the Corporation to subsidize any unit that is "operated" by a provincial or municipal authority as a "public housing project". Although the original intention of this section was to

CHART 2.1

UNIT ALLOCATION PROCESS, PRIVATE RENT SUPPLEMENT
PROGRAM, NHA 44(1)(a)



subsidize projects built under Section 43 of the Act (provincially or municipally owned, CMHC-financed, traditional public housing), the Corporation extended the meaning of public housing project to include units leased from private entrepreneurs. The meaning of "operate" was defined narrowly to mean the signing of an agreement between the province and a private landlord in which it is agreed that the latter is responsible for the overall management of the project¹.

There are three principal actors in this program, CMHC, the Province, and the local housing authority. The role of each is examined briefly, followed by discussions of costs and problems.

The Federal Role

The Corporation is responsible for ensuring that national goals are met. The annual allocation for each

¹This is still regarded as doubtful in legal terms. A more specific wording was proposed in 1978-79 amendments to the NHA, but has not been tabled yet.

province is made in terms of dollars and units, after a consultative process which keeps the national, overall allocations within the annual budget. The Corporation then monitors the program through the local offices, by means of the "Annual Schedule for Subsidy Units, CMHC 1765"¹, the "Schedule-Units Selected, CMHC 1766" and receipt of copies of the individual landlord agreements. The "1766" and the individual agreements contain identical information², but the former represents CMHC approval of units selected. The CMHC local office approves the market rents in proposed units, and even, occasionally, rejects them.

The Provincial Role

Units are eligible for rent supplementation under the provisions of a federal-provincial master agreement. The province is the active partner in the program. It

¹The "1765" has tended to be a high estimate where it has been filled out: thus it is of limited utility for planning and allocation purposes.

²Information consists of: municipal address of units, suite numbers, basic rent, cost of parking and other charges, subsidy portion.

decides priorities on a market by market basis, it "develops" the units and it signs the agreements with individual landlords. The development process may be:

- (i) picking up some or all of the units on which it has an option under the 25 percent clause in NHA-financed proposal calls;
- (ii) picking up some or all of the units it has financed under separate, provincial programs;
- (iii) proposal calls in newspapers;
- (iv) tender calls in newspapers;
- (v) unsolicited offers of units from landlords.

In the development stage the Province consults with its own and CMHC local branch offices, often via an area committee. CMHC inspection staff establish that rents are acceptable, not higher than market. The Province checks with its local housing authority that the units are needed, and appropriate as to cost, condition, type, size and location.

The local housing authority (provincial housing authority in British Columbia and Newfoundland) informs the province on the basis of the current public housing waiting lists, turnover and vacancy rates in public housing whether or not it can use the units that are to be made available.

In Ontario units are obtained by a variety of means, elsewhere a single method prevails. In British Columbia almost all the units have been obtained through the 25 percent clause in agreements under the Assisted Rental Program. In Manitoba and Newfoundland the units have all been obtained as the result of previous social housing programs, particularly Sections 15 Limited Dividend and 15.1 Non-Profit.

The "1765" and the "1766" form the basis of unit control for subsidy purposes. The province is supposed to make a formal request to CMHC for the allocation of a specified number of units to the municipalities it has selected on the "1765 - Application - Subsidy". Only Ontario and Manitoba fill this in.

In every province the procurement of units and the placement of tenants in units are separate functions, a situation which leads to an occasional mismatch of supply and demand¹.

¹One local housing authority manager complained bitterly of an oversupply of larger bedroom size units, whereas the need was for one and two bedroom units.

Once the units have been selected, the province advises the CMHC Local Office formally via the "1766 - Schedule of Units Selected" and sends copies of individual landlord agreements. The agreements form the basis for preparation by Social Housing Division at National Office of the Schedule "A", which lists units by year. Schedule A is reviewed by the province, and a copy is kept on the master program agreement at National Office. This is essential for reviewing the final subsidy claim.

The Local Housing Authority Role

In cases where there is no local housing authority, the Province administers units directly, through a provincial housing agency¹. Whatever the nomenclature, the role is the same, that is local administration. For rent supplement this means providing tenants from the public housing waiting list, and ensuring that the rent is paid.

¹Areas without a local (municipal) housing authority are:

- (i) British Columbia;
- (ii) Metropolitan Toronto;
- (iii) Newfoundland, where the Province has taken over Corner Brook and St. John's Housing Authorities, although the latter is to continue to administer regular public housing.

The tenant pays rent on the public housing rent-to-income scale and the province reimburses the landlord¹ except in British Columbia where the Province pays the tenant the subsidy portion and the tenant pays full market rent to the landlord. Both British Columbia and Ontario have computerized the monthly subsidy payments and their systems appear to run extremely smoothly.

Administration Costs

Costs for program administration are not known, although the administrative fee has risen in uneven jumps since 1971 through a consultative process. Currently Ontario bills for 3 percent of total operating costs which will likely be \$6.50 per unit per month for 1978. Elsewhere \$4.25 has been the rate, but will likely change to the 3 percent rule in 1979. There is no firm policy on the administrative fee. The 3 percent decision for Ontario was based on a CMHC Regional Directive. Previously the fee was \$4.00 from 1971-1972, from 1973 to 1978 it was \$4.25. Elsewhere it was even lower.

¹In Manitoba - Greater Winnipeg Regional Housing Authority pays the landlord and bills the province.

On the basis of 1978 subsidy claims, administrative costs for the program will be approximately \$800,000.

Subsidy claims

Ninety-five percent of the estimated subsidy claim is paid in advance of an audited claim in Ontario and Manitoba. The final five percent is paid after the audited claim has been verified against the agreements and "1766's". In Ontario such claims are computerised, and a copy of the general ledger printout provides additional verification. Calculation of subsidies include the excess of expenses over revenue, a one-time development fee of \$50 per unit, a monthly administration fee and annual interest write-down if applicable¹.

Processing of the subsidy claims for 1978 has varied from a relatively smooth verification procedure for Ontario,

¹Interest write-down is the difference between the NHA Section 43 interest rate and the Section 15 interest rate (usually lower).

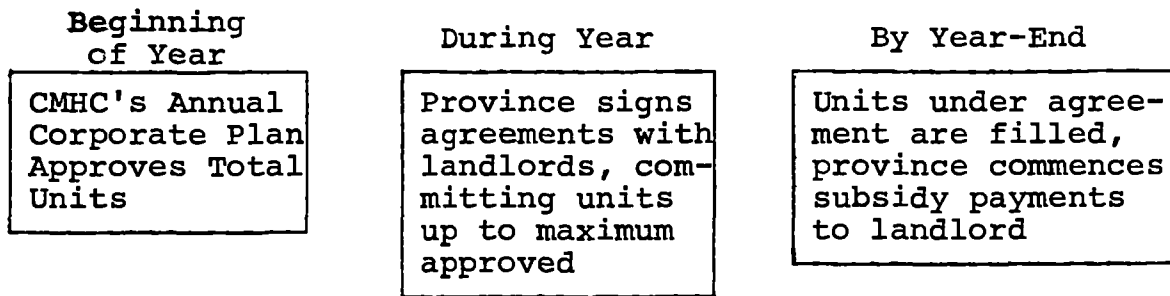
to problems with calculating the interest write-down in Manitoba, rejection of the entire claim in British Columbia, and absence of any claim to date from Newfoundland. Even so there is only limited verification that can be done at National Office, since vital information is missing, (e.g. the number of months any unit is vacant).

2.3 PROGRAM TAKE-UP

It is extremely difficult to identify the exact number of units under subsidy at any given date. In this section an attempt is made to explain why. First, the take-up process is a linear progression as illustrated in Chart 2.2 below.

CHART 2.2

ILLUSTRATION OF PROVINCIAL TAKE-UP UNDER 44(1) (a)
PRIVATE RENT SUPPLEMENT PROGRAM



Although all units approved are supposed to be under subsidy by year-end, commitments made in one calendar year may not in fact result in units under occupancy and thus under subsidy until the following year. Take-up, therefore is always behind unit allocations.

At least five other factors contribute to the problems of counting units under subsidy: (i) time-lags in submitting the Schedule-Units Selected, (CMHC 1766) to National Office; (ii) time-lags in submitting individual landlord agreements to National Office; (iii) the degree of substitution that is made between the allocations for Section 44(1)(a) and Section 44(1)(b); (iv) cancellations by landlords already in the program will always reduce the commitments of prior years below the maximum approved; and (v) individual housing authorities look at the composition of their current demand before accepting new units and may refuse additional units if they are inappropriate as to size, location or type.

Table 2.1 depicts, therefore, a maximum number of units that could have been subsidised during 1978, as far as can be determined through the program monitoring process. In fact,

TABLE 2.1
RENT SUPPLEMENT UNITS APPROVED 1978,
PRIVATE LANDLORD PROGRAM, NHA SECTION 44(1)(a)

Province	Units Prior to 1978	Units Added in 1978	Total Units Approved 1978
Newfoundland	285	65	350
New Brunswick	81	(-55)	26
Prince Edward Island	317	-	317
Ontario	8,177	2,231	10,408
Manitoba	389	281	670
Alberta	26	5	31
British Columbia	625	875	1,500
Northwest Territories	20	-	20
Yukon	37	-	37
Canada	9,957	3,457	13,359

Source: Social Housing Division, An Analysis of 1978 Public Housing Operating Budgets and Subsidy Costs, Memorandum to Management, 21 September, 1978, CMHC.

Note: 13,359 represents the potential number of units. Currently there are approximately 10,500 occupied units under subsidy.

the number of units known to be under subsidy as of February 1, 1979 is less than 10,500. Most of the difference is accounted for by Ontario, where new units have been committed during 1978, but other units were not renewed when lease terms expired, and British Columbia where the bulk of rent supplement units were used under 44(1)(b).

Three other points are worth emphasising here about program take-up: the small scale of the program since 1971; the degree of "non-private" ownership of units; and the degree to which this is a metropolitan program.

Annual allocations under the program since 1971 have been small. Ontario is by far the largest user of the program, but in terms of its take-up of the other social housing programs financed under the NHA and its own programs, the number of rent supplement units is much less important than regular public housing¹.

The implications for planning the program are clear, annual allocations are unlikely to jump dramatically. Even in 1978, the highest year so far, only 3,455 new units were allocated (Table 2.2).

¹By December 1978, Ontario had the following under management: 8,297 units under 44(1)(a), 81,580 regular public housing units, and 2830 non-profit and co-op units receiving rent supplements. (Table D, Public Housing Units Under Administration, Program Planning and Evaluation, Ministry of Housing).

TABLE 2.2

ANNUAL ALLOCATIONS, PRIVATE RENT SUPPLEMENT PROGRAM,
NHA SECTION 44(1)(a), 1971-1978

Prov.	1971	1972	1973	1974	1975	1976	1977	1978
Nfld.						105	180	65
P.E.I.			317					
N.B.	26	55						
Ont.	576	1016	1048	1024	1788	2218	1837	2231
Man.				55	247	300	297	281
Alta				38	4			
B.C.							625	875
N.W.T.						20		
Yukon				24			13	3
Canada	602	1071	1365	1141	2039	2643	2952	3455

Source: Social Housing Division, CMHC, December 1978.

Table 2.3 clearly illustrates the type of program overlap within projects financed under the program. Ontario is the only province in which privately-funded units are subsidised under 44(1)(a). Most other units, including 4,000 in Ontario, have received some type of government-assisted capital financing.

TABLE 2.3

PRIVATE RENT SUPPLEMENT UNITS UNDER SUBSIDY
FINANCED UNDER NHA SECTION 44(1)(a) BY TYPE OF OWNERSHIP AND
CAPITAL FINANCING, BY PROVINCE, 1978

Province	Units	Type of Ownership	Source of Capital Finance	Number of Landlords
Newfoundland	285	Entrepreneur	NHA (Limited Dividend)	5
New Brunswick	26	Entrepreneur	NHA (Limited Dividend)	2
Prince Edward Island	317	Province	NHA	1
Ontario	4,595	Entrepreneur	Private	
	1,049	Entrepreneur	NHA (Limited Dividend)	
	749	Entrepreneur	NHA (Assisted Rental)	
	573	Entrepreneur	Province (Community Integrated)	454
	1,331	Entrepreneur	Province (Accelerated Rental)	
Manitoba	56	Non-Profit	NHA (Non-Profit)	
	276	Entrepreneur	NHA (Limited Dividend)	16
	65	Co-operative	NHA (Cooperative)	
	283	Province	NHA	
British Columbia	804	Entrepreneur	NHA (Assisted Rental)	84
Northwest Territories	20	Entrepreneur		1
Yukon	40	Entrepreneur		2
Canada	10,500			565

Source: Agreements on file, Social Housing Division, National Office, CMHC, December 31, 1978.

Note: 10,500 units were occupied and under subsidy.

The metropolitan bias of the program is shown in Table 2.4. Nationally the program is distributed 73.7 percent in Census Metropolitan Areas, and only 26.3 percent in the smaller centres.

TABLE 2.4

DISTRIBUTION OF PRIVATE RENT SUPPLEMENT UNITS
FINANCED UNDER NHA SECTION 44(1)(a)
BY CENSUS METROPOLITAN AREA,
AND OTHER AREAS, BY PROVINCE, 1978

Province	Census Metro- politan Area		Other Areas		Total	
	No.	%	No.	%	No.	%
Nfld.	268	94.0	17	6.0	285	100.0
N.B.	26	100.0	317	100.0	26	100.0
P.E.I.	-		-		317	100.0
Ont.	6388	77.0	1909	23.0	8297	100.0
Man.	610	89.7	70	10.3	680	100.0
Alta	31	100.0	-		31	100.0
B.C.	416	51.7	388	48.3	804	100.0
N.W.T.	-		20	100.0	20	100.0
Yukon	-		40	100.0	40	100.0
Canada	7739	73.7	2761	26.3	10500	100.0

Source: Agreements on file, Social Housing Division,
National Office, CMHC, December 31, 1978.

2.4 CONCLUSIONS

The Private Rent Supplement Program has grown slowly since its inception in 1970. By December, 1978 there were 10,500 units occupied and under subsidy. Although units are to be found in six provinces, the Yukon and the Northwest Territories, almost all are concentrated in Ontario (8,297 units), British Columbia (804 units) and Manitoba (680 units). Ontario has participated in the program since 1970, whereas British Columbia and Newfoundland are relative newcomers. The concentration and scale of the program could, therefore, change especially if Quebec actively enters the program.

Administration of the program revolves round only two forms, an annual schedule (CMHC 1765) which estimates the number of units each participating municipality will take up during the year, and a schedule of units selected (CMHC 1766). In addition copies of every agreement made between the provinces and individual landlords are kept on file at CMHC local offices. At CMHC National Office, only limited verification of provincial subsidy claims can be made for two reasons: (i) only one-half a man year is allocated within Social Housing Division, CMHC National Office, to the Rent Supplement Program, thus detailed checking that

the units for which claims are made match those on the 1766 Schedule is not feasible; and, (ii) no record of unit vacancies accompanies provincial claims. The rationale for an administration fee, which is three percent of total operating costs, is unclear.

Finally, the steady, small but incremental nature of program take-up principally in Ontario do not lead to expectations of a dramatic use in units in the future. Moreover the provinces are unlikely to increase program scale significantly when they are experiencing falling demand for public housing. The program has, in fact, acted as a useful adjunct to other NHA or Province-funded housing programs, with only 4,595 units, all in Ontario, leased from landlords who have obtained private financing for the project. The program's concentration in the largest urban centres, therefore reflects the bias of other NHA-financed programs. In British Columbia the distribution of units is almost evenly divided between large and small centres, possibly an encouraging sign that the program is reaching into communities as an acceptable alternative to new public housing construction.

CHAPTER THREE

EVALUATION OF THE PROGRAM

This chapter describes the evaluation of the program: each objective is described, a discussion of what is evaluable follows and the objective is then examined in the light of program performance.

3.1 EVALUATION FRAMEWORK AND CRITERIA

Five objectives are stated for the private rent supplement program¹. These are -

1. To provide an alternative to regular public housing;
2. To provide accommodation that will most effectively integrate public housing occupants into a community;
3. To increase the housing stock available to low income individuals, families and senior citizens by obtaining private market accommodation;
4. To reduce provincial demands on the Corporation's capital budget funds; and
5. To provide the private sector with the means of competing in providing public housing.

¹Guidelines and Procedures Manual, Module 13, Section 44(1)(a), Private Landlords, Rent Supplement. Central Mortgage and Housing Corporation, September, 1977.

Some of these objectives can be readily evaluated, but others cannot. That is, even if an attempt were to be made to measure every aim and objective in terms of data, there would still be other dimensions present in the program design, such as the political context, the bureaucratic hierarchy and the opinions, attitudes and perceptions of all actors impinging upon a particular program. A concrete example is the study of the landlord's role in the program¹. Essentially this study reports the findings of landlords' perceptions of the program. The bottom line of this study is the individual landlord's decision to enter, renew or cancel his association with the program. That bottom line is determined not only by cash flow but also by his perception of the costs and benefits of the program.

For the first objective, concerning the program as an alternative to regular public housing, three measures could be used:

¹Ruston/Tomany and Associates, and Environics Research Group Ltd., The Role of Landlords in the Rent Supplement Program, March, 1979.

- (i) the clients it serves;
- (ii) the amount of choice given to the clients;
and
- (iii) the degree to which the local housing
authority chooses this against other
alternative instruments.

A dilemma posed by comparison of tenant characteristics is the meaning of the findings; that is, if the tenant populations differ with respect to income, family size and age, is the program filling a gap; or, if they are the same, why should two programs be funded under the NHA which serve essentially the same clientele?

From an extensive survey conducted expressly for this evaluation, the tenants occupying rent supplement units are compared with those in regular public housing. They are also compared with those tenants living in non-profit and co-operative projects receiving rent subsidies (44(1)(b) of the NHA).

The second measure concerns the amount of choice available to clients. There are two points here: the first is the availability of both programs in the client's community; the second is the opportunity for the client to exercise choice.

Availability of units under each program is quantified, but the issue of applicant preferences has not been addressed, since no records are kept. Nor has the third measure, the preference of the local housing authority for one program over the other, been evaluated. In the latter case there are too many variables affecting the decision, such as turnover within the regular public housing stock, and the unit size requirements of public housing applicants, which may differ from the bedroom count of units available for the rent supplement program.

Concerning rent supplement as a means of integrating low-income households within the community, this is a particularly "soft" objective in terms of measurement. It is also one that appears to have lost importance over other objectives, such as the reduction of costs, since the program's inception. The tenant's visibility as a beneficiary of subsidy is not analysed here. Some insight is lent into this aspect from the consultant report on landlord participation in the program¹. Similarly the same study sheds light on the attitudes of both subsidised

¹Ruston/Tomany et al., op. cit.

and unsubsidised tenants. The only quantifiable aspect to the integration objective is how supplements are paid, and this is described briefly.

The third objective, that of increasing the housing stock available to low-income households, is quantifiable in terms of units committed under the program.

It is also necessary to measure the program in relative terms since there are other programs serving low and moderate income households, such as 44(1)(b) (rent supplements for non-profit and cooperative tenants) and rental unit rehabilitation effected under landlord RRAP. Thus two measures are sought: how fast the rent supplement program has grown, and whether it provides a competing or a complementary source of low-income stock.

The fourth objective to reduce provincial demands on the Corporation's capital budget is difficult to quantify.

The distinction to be made here is between "capital" and "subsidy" budgets, that is between "capital commitments" (i.e. loans or partnership agreements for building new

stock) and "grant-sharing". Alternatively, the distinction can be described as "repayable" and non-repayable funds. In recent years it can be proven that the public housing "capital" budget has been reduced, but the extent to which this is attributable particularly to the private rent supplement program is harder to validate since many variables intervene. Moreover social attitudes towards assisted housing programs, in particular resistance to public housing, led to a reduction in its construction from 1971 onwards.

Lastly, the program was to provide the private sector with the means of competing in the provision of publicly-assisted housing. The term "competing" is not a simple one when this program is considered. The objective could be formulated more precisely "that the private sector be given an opportunity to provide units, often with other incentives, such as three-year leases, favourable mortgage financing arrangements, or guaranteed tenancies". Some light is shed on its complexity by examining ownership of 44(1)(a) projects.

3.2 EVALUATION OF PROGRAM OBJECTIVES

To provide an alternative to public housing

Rent supplement is offered as a program alternative to public housing. The issue which is of paramount importance, is the extent to which it provides a real choice. This issue is examined both from the perspective of the tenants occupying units financed under each program, and from the perspective of program choice available within each community.

Program demand - a tenant profile

Early criticism of the program centred on "creaming" or "high-grading", that is, that the problem-free and usually higher income tenants were placed in rent supplement units, leaving regular public housing to cope with harder to house tenants.

In terms of who is served by the program, rent supplement tenants are clearly different from those in regular public housing, suggesting that the program is not an alternative, but a different program serving different needs. The difference is not, however, that proffered by the early critics. Four major indicators

will demonstrate this clearly: age; family size; income; and income source¹.

In order to obtain characteristics of tenants in private rent supplement and regular public housing units, a survey was necessary. The survey itself points to some of the problems involved in attempting to create an accurate profile of the tenant populations, based on tenant files².

In the case of rent supplement for example, the assumption of both the Ministry of Housing in British Columbia, and the Ministry of Housing in Ontario, is that the program serves only families, yet the results show that 31 percent and 38 percent respectively of the private rent supplement households in those provinces are headed by persons 60 years of age and over. In Winnipeg, it was expected that the majority of households in rent supplement would be senior citizens, but, in fact, there was the highest concentration of

¹The provinces of Newfoundland, Ontario, Manitoba and British Columbia were studied primarily because their rent supplement activity has been growing steadily. The 44(1)(a) activity in the remaining provinces was viewed as misplaced 44(1)(b).

²Surveys based on questionnaire response, as for the 44(1)(b) tenant population shown, have the separate problem of a variable response rate.

households headed by personse 30 years of age and under. Only in St. John's was the tenant population in rent supplement as expected, and this was because the program is reserved exclusively for senior citizens¹.

In public housing, budget and loan documentation of individual projects kept at National Office quite clearly distinguishes between "family" and "senior citizen" projects, yet the survey results show conclusively that, on the basis of age, many persons 60 years of age and over head households living in so-called "family" accommodation.

There are many reasons for this occurrence: residency of some years in a project so that the head was previously under 60, local housing authority attitudes in favour of "mixed" housing, or a greater demand for smaller bedroom sizes from senior citizens.

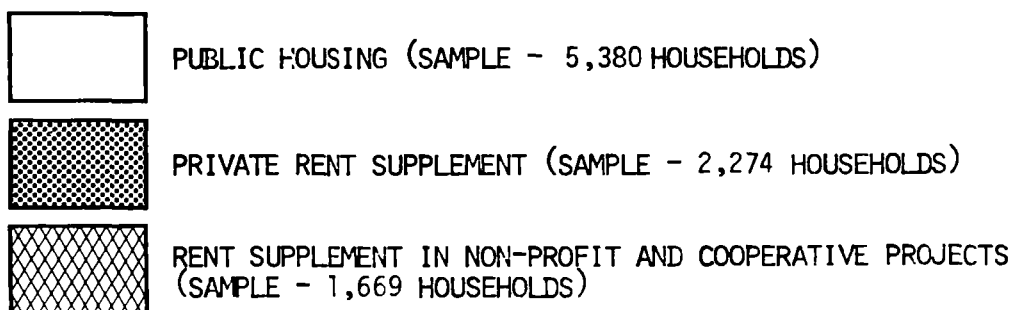
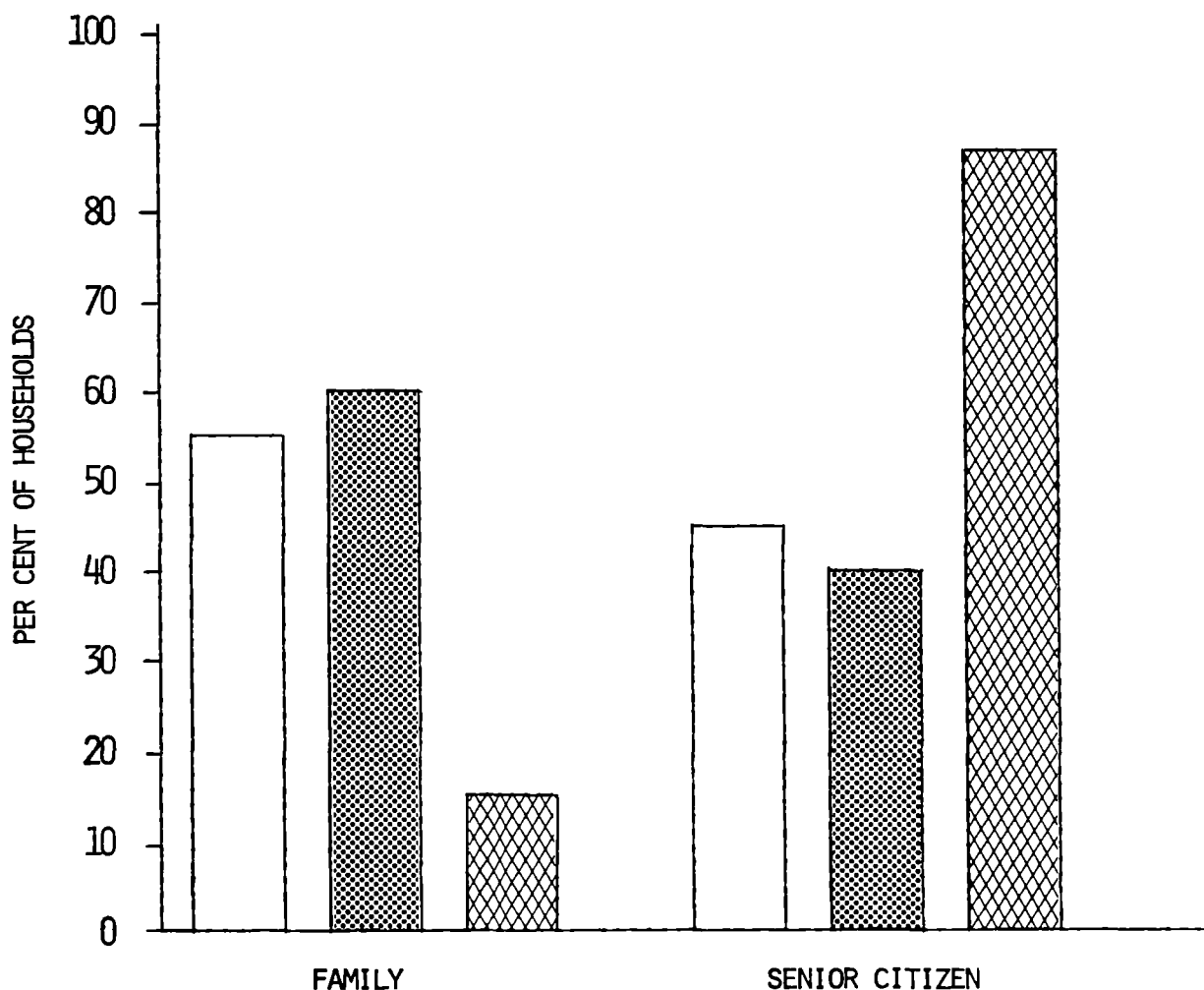
¹In budget submissions by Social Housing Division, however, Rent Supplement (44(1)(a)) in Newfoundland is presented as "family".

The first characteristic examined for the tenant populations is age (Chart 3.1). The comparison shows that whereas public housing serves a slightly higher percentage of families than senior citizens, private rent supplement is serving families on a 60:40 ratio to senior citizens. Rent supplements for households in non-profit and co-operative projects (44(1)(b)), are heavily weighted in favour of senior citizens.

Within the age distributions, it is interesting to note that a higher proportion of private rent supplement household heads were aged 30 or under than in regular public housing. A particular contrast emerged in Manitoba, where 41 percent of the private rent supplement household heads were 30 years or younger, compared with only 15 percent of those in regular public housing.

An inference to be drawn, when age is considered together with the number of persons per household is that the private rent supplement program assists younger households than those assisted by the regular public housing program. That is it appears to be supporting people who have reached a period of strain in their life-

PROPORTION OF FAMILY AND SENIOR CITIZEN HOUSEHOLDS LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS 1977/8, ONTARIO, BRITISH COLUMBIA, MANITOBA AND NEWFOUNDLAND



SOURCES: Survey of Tenants Living in Public Housing and Private Rent Supplement Units, 1978, Program Evaluation Unit. Survey of Tenants Living in Non-Profit and Cooperative Housing, 1977, Program Evaluation Unit.

NOTE: "Family" refers to a household head under 60 years of age
"Senior Citizen" refers to a household head 60 years of age and over.

cycle - single low-income wage earners for example, or single parents on social assistance, with one or two very young children¹. This is particularly the case in British Columbia and Manitoba, more marginally the case in Ontario.

When the second characteristic, number of persons per household, is examined, (Chart 3.2) the largest contrast is between the concentration of one-and two-person households in private rent supplement units (74.3 percent) and three and four person households in regular public housing. It seems clear that regular public housing has filled an important gap in the past for larger families, but that the current public housing waiting lists contain smaller families whose needs can be met through the private rent supplement program.²

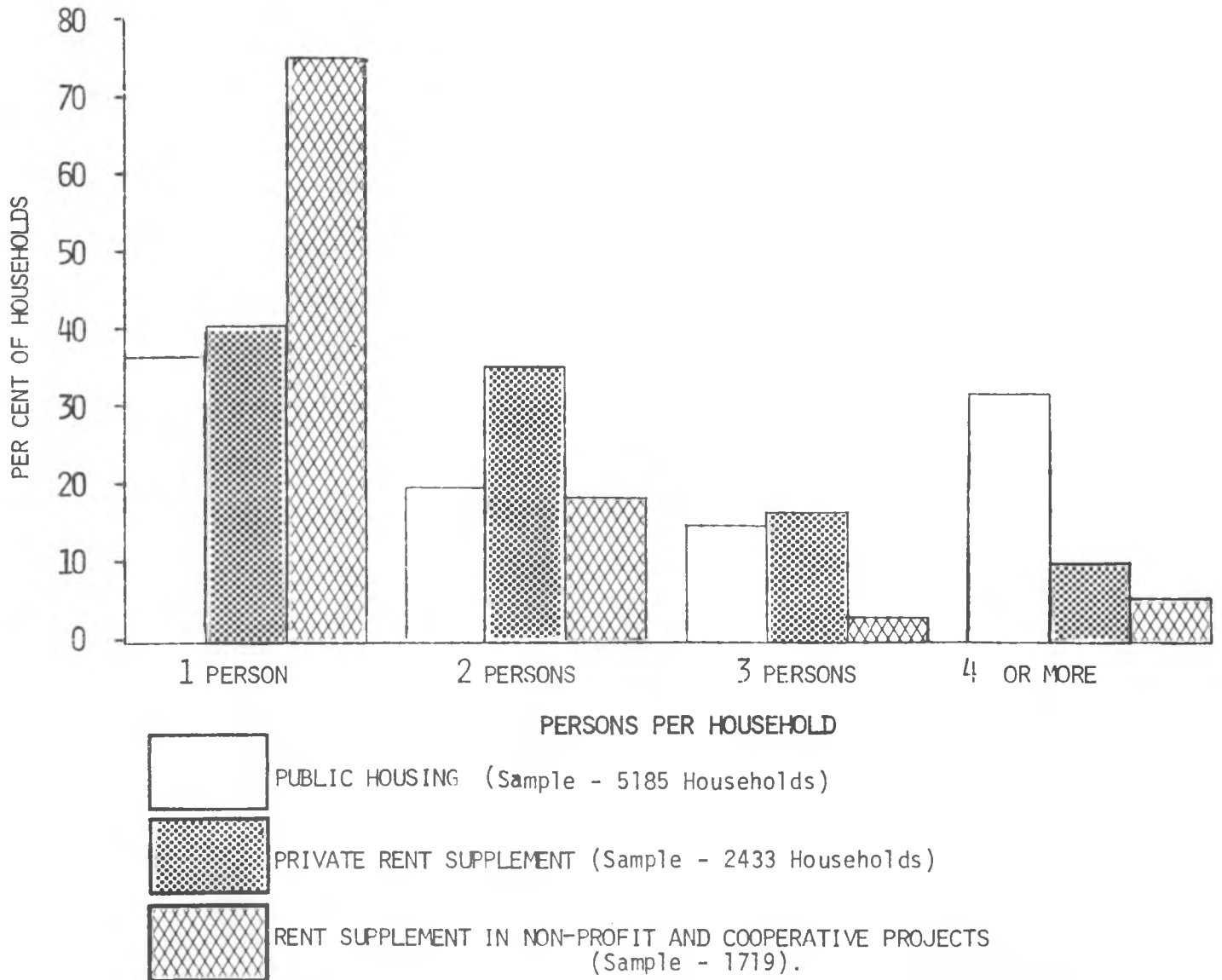
A majority of the one-person households, and a minority of two-person households in public housing and

¹(See Appendix 2, Table A.4 for more detail).

²Based on analysis of length of tenure by family size, households living in public housing and rent supplement. Waiting list trends to September, 1978.

CHART 3.2

NUMBER OF PERSONS PER HOUSEHOLD LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS, 1977/8, ONTARIO, BRITISH COLUMBIA, MANITOBA AND NEWFOUNDLAND



SOURCES: Survey of Tenants in Public Housing and Private Rent Supplement Housing, 1978, Program Evaluation Unit. Survey of Tenants Living in Non-Profit and Cooperative Housing, 1977, Program Evaluation Unit.

private rent supplement are senior citizens, 78.4 percent and 36.9 percent respectively. In non-profit and co-operative rent supplement the number of senior citizens is even higher¹.

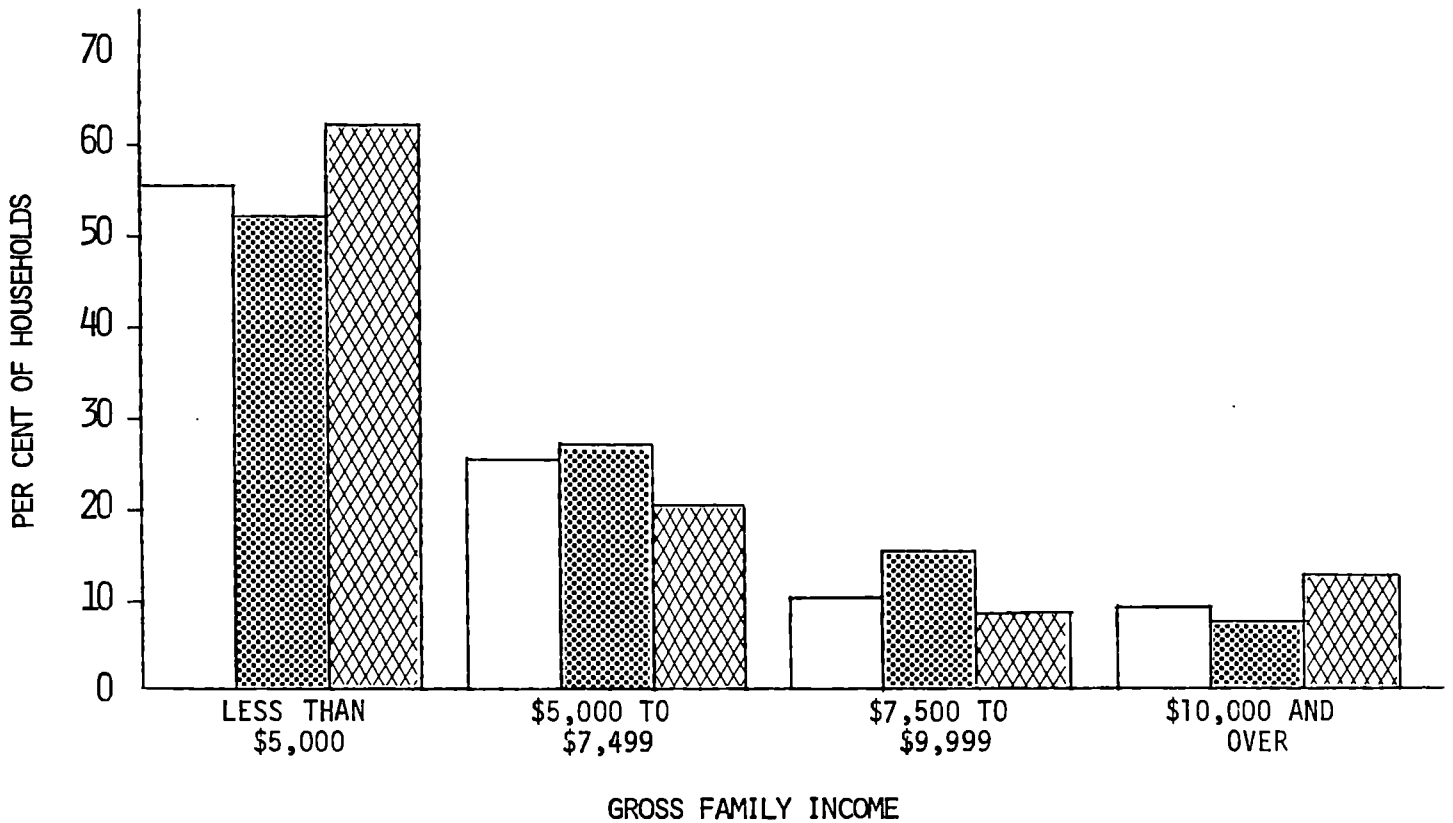
Examination of the age of household head and number of persons per household have shown that the private rent supplement tenant population is smaller and younger than that in regular public housing, whereas those receiving rent supplements in non-profit and co-operative projects are predominantly senior citizen². It might be expected therefore that, turning to income, significant differences would appear between the three groups. In general this is not the case, over 50 percent of both the private rent supplement and regular public housing tenants have gross family incomes of \$5,000 or less (Chart 3.3). Amongst the tenants in non-profit and co-operatives, often regarded as moderate rather than low-income, over 60 percent received less than \$5,000 in income in 1977.

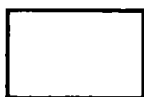
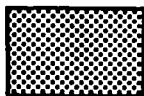

¹See Appendix Table A.3.

²The policy bias, toward senior citizens, in the Non-Profit Program is discussed in Thompson and McCulloch, A Report on Clients Living in Non-Profit and Co-operative Housing in Canada, 1977 (CMHC: Program Evaluation Unit, 1978).

CHART 3.3

GROSS FAMILY INCOME OF TENANTS LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS, 1977/8, ONTARIO, BRITISH COLUMBIA, MANITOBA AND NEWFOUNDLAND



-  PUBLIC HOUSING (SAMPLE 4,704 HOUSEHOLDS)
-  PRIVATE RENT SUPPLEMENT (SAMPLE 2,059 HOUSEHOLDS)
-  RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE PROJECTS (SAMPLE 1,404 HOUSEHOLDS)

SOURCES: Survey of Tenants in Public Housing and Private Rent Supplement Housing, 1978, Program Evaluation Unit. Survey of Tenants Living in Non-Profit and Cooperative Housing, 1977, Program Evaluation Unit.

When the tenant incomes are categorised by family or senior citizen, however, it becomes clear that the households with similar incomes in private rent supplement and public housing are at very different life-cycle stages.

To take the lowest income group for example, those under \$5,000, the percentage of low-income families is greater in private rent supplement units than it is in public housing (Table 3.1).

The inference to be drawn from the age breakdown of tenant incomes is that families in private rent supplement units are poorer than those in public housing, but senior citizens are richer. The reason for the reversal amongst senior citizens becomes clearer when income sources and family size are examined.

The senior citizen households in private rent supplement units are almost evenly divided between two-person households and single-person households, whereas over seventy-percent of those in public housing are single person households. Senior citizens in private rent supple-

TABLE 3.1

GROSS HOUSEHOLD INCOME, NHA SECTIONS 40, 43, 44(1)(a)
1978 AND 44(1)(b), 1976.

	All Households		Households with Gross Family Income Under \$5,000	
	Family %	Senior %	Family %	Senior %
Public Housing	54.7	45.3	32.2	67.8
Private Rent Supplement	60.5	39.5	50.0	50.0
Non-Profit and Coopera- tive Rent Supplement	15.8	50.9	5.9	94.1

Sources: (i) Survey of Tenants Living in Rent Supplement and Public Housing Units, Program Evaluation Unit, 1978.

(ii) Survey of Clients and Managers in Non-Profit and Co-operative Housing in Canada, Program Evaluation Unit, 1977.

Note: Data refers to the Provinces of Ontario, British Columbia, Manitoba and Newfoundland only.

ment, in comparison to those in public housing, are more likely to be two-person households, (predominantly a married couple) and thus enjoying the benefits of a two or more pension income (Table 3.2 and Appendix Table A.3).

Among private rent supplement families, there is a slightly lower percentage of households deriving the major portion of their income from welfare than those in public housing, but also a lower percentage employed. There are more family households in private rent supplement relying upon pension income than in public housing.

In summary, the analysis of tenant characteristics has demonstrated that private rent supplement and regular public housing are complementary programs, serving different types of households at different stages in their life-cycles. Rent supplement units are accommodating young, small, families, as well as two-person senior citizen households to a greater extent than regular public housing.

Non-profit and co-operative units under rent supplementation are predominantly occupied by senior citizens. While 6.4 percent of these had incomes of \$10,000 and over,

TABLE 3.2

MAJOR SOURCE OF INCOME FOR HOUSEHOLDS LIVING IN PUBLIC HOUSING AND PRIVATE RENT SUPPLEMENT UNITS, (NHA SECTIONS 40, 43 AND 44(1)(a)), 1978.

SENIOR CITIZENS

Income Source	Public Housing		Private Rent Supplement	
	No.	%	No.	%
Employment	133	5.6	87	9.7
Pension	2141	90.1	736	81.7
Welfare	85	3.6	56	6.2
Other	18	0.8	22	2.4
Sub-Total	2377	100.0	901	100.0

FAMILIES

Income Source	Public Housing		Private Rent Supplement	
	No.	%	No.	%
Employment	1505	50.0	692	45.9
Pension	408	13.6	323	21.4
Welfare	1073	35.7	470	31.2
Other	23	0.8	21	1.4
Sub-Total	3009	100.0	1506	100.0
Total Households	5386	100.0	2407	100.0

Source: Survey of Tenants Living in Rent Supplement and Public Housing Units, Program Evaluation Unit, 1978.

Note: Data refers to the Provinces of Ontario, British Columbia, Manitoba and Newfoundland only.

a higher proportion than in either private rent supplement or regular public housing, that statistic should not be allowed to overshadow the fact that 70.8 percent had incomes below \$5,000, a higher proportion than amongst the other two programs.

Program supply - a profile of units

The second perspective of choice which is dealt with here is that of program choice within each community.

First, in terms of units procured under the public housing and rent supplement programs, relative scale alone indicates that rent supplement has hardly dented the market. Table 3.3 summarises provincial involvement in the programs.

Second in terms of metropolitan bias of public housing and rent supplement, the distribution of each program by province is shown in Table 3.4. Only in British Columbia does the private rent supplement program not exceed the regular public housing program in terms of concentration within Census Metropolitan Area. In Ontario, however, the distribution of the two programs is similar.

TABLE 3.3

UNITS UNDER MANAGEMENT, PUBLIC HOUSING PORTFOLIO, BY PROVINCE, 1978

Province	Regular Public Housing		Private Rent Supplement		Non-Profit and Cooperative Rent Supplement		Total	
	No.	%	No.	%	No.	%	No.	%
Newfoundland	3047	91.4	285	8.6	-		3332	100.0
P.E.I.	392	55.2	317	44.7	-		709	100.0
Nova Scotia	6157	97.6	-	-	150	2.4	6307	100.0
New Brunswick	3619	90.5	26	0.6	356	8.9	4001	100.0
Quebec	24,017	100.0	-		-		24017	100.0
Ontario	81,580	88.0	8297	8.9	2830	3.1	92707	100.0
Manitoba	10,882	84.5	630	5.3	1322	10.3	12884	100.0
Saskatchewan	5,106	100.0	-		-		5106	100.0
Alberta	7,482	99.6	31	0.4	-		7513	100.0
British Columbia	7,995	53.8	804	5.4	6072	40.8	14871	100.0
Northwest Terr.	985	98.0	20	2.0	-		1005	100.0
Yukon	265	87.7	37	12.3	-		302	100.0
Total	151,527	87.7	10500	6.1	110730	6.2	172,754	100.0

Sources: Social Housing Division, An Analysis of 1978 Public Housing Operating Budgets and Subsidy Costs, Memorandum to Management, 21 September, 1978, CMHC. Agreements on file, Private Rent Supplement Program.

TABLE 3.4

DISTRIBUTION OF REGULAR PUBLIC HOUSING AND PRIVATE RENT SUPPLEMENT UNITS, NHA
SECTIONS 40 & 43, AND 44(1)(a), BY CENSUS METROPOLITAN AREA AND REST OF PROVINCE,
1978

Province	Regular Public Housing						Private Rent Supplement					
	CMA		Remainder		Total		CMA		Remainder		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Newfoundland	1857	58.2	1336	41.8	3193	100.0	268	94.0	17	5.1	285	100.0
Ontario	56362	69.1	25218	30.9	81580	100.0	6388	77.0	1909	23.0	8297	100.0
Manitoba	5274	33.2	10613	66.8	15887	100.0	610	90.4	70	9.6	680	100.0
British Columbia	6347	79.4	1648	20.6	7995	100.0	416	51.7	388	48.3	804	100.0
Total	69,840	64.3	38,815	35.7	108,655	100.0	7,682	76.3	2,384	23.7	10,066	100.0

Sources: Social Housing Division, Central Mortgage and Housing Corporation, Regular Public Housing Units under management, Private Rent Supplement agreements on file, 1978. Ontario distribution from Tables D & E, Public Housing and Rent Supplement Units Under Administration, Program Planning and Evaluation, Ministry of Housing, December 1978.

To provide accommodation that will most effectively integrate public housing occupants into a community.

The integration objective is very difficult to evaluate. The only firm indicator discussed here is whether or not the subsidised tenant has visibility in paying the rent. An excerpt from the recently completed survey of landlords is reproduced below.

"An important aspect of the landlord's relations with the Rent Supplement tenant is the nature of these relations within the context of his relations with other tenants or prospective tenants. One of the major social objectives of the Rent Supplement program is the integration of public housing tenants in privately owned and managed buildings. For all intents and purposes the only persons knowing that Rent Supplement tenants reside in a building are the landlord, the housing authority and the Rent Supplement tenant.

While this objective looks attractive in theory, in practical terms it does not seem that Rent Supplement tenants can remain anonymous. Through one way or another tenants learn of the existence of Rent Supplement tenants in many instances. As a result of this, 40% of landlords interviewed felt that the reputation of their buildings had suffered because of the presence of Rent Supplement tenants. Most of these landlords were made aware of this through complaints from other tenants¹."

¹Ruston/Tomany et. al., op. cit. pp. 14-15.

The provinces are justifiably anxious about the visibility of rent supplement tenants within a private market project and the key factor in identification of a subsidised tenant is the rent payment. This was the rationale behind Manitoba's request in 1975 for payment of subsidy to the tenant, to enable him to pay the landlord in full. The Corporation refused this request but in British Columbia this policy is ignored and the tenant receives a monthly check from British Columbia Housing Management Commission, and pays the landlord the full rent.

To increase the housing stock available to low-income individuals, families and senior citizens by obtaining private market accommodation. In the discussion of the first objective, that of the program as an alternative, the limited scale of the program was emphasised. The rent supplement program has increased the available housing stock for low-income households by 10,500 units¹, but there are several issues that should be addressed on the question of available housing stock. First, the program is essentially aimed at procuring new units, which means that the amount of

¹As compared with 95,000 public housing unit approvals over the same time period.

subsidy per unit is high. Second, the availability of such units, where they are not obtained through an option clause, may indicate higher than market rents, marginal location, or inappropriate design. Third, units may not match the bedroom size requirements of waiting list applicants.

In summary, therefore, questions of potential "trade-offs" arise if program targets are pushed. Such "trade-offs" would include the cost to government, the adequacy and quality of units, and possible discrimination in terms of tenant placement. The private rent supplement program is of marginal interest to many entrepreneurs and therefore used as a sort of "dumping ground" for units.

A further concern is that rent supplements under this program represent a subsidy¹ to approximately 10,500 households, who, except in respect of older limited dividend projects, are mostly consuming the most expensive rental housing in the market place, the newest, and not necessarily the most appropriate. The question is whether or not such a subsidy for a few is equitable, compared with a shallower subsidy for all who would qualify on the basis of need, as measured by the affordability criterion.

¹For a comparison of subsidies amongst social housing programs see Table 3.5 p. 54.

TABLE 3.5

COMPARISON OF CMHC SHARE OF AVERAGE MONTHLY OPERATING LOSSES, SOCIAL HOUSING PROGRAMS, PROVINCES OF ONTARIO, BRITISH COLUMBIA, MANITOBA AND NEWFOUNDLAND

Units Prior to 1978						
Province	Section 40 "Family"	Section 40 "Senior"	Section 44 (on Section 43) "Family"	Section 44 (on Section 43) "Senior"	Section 44 (1)(a)	Section 44 (1)(b)
Ontario	120.70	-	110.07	70.68	87.27	47.31
British Columbia	153.39	110.07	128.34	109.22	41.20	39.26
Manitoba	141.92	-	108.05	65.55	84.97	29.79
Newfoundland	150.12	-	114.93	104.16	55.63	-
Units Added in 1978 (Old)						
Ontario	135.92	-	114.60	72.16		
British Columbia	155.48	112.49	162.65	138.94		
Manitoba	111.56	-	109.51	71.26		
Newfoundland	141.91	-	123.77	94.10		
Units Added in 1978 (New)						
Ontario	-	-	168.81	112.81	113.63	80.54
British Columbia	-	-	-	-	n/a	n/a
Manitoba	-	-	173.63	103.56	n/a	n/a
Newfoundland	245.49	-	165.05	-	77.50	-
Average of New and Old Units						
Ontario	135.92	-	115.10	76.84	89.26	67.36
British Columbia	155.48	112.49	162.65	138.94	50.46	43.06
Manitoba	111.56	-	117.36	74.36	68.86	32.84
Newfoundland	150.83	-	132.67	94.09	77.50	-

Source: Social Housing Division, An Analysis of 1978 Public Housing Operating Budgets and Subsidy Costs, Memorandum to Management, 21 September, 1978, CMHC.

The real reason for the high per unit cost of accommodation leased under the program is that it is new. Current costs for development and construction of rental housing are more responsible for high rental rates of units in the program than any potential "rip-off". A policy issue therefore, and one that was debated before the program was introduced, is whether or not the program should rely more heavily on existing units to stretch the subsidy dollars of the program further, to serve more people. The program was in part, however, directed at encouragement of new private construction, and whether or not it was intended, the latter certainly acts as an employment multiplier¹. A central question remains - should a secondary goal subvert the intent of a primary goal?

Clearly, opening the program to more existing housing is impossible where vacancy rates are extremely low, but it would be a logical step in high vacancy markets². The new versus existing units argument highlights the question of obtaining appropriate units both in terms of obtaining

¹See I. Lithwick, An Evaluation of the Federal Assisted Home Ownership Program (1976), Program Evaluation Division, Corporate Planning Division, Central Mortgage and Housing Corporation, October, 1977.

²Low vacancy rates in the six unit or more apartment stock may not necessarily indicate low vacancy rates in other parts of the stock. It is, at least, questionable whether the vacancy rate is a good indicator of need, and a guide for policy action.

housing of standard market quality, and in terms of matching the needs of the clientele.

To reduce provincial demands on the Corporation's capital budget funds. The whole direction of federal housing policy in the past 2-3 years has been towards reducing federal capital commitments, which makes expansion of a capital-free rent supplement program in the private rental market a desirable policy direction.

In one sense, because some Rent Supplement units are not capitally financed by CMHC, the program has by definition saved capital. Whether or not it has reduced provincial demands on capital budget funds is difficult to determine: this section seeks to illustrate how the program does, at least, offer the means by which provincial capital budget funds may be reduced. That is, by a comparison of CMHC's share of average monthly operating losses for the social housing programs, it becomes clear that the Private Rent Supplement Program is relatively cheap¹ (Table 3.5).

¹Section 44(1)(b) is cheaper, but the capital subsidy on Non-Profit and Cooperative units is not computed in.

An ideal cost comparison would be one where a standardised per unit per month figure is given and compared with those in other social housing programs serving similar clients. The very nature of the program makes such comparisons difficult, since it is difficult to obtain an accurate figure of the units under subsidy in each province over a twelve month period. Units are cancelled, renewed and leased for the first time every month of the year. Added to this is the turnover of tenants, where the province is only liable for the month's rent whilst the unit is vacant and due notice has been given. Where longer delay in repair or redecorating, for example, results in units remaining vacant for longer than four weeks, the province is not usually responsible for the rent. Some estimates of average monthly operating losses are, however, given in Table 3.5. The assumption in respect of the costs for Ontario are based on 10.5 months' occupancy per unit per year.

Looking at subsidy payments over time, they have increased steadily from 1975 to 1978 in the Rent Supplement Program (Table 3.6). Cost increases are almost impossible to analyse, since there are so many variables affecting the figures. In Ontario, for example, there are five different

TABLE 3.6

TOTAL SUBSIDY PAYMENTS UNDER NHA SECTION 44(1)(a), BY PROVINCE, 1975-8

Subsidy Year	New Brunswick	Prince Edward Is.	Ontario	Manitoba	Alberta	British Columbia	Yukon	NWT	Total
1975	49,974	165,127	2,734,410	69,730	23,689		14,574		3,057,504
1976	55,946	161,352	4,149,160	451,706	19,114	1,040	14,742	3,721	4,856,781
1977	57,136	155,808	6,252,000	475,111	23,057	368,400 ¹	55,120	46,264	7,432,896
1978 ²	13,294	193,744	8,400,000	571,378	N/A	N/A	N/A	N/A	9,178,413

Source: Social Housing Division, cheque payment records, February 1979.

¹ Claim for British Columbia still unpaid, pending further documentation.

² 1978 payments for up to 95% of budgetted amounts.

N/A = Not Available

types of projects by financing source, most units are new, but 1000 limited dividend units are older, and 1900 units have provincial second mortgage financing, both of which reduce the rents to breakeven levels.

To provide the private sector with the means of competing in providing public housing. Approximately 75 percent of the units under subsidy are owned by the private sector¹ thus on paper the final objective is largely met. Two points should be noted with respect to this objective: the extensive use of other financial incentives to encourage entrepreneurs to participate in the program, and use of the program to assist projects that might otherwise have been in financial difficulties. The second point is difficult to prove where the projects have not reached foreclosure. The usual reasons for difficulties in leasing units were marginal locations and high breakeven rents. Evidence gained from the landlord survey² supports this point. In Ontario, where the bulk of the study was carried out, filling vacant units was cited as the major reason for entering the program.

A comparison of vacancy rates shown in Table 3.7

¹See Table 2.3, page 27 for a breakdown by ownership and units.

²Ruston/Tomany et. al. op. cit.

TABLE 3.7

COMPARATIVE VACANCY RATES, RENT SUPPLEMENT AND
NON-RENT SUPPLEMENT BUILDINGS, PARTICIPATING LANDLORDS
DECEMBER, 1978.

Province	Vacancy Rates, Buildings Containing Rent Supplement Units	December 1978 Buildings with no Supplemented Units
Ontario	1.7%	2.8%
British Columbia	5.6%	2.1%
Manitoba	3.7%	7.3%
Newfoundland	1.0%	n.a.

Source: Ruston/Tomany & Associates, and Environics
Research Group Ltd., The Role of Landlords in
The Rent Supplement Program, March, 1979.

Note: Sample was under 200 respondents.

highlights some of the inconsistencies revealed by the landlord study. The major reason cited by Ontario landlords for entering the Private Rent Supplement Program was the filling of vacant units, whereas in Manitoba and British Columbia the major reasons given were the mortgage financing terms under the Limited Dividend and Assisted Rental Programs respectively. In British Columbia, in spite of the financial assistance provided to ensure that the landlord receives an adequate rate of return on his investment, vacancy rates in buildings with supplemented rental units were over twice as high as in other buildings owned by the landlord. The Ruston/Tomany study does not offer an explanation for this, although it may be due to such differences between supplemented buildings and non-supplemented buildings as location, amenities or rent.

3.3 CONCLUSIONS

This chapter has described the evaluation of the Private Rent Supplement Program, beginning with an explanation of what is and is not evaluated and why. Five program objectives were described and dealt with in sequence. The first is that the program should provide an alternative to public housing and to examine this objective

two questions were posed. First, how do the characteristics of tenants occupying Private Rent Supplement units compare with those other National Housing Act low-income rental units? Second, how much choice does a prospective tenant have between a Private Rent Supplement and a Public Housing unit?

Concerning tenant characteristics, it was shown that these are enough differences to characterise the Private Rent Supplement tenants as younger, smaller, and poorer family households than those in Public Housing and significantly more two-person senior citizen households who are younger and richer than their counterparts in Public Housing. Tenants receiving Rent Supplements in Non-Profit and Cooperative projects are, however, overwhelmingly senior citizens and the poorest of all.

The conclusions reached on the question of program choice offered prospective tenants were that because of its much more limited scale the Private Rent Supplement Program does not offer an alternative to Public Housing and in terms of the location of the units, it is concentrated far more heavily in the Census Metropolitan Areas, except in British Columbia, and is thus not available in many smaller centres.

The second objective, of providing accommodation that will most effectively integrate public housing occupants into a community has been examined only in terms of how the rent supplement is paid, to highlight the extent of the visibility of supplemented tenants amongst all tenants in a building. The conclusion drawn is that the supplemented tenants tend to be identified in any case, but the practice of mailing the supplement to the landlord, except in British Columbia, does nothing to lower their profile.

The third program objective, to increase the low-income housing stock, has been met. Concerns have been expressed, however, about the possibility of marginal units being "dumped" into the program. The issue was also raised, but not examined, of whether existing rather than newly constructed units should be leased under the program. The fourth objective, to reduce provincial demands on the Corporation's capital budget funds proved hard to evaluate. It was demonstrated that in terms of subsidies, on a per unit per month average cost basis the Private Rent Supplement Program compared very favourably with other NHA

social housing programs. The program thus offers the means to reduce capital budget demands, but the limited rate of take-up since 1971 suggests that it has found only limited acceptance with the provinces.

Finally, the last program objective, to provide the private sector with the means of competing in providing public housing, has been, on paper at least, largely met. Two concerns were raised: first that provision of the means of competing has involved other financial incentives; and, second that a majority of the landlords interviewed about their major reason for involvement in the program cited filling vacant units. It could be concluded, therefore, that the program has only succeeded in attaining this objective by additional attractions without which landlords would not enter the program¹.

¹Ruston/Tomany, et. al. op. cit. p. 25.

... The major reason why landlords enter the program is to fill existing vacancies. In B.C. assisted mortgage financing under A.R.P. was also an important consideration for landlords in the Program. About one-fifth of the landlords interviewed stated, however, more altruistic motives in that they said that the main reason for their entry into the Program was that they supported the social concepts behind the Rent Supplement Program.

CHAPTER FOUR

THE IMPACT OF THE RENT SUPPLEMENT PROGRAM

The preceding chapters set the program in historical context, briefly described it, and examined it in terms of its objectives. This chapter takes a closer look at its impact by concentrating upon three issues:

- (i) the size of the population in need of shelter assistance;
- (ii) factors affecting program take-up; and
- (iii) program costs.

4.1 THE POPULATION HAVING A HOUSING PROBLEM

It is not proposed here to reproduce "affordability gap" analysis better dealt with elsewhere¹; but to use the results of that analysis to offer a brief description of the target population of the Private Rent Supplement Program: low-income households with a shelter need.

¹Doepner, G.M., Shelter Cost to Income Ratios: Affordability Problems and Housing Need in Canada's CMAS. Input paper to US/Canada Study on Shelter Cost to Income Ratios, CMHC, February 16, 1979.

The exact numbers vary depending on the shelter cost ratio adopted. Those depicted in Table 4.1 are at 25 percent of income, since that is the current maximum on the federal rental scale for public housing. It should be emphasized that the numbers, based on the 1974 Survey of Housing Units, covers Census Metropolitan Areas only.

Based on the foregoing analysis, Table 4.1 shows that the cost of bridging the shelter gap in 1974 would have averaged \$51 per household per month at the ratio shown¹. In 1977, the latest year for which subsidy claims are largely paid, the average per unit per month cost ranged between \$50 and \$89 for Section 44(1)(a)², thus on a straight per household per month basis, cash payments to bridge the shelter gap would not be much greater than the Private Rent Supplement Program.

It is not possible to leave the comparison there, however, since the foregoing suggests that the same kind of people could be housed at a lower subsidy cost. This is a very tentative conclusion which clearly points to the need

¹\$155,155,957 ÷ 251,484 households at 25 percent contribution = \$617 annually or \$51 monthly.

²Table 3.5

TABLE 4.1

COMPARISON OF 1974 ANNUAL SHELTER COSTS FOR HOUSEHOLDS EXPERIENCING
AN INCOME PROBLEM OR JOINT INCOME AND HOUSING PROBLEM, ONTARIO, BRITISH COLUMBIA,
MANITOBA AND NEWFOUNDLAND CMAS AT 25 PERCENT CONTRIBUTION RATE

Province	<u>Renters</u>			<u>Owners</u>			<u>Total</u>		
	No. of Households	Average Gap	Annual Shelter Gap Costs	No. of Households	Average Gap Costs	Annual Shelter Gap Costs	No. of Households	Average Gap Costs	Annual Shelter Gap Costs
<u>ONTARIO</u>		(\$)	(\$)		(\$)	(\$)		(\$)	(\$)
All households	129,378	693	89,630,894	36,787	470	17,301,390	166,165	644	106,932,284
1st Quintile	104,438	785	82,005,146	33,319	491	16,361,032	137,757	714	98,366,178
2nd Quintile	24,858	160	3,967,868	3,469	270	936,753	28,327	173	4,904,621
<u>BRITISH COLUMBIA</u>									
All households	44,361	612	27,164,838	7,303	437	3,192,249	51,664	588	30,357,087
1st Quintile	36,259	691	25,040,354	6,451	460	2,969,909	42,710	656	28,010,263
2nd Quintile	7,620	278	2,120,074	852	260	221,268	8,472	276	2,341,342
<u>MANITOBA</u>									
All households	20,517	536	10,996,946	8,878	436	3,870,867	29,395	506	14,867,813
1st Quintile	18,964	563	10,680,080	8,216	461	3,787,284	27,180	532	14,467,364
2nd Quintile	1,553	210	327,200	662	123	81,485	2,215	185	408,685
<u>NEWFOUNDLAND</u>									
All households	2,535	774	1,960,897	1,725	602	1,037,876	4,260	704	2,998,773
1st Quintile	1,617	1,004	1,623,717	1,431	653	933,924	3,048	839	2,557,641
2nd Quintile	911	370	336,969	294	354	103,952	1,205	366	440,921
<u>Total</u> (4 Provinces)									
All households	196,791	659	129,753,575	54,693	464	25,402,382	251,484	617	155,155,957
1st Quintile	161,278	740	119,349,297	49,417	487	24,052,149	210,695	681	143,401,446
2nd Quintile	34,947	193	6,752,111	5,277	255	1,343,458	40,219	201	8,095,569

Source: Program and Market Requirements Division, Canada Mortgage and Housing Corporation, from Survey of Housing Units 1974.

Definitions: 1st Quintile \$ 1 - 6,000; 2nd Quintile \$6001 - 10,400.

Note: Data refers to Census Metropolitan Areas only.

to analyse the alternative methods for reducing subsidy costs. Based on previous work in Canada and the U.S.A. some of the alternatives are:

- Rent supplement in existing dwellings (a cheaper alternative, but with problems of quality and adequacy);
- A shelter allowance with no controls (the US Experimental Housing Allowance Program);
- A shelter allowance with "earmarking" (EHAP);
- An income transfer through the tax system (which would treat housing as an income problem but not ensure housing quality).

4.2 FACTORS AFFECTING PROGRAM DEMAND

In this section two questions are addressed. First, how does the present population being served by the Private Rent Supplement Program compare with that identified in 1974 as being in housing need? Second, why does only a small proportion of the population in need show up on the public housing waiting lists?

The Rent Supplement Program compared with 1974 Shelter Needs Data

Using income quintiles to enable a comparison of 1974, 1976 and 1978 household incomes to be made, Table 4.2

contrasts the number and relative distribution of income of NHA social housing tenants with the number identified as having a shelter problem at 25 percent of income. The four provinces of Ontario, British Columbia, Manitoba and Newfoundland are shown. Almost all the NHA client survey data refers to Census Metropolitan Areas, as does all the Survey of Housing Needs data, from which the shelter problem population is computed.

It is clear from Table 4.2 that the NHA programs are working well towards satisfying the shelter needs of the low-income population. A total of 251,484 households in the four provinces were identified in shelter need in 1974, and a total of 128,945 households had been served by 1978 (probably more as the 44(1)(b) data was collected in 1977). Several factors give rise to concern, however: (i) even in publicly-assisted housing some households still experience affordability problems, (ii) the shelter need population may have grown since 1974; (iii) the income comparisons indicate that the NHA programs are not reaching enough households in the lowest income quintile (52.6 percent of those served, compared with 83.8 percent of those in need).

TABLE 4.2

COMPARISON OF CLIENTS SERVED AND HOUSEHOLDS WITH SHELTER PROBLEMS AT 25 PERCENT OF INCOME ONTARIO, BRITISH COLUMBIA, MANITOBA, AND NEWFOUNDLAND, FIRST AND SECOND INCOME QUINTILES

Province	Clients Served								Shelter Problem at 25 Percent of Income (1974) ¹					
	Regular Public Housing (1978)		Private Rent Supplement (1978)		Non-Profit and Co-op Rent Supplement (1976)		Total		Renters		Owners		Total	
	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.
ONTARIO														
All served	81,580	100.0	8,297	100.0	2,830	100.0	92,707	100.0	129,378	100.0	36,787	100.0	166,165	100.0
1st Quintile	(1,686)	63.3	(684)	61.6	(199)	57.3	(2,569)	62.3	24,858	80.7	33,319	90.6	137,757	182.9
2nd Quintile	(770)	28.9	(385)	34.7	(101)	29.1	(1,256)	30.5	24,858	19.2	3,469	9.4	28,327	17.0
BRITISH COLUMBIA														
All served	7,995	100.0	804	100.0	6,072	100.0	14,871	100.0	44,361	100.0	7,303	100.0	51,664	100.0
1st Quintile	(414)	61.7	(171)	61.1	(641)	69.2	(1,226)	65.3	36,259	81.7	6,451	88.3	42,710	182.7
2nd Quintile	(215)	32.0	(100)	35.7	(204)	22.0	(519)	27.7	7,620	17.2	852	11.7	8,472	16.4
MANITOBA														
All served	15,887	100.0	680	100.0	1,322	100.0	17,889	100.0	20,517	100.0	8,878	100.0	29,395	100.0
1st Quintile	(740)	70.2	(209)	52.0	(122)	93.1	(1,071)	67.5	18,964	92.4	8,216	92.5	27,180	192.5
2nd Quintile	(270)	25.6	(174)	43.3	(6)	4.6	(450)	28.3	1,553	7.6	662	7.5	2,215	7.5
NEWFOUNDLAND														
All served	3,193	100.0	285	100.0	-	-	3,478	100.0	2,535	100.0	1,725	100.0	4,260	100.0
1st Quintile	(156)	49.5	(225)	82.1	-	-	(381)	64.7	1,617	63.8	1,431	83.0	3,048	171.6
2nd Quintile	(142)	45.1	(49)	17.9	-	-	(191)	32.4	911	35.9	294	17.0	1,205	28.3
TOTAL (4 Provinces)														
All served	108,655	100.0	10,066	100.0	10,224	100.0	128,945	100.0	196,791	100.0	54,693	100.0	251,484	100.0
1st Quintile	(2,996)	63.7	(1,289)	62.4	(962)	68.5	(5,247)	52.6	161,278	81.9	49,417	90.4	210,695	83.8
2nd Quintile	(1,397)	29.7	(708)	34.2	(311)	22.2	(4,216)	42.3	34,942	17.8	5,277	9.6	40,219	16.0

Sources: Program Data From Social Housing Division, Agreements on file, December 1978. Client Income Data from Survey of Tenants living in Rent Supplement and Public Housing Units, Program Evaluation Unit, 1978, and Survey of Clients and Managers in Non-Profit and Cooperative Housing in Canada (1977), Program Evaluation Unit. Shelter Problem Data from Program and Market Requirements Division, special tabulations from Survey of Housing Units, 1974.

Definitions: 1st Quintile for 1977-78 - \$1-5,798 1st Quintile for 1974 - \$1-6,000
2nd Quintile for 1977-78 - \$5,799 - 11,112 2nd Quintile for 1974 - \$6,001 - 10,400

¹Shelter Problem includes all who had an affordability problem alone, or an affordability and also a suitability or an adequacy problem.

Issues affecting the demand for Private Rent Supplement units

Currently the program serves about 10,500 households, but this is only a fraction of those in shelter need¹. This need only partially shows up on the public housing waiting lists. Therefore, program take-up is well below the potential need. This section offers a brief discussion on the factors affecting take-up under the Private Rent Supplement Program. The discussion puts forward four possible factors: (i) consumer resistance to accepting public assistance; (ii) resistance to a unit-tied subsidy; (iii) lack of public awareness about the program; and (iv) need for further incentives for landlord participation.

(i) Consumer resistance to public assistance

A shortfall between potential need estimates and take-up under particular social programs is normal. Under British Columbia's Shelter Aid for Elderly Renters

¹In Canada as a whole there were, amongst tenant households only, 397,682 paying more than 25 percent of their income on rent, some with other shelter problems, and 292,692 paying more than 30 percent, some with other shelter problems (See Appendix 4, Tables A.7 and A.8).

Programme¹ (SAFER), for example, the number of beneficiaries in September, 1978, had stabilised at 14,668, approximately 6 percent of the elderly population. When the program was introduced in July, 1977, a potential universe of approximately 25,000 households was forecast. The problem for policy-makers and administrators alike is to try to ensure that the level of take-up accurately reflects consumer choice, and is not due to lack of awareness of the program, the design of the program or to unforeseen variables.

In every target group therefore, there are, possibly, clients who choose not to participate in a particular program.

¹SAFER was introduced in July 1977 to provide direct cash payments to senior citizen renters in need. Under the program, assistance is made available on the basis of the following formula:

monthly SAFER payments = 75% of (monthly rent - 30% of monthly income)

Maximum assistance available is \$84 per month for a single person and \$75 per month for a couple. The program recognizes rent levels of up to \$205 per month for a single person and \$225 per month for a couple.

(ii) Resistance to a unit-tied subsidy

Housing authority managers expressed the view many times that the "real" housing needs (adequacy and suitability) have been met, and that new applicants mainly have affordability problems. Amongst those who do not apply must be many who do not want to move, a requisite in a unit-tied subsidy. Again demand would likely increase if the program directed cash rather than shelter aid to recipients, since this would give them a measure of choice in their housing.

(iii) Public awareness about the program

A reasonable assumption concerning public awareness of the private rent supplement program is that it is as well known as the regular public housing program. Since the latter is highly visible whereas rent supplement is an integrated program, this may be an erroneous assumption. The SAFER program, for example, was extensively publicized, both in the media and in notices accompanying old age security cheques, yet take-up fell below the expected level. The availability of rent supplements has been advertised in newspapers but such publicity methods never achieve blanket coverage. Social service agencies may refer their clients

to the local housing authority when there is a problem of housing adequacy, but are, perhaps, less likely to do so when the problem is one of affordability.

(iv) The need for further incentives for landlord participation

The recently completed landlord survey¹ indicated two options for increasing take-up: first, increase the participation of those in the program; and, second, involve those not currently in the program. Under the first option they discovered considerable potential for increasing the participation of landlords currently in the program. In Ontario rent supplement units account for an average of only 11 percent of units managed by these landlords and two-thirds expressed some willingness to increase the number of rent supplement units they manage.

¹Ruston/Tomany et. al, op. cit.

Amongst non-participants, interest in entering the program seems to be mainly dependent on vacancy rates: only 13 percent were definitely interested in participating, and only 29 percent saw some possibility. Lack of program awareness was very high amongst non-participants: only about one-quarter knew anything about the program. Some financial incentives and increased publicity would be necessary to enlist these non-participants in the program.

4.3 PROGRAM COSTS

Two factors give rise to concern about the costs of the program: new rather than existing rental accommodation is being leased; and it serves some of the lowest income clients of all the social housing programs. Revenues will rise more slowly than expenditures and therefore the subsidy costs will deepen.

Simply through (i) inflation in rents, and, (ii) an expected slower rate of increase in incomes, subsidy costs would rise. If the program continues to serve low income households, in new accommodation, subsidy costs may rise unless incomes keep up¹. Four remedies can slow this increase: reduce the benefits under the program, increase

¹With a younger clientele, than say public housing, this may not be an unrealistic expectation. Consequently, the program may remain competitive with other programs.

group, control rent increases, and lease older, cheaper units. By reducing the benefit per household through a higher rent-to-income scale or some other means, fewer dollars will be expended, some households will drop out of the program. Total control of rent increases, and of costs, is only possible with ownership (which implies other costs). Despite a dismal record to date with program monitoring under the NHA, an optimistic view would be that a real estate portfolio composed of older, amortised and well-maintained units should offer accommodation at below-market rents. If the program continues as a leasing instrument, the longer the terms are the greater the control over rent increases.

4.4 CONCLUSIONS

Four issues were addressed in this chapter. First, the size of the population in need of shelter was described. An estimate of the cost of bridging the "shelter gap" at 25 percent of income was made: in 1974 dollars this would average \$51 per household per month. Two drawbacks of such a universal shelter allowance were noted, its cost (\$155 million annually for the four survey provinces, \$252 million annually for Canada)¹, and the lack of control in ensuring that minimum housing standards are met.

¹See Appendix Tables A.7 and A.8.

Second, clients served under the NHA social housing programs were compared with the population in shelter need for the four survey provinces. On scale alone large inroads have been made into the problem (128,945 households served versus 251,484 households in need).

Third, some possible reasons for the lack of demand for the program by tenants and landlords alike were put forward and some solutions offered. In particular it may be necessary to offer additional financial incentives to encourage landlords who are not currently doing so to participate in the program.

Finally two concerns were raised about program costs, first that it was new rather than existing accommodation; and, second that low-income clients require the largest subsidies. If the program continues to serve a low-income clientele, such subsidies will probably continue to climb. But if the program was targetted at younger households in need, then subsidy costs could be kept under more strict control as the incomes of such households could be expected to rise over time.

CHAPTER FIVE
SUMMARY AND CONCLUSIONS

This report has had three main purposes:

- o to report upon the performance of the private rent supplement program from 1971 to 1978;
- o to identify operational and policy concerns which face the program; and
- o to consider the potential future of the program.

5.1 PROGRAM PERFORMANCE

The Program in Review

At the end of 1978, there were approximately 10,500 households occupying units supplemented under the private-rent supplement program (44(1)(a)). Seventy-nine percent of these (8,297) were in Ontario, and most of the remaining 21 percent were distributed in British Columbia, Manitoba and Newfoundland. The province of Ontario has been the major user of the program since 1971, and has consistently taken up an annual allocation exceeding 1000 units. The program is concentrated in the major metropolitan centres, except in British Columbia where an equal number of units are to be found in smaller communities.

An estimated 565 landlords are participating in the program, 454 of these in Ontario, 84 in Newfoundland and the remainder elsewhere.

Concerning household characteristics, sixty percent of the Rent Supplement households are headed by persons under 60 (families) while forty per cent are headed by persons aged 60 or over. Provincial variations in household type are extremely wide: Ontario supplements 62.2 per cent families, Manitoba 90.1 per cent, British Columbia 69.1 but Newfoundland has opted to use the program solely for senior citizens.

Amongst family households receiving private rent supplements, 31.8 per cent were headed by persons under 30 years of age. Again, provincial variations were wide. Ontario had the smallest proportion of younger families, 21.3 percent, while Manitoba had the highest, 45.6 per cent.

Forty-three per cent of families in the program had gross family incomes under \$5,000 and 66 per cent of senior citizens were also below \$5,000, a characteristic showing little difference by province. For families this income was mainly derived from employment and welfare, 45.9 per cent and

31.2 percent respectively. For senior citizens pensions were the major income source, (81.7 per cent).

The Program Evaluation

The program was examined in terms of its objectives. The first of these is that it should provide an alternative to regular public housing. Two indicators of the extent to which the program offers choice to those on the public housing waiting lists were examined: the characteristics of those currently occupying rent supplement and regular public housing units; and, program choice within each community. First, private rent supplement tenants were found to be headed by younger persons in family and senior citizen households than regular public housing tenants. Overall the program is biased more towards families than regular public housing. Rent supplement households tend to be young, small families and two-person senior citizen households. These families have a greater number reporting gross annual incomes under \$5,000 than in public housing, whereas the senior citizens have higher incomes, reflecting double pension income.

Second, in terms of relative scale, the number of private rent supplement units is only one-fifteenth that of

regular public housing. It is more concentrated in large urban centres than public housing, apart from British Columbia where the proportion of rent supplement units in small centres exceeds that of regular public housing.

The second program objective examined concerns the provision of accommodation that will most effectively integrate public housing occupants into a community. This objective does not appear to be met, as the other tenants learn of the existence of rent supplement tenants in various ways, usually through communal facilities such as laundry areas. The problem is exacerbated through CMHC's refusal to allow rent supplements to be sent to the tenants. The likelihood of identification of subsidised tenants during rent payment is thus greatly increased.

The third program objective is to increase the housing stock available to low-income households. Although this has been achieved for 10,500 households, the costs of doing so are questioned, in terms of bridging the gap between low-incomes and the market rents of new units; and in obtaining stock not otherwise absorbed by the private renter. This raises the possibility that such units, in addition to being expensive,

may be inadequate or inappropriate for the rent supplement tenant.

The fourth program objective is to reduce provincial demands on the Corporation's capital budget funds. This evaluation contends that it is impossible to measure this objective, since the program concerns subsidies, (i.e. grant sharing) and not repayable loans. An attractive feature of the program was its relative cheapness in the short-term. It is argued that over the longer-term, unless incomes rise as fast or faster than rents, the program must become progressively costlier.

Finally, the program seeks to provide the private sector with the means of competing in providing public housing. Evaluation of this objective hinges on the interpretation of "competing". Overall 75 percent of the units under subsidy are owned by the private sector, which is an indication that the objective has been largely met. It has been accomplished, however, with the extensive use of other financial incentives, and by the inclusion of many projects with high vacancy problems.

5.2 OPERATIONAL AND POLICY CONCERNS

There is some concern as to whether or not the program is even legal. Section 44(1)(a) of the National Housing Act states:

"The Corporation may enter into an agreement with (a) any province, municipality or public housing agency operating a public housing project, whereby the Corporation will make contributions for the purpose of assisting it to provide housing accommodation to individuals or families of low income at rentals that are less than the rentals required to meet the cost of amortizing and operating the public housing project."

The meaning of "operate" was defined narrowly to mean the signing of an agreement between a province and a landlord, but clearly this is not the normal meaning of the word, since private landlords do not operate a public housing project.

Operational Concerns

An operational concern is that, due to the fluid nature of the program there is real difficulty in exerting control over it. Every month units are leased, cancelled or renewed and vacancies occur. Time-lags develop in the administrative process, and although verification is done at National Office, there is no way to check that the annual total of units for which a province claims were in fact occupied. Similarly the

appropriateness of fixing administrative costs at 3 percent of total operating costs in Ontario cannot be assessed since it appears to be as arbitrary as the previous fixed sum of \$4.25 per unit per month.

The Private Rent Supplement Program is a program serving different clients from regular public housing. It would, therefore, be rational to encourage its development as an alternative, to serve those whose needs are less well met by regular public housing. The extensive use of this program in conjunction with other NHA programs gives rise to concern that it may be used mainly as a means of problem-solving, which could detract from its effectiveness as a program supplementing households within the entire private rental market. In Manitoba for example, the units are all in limited dividend projects, which may not reflect the type and quality of units available on the private rental market as a whole.

In other locations the units are also already NHA-financed, in British Columbia, for example, they are all Assisted Rental Program units, financed under Section 14.1. In Ontario one-half of the units are privately-financed, the remainder are financed under five separate government housing programs.

There are two conclusions to be drawn from this: the program serves a clientele similar to regular public housing, but on too small a scale to be called an alternative. The program also serves as a vehicle for guaranteed revenues for many entrepreneurs already receiving NHA financing. There are two benefits of this "stacking" process: first, it may be cheaper to ensure continued viability through supplement-maintained occupancy than to foreclose; and, second, the low-income tenant does, at least, enjoy facilities subsidized under the NHA, that is the benefits of NHA - financing are reaching those who need it most.

Finally, integration of subsidized tenants within a private rental project appears to be impossible to achieve. The current system of paying the supplements direct to the landlord is a contributing factor.

5.3 PROGRAM IMPACT

Two topics were discussed: first, the size of the potential target population and the cost of subsidizing them; second, factors affecting take-up if the program continues under its existing framework.

Renters and owners with a shelter problem at 25 percent of income in Census Metropolitan Areas were compared with clients served under the social housing programs in Ontario, British Columbia, Manitoba and Newfoundland. 251,484 households (renters and owners), were estimated to have a problem, whereas 10,066 households have been served under the Private Rent Supplement Program. The hypothetical cost of subsidising all those with a problem would have been \$51 per household per month in 1974, whereas in 1977 the cost of subsidising those in Private Rent Supplement units ranged between \$50 and \$89 per month. Thus a straight subsidy might be cheaper than some Rent Supplement unit subsidies assuming every household could find adequate, suitable accommodation.

Future expansion of the program depends on increased participation by tenants and landlords. Consumer resistance to the program has been noted: it could be addressed by increased publicity. There appears to be some resistance to a unit-tied subsidy, but the alternative, a "no-ties" shelter supplement, does not ensure that standards of adequacy and suitability are met. It is not, by definition, a housing program, but rather an income transfer program.

Landlords already participating in the program expressed a willingness to expand their involvement. Non-participating landlords tended to be less interested and less aware of the program: both financial incentives and increased publicity would be necessary to increase the enrolment of this group into the program.

Finally, the state of local housing markets influences program take-up. Where vacancy rates are low the program assists in obtaining housing for low-income tenants. Where vacancy rates are high, low-income tenants will tend to find it easier to obtain satisfactory accommodation that is both adequate and affordable.

APPENDICES

APPENDIX ONE



Central Mortgage and Housing Corporation

Société centrale d'hypothèques et de logement

CMHC 1765 3/75

APPLICATION-SUBSIDY / DEMANDE-SUBVENTION
(Public Housing Rental-Section 44 NHA / Logement public à loyer-Article 44 LNH)

Applicant's Ref. / Réf. du requérant:	CMHC USE USAGE SCHL	mo./m.	yr./an.	borr. emp	Co.	Mun.	CMHC Account No. / N° de compte SCHL
				3			

SUPPORTING DOCUMENTATION

PLEASE SUBMIT IN DUPLICATE, WITH THIS APPLICATION,

- A report on the availability, market rents, and other characteristics of vacant housing in the area as well as on the suitability of such housing in meeting the needs of prospective tenants of low income;
- Evidence of the need and demand for public housing of the type proposed;
- (a) Where units HAVE BEEN selected and negotiated with the owners, submit completed Schedule, CMHC 1766, and a map showing each local area in relation to community facilities, i.e. schools, transportation, shopping, parks, etc.

(b) Where all or part of the total number of units have NOT been selected, submit details as to proposed general location of units and the anticipated period within which leases with the owners will be signed. When these units are subsequently selected, submit CMHC 1766, supported as in item (a) preceding.

DOCUMENTATION À L'APPUI

SOUMETTRE EN DOUBLE AVEC LA PRÉSENTE DEMANDE

- Un rapport sur la disponibilité, sur le marché des loyers et les autres caractéristiques du logement vacant dans la région ainsi que sur la convenance de ce genre de logement pour satisfaire aux besoins de locataires éventuels à faible revenu.
- La preuve du besoin et de la demande de logement public du genre proposé
- (a) Lorsque les unités ONT ÉTÉ choisies et traitées avec les propriétaires, soumettre la formule remplie de dénombrement, CMHC 1766 et une carte indiquant chaque région localisée et ses rapports avec les utilités communautaires i.e. transport, écoles, magasins, parcs, etc.

(b) Lorsque les unités N'ONT PAS été choisies en totalité ou en partie, soumettre les précisions relatives à l'emplacement d'ensemble projeté pour les unités et au délai prévu dans lequel les baux en faveur des propriétaires seront signés. Lorsque ces unités sont ultérieurement choisies soumettre la CMHC 1766 appuyée comme en (a) précédent.

Applicant's Name, Address / Nom et adresse du requérant:

SCAL YEAR ENDS / FIN D'ANNÉE FINANCIÈRE:

Municipality in which project located / Municipalité où le projet est situé

ACCOMMODATION REQUIRED FOR / LOGEMENT REQUIS POUR:

1	Low-income Families / Familles à faible revenu	2	Low-income Persons / Personnes à faible revenu	3	Sr Citizens / Personnes âgées
TYPE / GENRE	HOUSES / MAISONS	1	Detached / Simples	2	Semi-detached / Jumelées
	DUPLEX / DUPLEX	4	Houses / Maisons	5	Semi-detached / Jumelées
				6	APTS. / APP.

1. REQUIREMENT / BESOIN

TYPE / GENRE	NO OF UNITS / NO D'UNITÉS	TOTAL BEDROOMS / TOTAL DES CHAMBRES	ESTIMATED OPERATING LOSSES / PERTES D'EXPLOITATION ESTIMATIVES												
			TOTAL / TOTALES				FEDERAL PORTION / PART DU FEDERAL								
			\$ ANNUAL / ANNUELL		Per unit per mo / Par unité par mois		\$ ANNUAL / ANNUELL		Per unit per mo / Par unité par mois						
Low-income Families / Familles à faible revenu															
Low-income Persons / Personnes à faible revenu															
Senior Citizens / Personnes âgées															
TOTALS / TOTAUX															

2. RENTAL INFORMATION / RENSEIGNEMENTS SUR LES LOYERS

TYPE / GENRE	NUMBER OF UNITS / NOMBRE D'UNITÉS				AVERAGE PER UNIT PER MONTH / MOYENNE PAR UNITÉ PAR MOIS						Lease period (Owners) / Période de bail (propriétaires)		
	SELECTED / CHOISIES		TO BE SELECTED / À CHOISIR		MARKET RENT / MARCHÉ DES LOYERS		CONTRACT RENT / CONTRAT DE LOYER		Anticipated Rent Recovery / Recouvrement de loyer prévu				
Low-income Families / Familles à faible revenu													MOS
Low-income Persons / Personnes à faible revenu													MOS
Senior Citizens / Personnes âgées													MOS

A FEDERAL SUBSIDY FOR YEARS IS REQUESTED. / UNE SUBVENTION FÉDÉRALE EST DEMANDÉE POUR ANS.

DATE.....SIGNATURE..... TITLE / TITRE.....



SCHEDULE OF UNITS SELECTED / DÉNOMBREMENT DES UNITÉS CHOISIES
Public Housing Rental Subsidy / Subvention au logement public à loyer

SHEET FEUILLE	OF DE
CMHC Account No / N° de compte SCHL.	

TOTAL UNITS TOTAL DES UNITÉS	PER AGREEMENT: SELON L'ENTENTE	SELECTED TO DATE: CHOISIES À CE JOUR	BALANCE RESTE	App's ref / Réf. du req
--	--	--	-------------------------	-------------------------

UNIT NO <i>NO DE L'UNITÉ</i>	LEASE TERM <i>(mos) DURÉE DU BAIL (mois)</i>	ADDRESS (GROUP BY TYPE) <i>ADRESSE (GROUPE PAR GENRE)</i>	UNIT <i>UNITÉ</i>		RENT NEGOTIATED WITH OWNER <i>LOYER TRAITÉ AVEC PROPRIÉTAIRE</i>	EST'D ADDITIONAL EXPENSES FOR SERVICES <i>DÉP ADDITIONNELLES EST POUR SERVICES</i>					RENT PLUS ADD'L EXPENSES <i>LOYER PLUS DÉP ADD</i>	CMHC USE <i>USAGE SCHL</i>
			TYPE <i>GENRE</i>	No bed-rooms <i>No. de chambres</i>		HEAT <i>CHAUFFAGE</i>	HOT WATER <i>EAU CHAUDE</i>	WATER <i>EAU</i>	POWER <i>ÉLECTRICITÉ</i>	SPECIFY/PRECISER		

*UNIT TYPE	HOUSES, Detached/Semi-detached DUPLEX House/Semi-detached	ROW HOUSES APARTMENTS
GENRE D'UNITÉ	MAISONS: Simples/Jumelées DUPLEX Maison/Jumelé	MAISONS EN BANDE APPARTEMENTS

Date	Signature
Date	CMHC Approval/Approbation SCHL

APPENDIX TWO

THE TENANT SURVEY

Sampling from current tenant files kept at local housing authorities was conducted throughout 1978 and completed in 1979. Public housing tenant files, and rent supplement tenant files where they existed, were sampled simultaneously on a stratified random basis. Sampling details on which the tenant characteristics presented in this report are based are shown in Table A.1. A larger sample, containing provinces with no rent supplement tenants, and additional data from a short coding sheet which was mailed to smaller centres in British Columbia, Manitoba and Newfoundland is presented in an accompanying report¹.

In Metropolitan Toronto, Ontario Housing Corporation is well aware that it houses 4,000 senior citizens in buildings designated "family" which exclusively accommodate senior citizens, but because it is the responsibility of the Metro

¹Statistical Handbook of the Canadian Public Housing and Rent Supplement Programs, Program Evaluation Division (forthcoming).

Toronto Housing Company to look after elderly public housing needs, the entire stock of housing administered by OHC in Metro is designated "family".

Similar anomalies occur in other provinces. In Manitoba for example the Greater Winnipeg Regional Housing Authority administers some projects it designated as "mixed", as does the British Columbia Housing Management Commission in Vancouver. For scientific sampling purposes this can create insuperable problems. The method adopted was therefore to select a number of tenant files, irrespective of the designation, according to the size of the local housing portfolio. That is, the exact sampling interval varied on the grounds of total sample size, cost and availability of files. The smallest interval was in Winnipeg, where one in five files was sampled, and the largest in Metro Toronto where one in ten files was sampled.

For the rent supplement tenant survey, a similar method was used, but because the tenant universe was much smaller, and sampling error potentially much greater, a larger sample was taken. It is fair to conclude therefore that the characteristics of both tenant populations surveyed

are accurate, within acceptable statistical confidence limits. This needs to be emphasised in the light of differences emerging between the two groups. A third group, tenant living in non-profit and co-operative projects receiving rent supplement (44(1)(b)), has been included for comparative purposes.

TABLE A.1

SAMPLING DETAILS, PUBLIC HOUSING AND RENT SUPPLEMENT TENANT SURVEY

Province	Sample			June 1, 1978 Estimated Universe			Percent Sampled		
	Total No.	Family No.	Senior No.	Total No.	Family No.	Senior No.	Total p.c.	Family p.c.	Senior p.c.
<u>ONTARIO</u>									
Public Housing									
Metro Toronto	1,344	1,131	213	29,384	Not available		9.3	n/a	n/a
Remainder	2,918	933	1,185	52,196	24,133	18,600	4.1	3.9	6.4
Total	3,462	2,064	1,398	81,580	Not available		4.2	n/a	n/a
Rent Supplement									
Metro Toronto	832	555	277	2,956	Not available		28.1	n/a	n/a
Remainder	681	462	219	5,262	Not available		12.9	n/a	n/a
Total	1,513	1,017	496	8,218	Not available		18.4	n/a	n/a
<u>BRITISH COLUMBIA</u>									
Public Housing									
Metro Vancouver	632	273	359	5,901	2,211	3,690	10.7	12.3	9.7
Remainder (524 to come)	41	34	7	2,094	Not available				
Total	673	307	366	7,995	Not available		8.4	n/a	n/a
Rent Supplement									
Metro Vancouver	163	86	77	352	Not available		46.3	n/a	n/a
Remainder	131	121	10	323	Not available		40.6	n/a	n/a
Total	294	207	87	675	Not available		43.6	n/a	n/a
<u>MANITOBA</u>									
Public Housing									
Metro Winnipeg	1,081	443	633	5,019	Some mixed projects make split impossible		21.6	n/a	n/a
Remainder (3,995 to come)				5,863	Not available				
Total	1,082	448	633	10,882			9.9	n/a	n/a
Rent Supplement									
Metro Winnipeg	423	373	50	558	Not available		75.8	n/a	n/a
Remainder	Not sampled			84	Not available				
Total	423	373	50	642	Not available		65.9	n/a	n/a
<u>NEWFOUNDLAND</u>									
Public Housing									
Metro St. John's	251	214	37	1,781	1,674	107	14.1	12.8	34.6
Remainder	841	773	68	1,263	1,235	28	66.6	62.6	
Total	1,092	987	105	3,047	2,909	135	35.8	33.9	77.8
Rent Supplement									
Metro St. John's	260	-	260	260	-	260	100.0	-	100.0
Total Survey - 4 Provinces									
Public Housing	6,309	3,807	2,502	103,504	Not available		6.1	n/a	n/a
Rent Supplement	2,506	1,597	909	9,811	Not available		25.5	n/a	n/a

Note: Additional survey data will be included in the data base analysed in the Statistical Handbook of the Canadian Public Housing and Rent Supplement Programs, Program Evaluation Division (Forthcoming).

TABLE 2

AGE OF HOUSEHOLD HEAD, TENANTS LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS (NHA SECTIONS 40 AND 43, 44 (1)(a), AND 44 (1)(b)), BY PROVINCE, 1978

Age of Head	Type of Unit							
	Public Housing		Private Rent Supplement		Rent Supplement in Non-Profits & Coops		Total	
	Number	Per Cent	Number	Per Cent	Number	Per Cent	Number	Per Cent
<u>ONTARIO</u>								
Under 30	377	11.4	174	13.2	17	4.4	568	11.3
30 - 59	1543	46.5	644	49.0	78	20.0	2265	45.1
60 and over	1398	42.1	496	37.7	295	75.6	2189	43.6
TOTAL	3318	100.0	1314	100.0	390	100.0	5022	100.0
<u>BRITISH COLUMBIA</u>								
Under 30	64	9.5	87	31.0	25	2.2	176	8.4
30 - 59	243	36.1	107	38.0	134	11.8	484	23.2
60 and over	366	54.4	87	31.0	975	86.0	1428	68.4
TOTAL	673	100.0	281	100.0	1134	100.0	2088	100.0
<u>MANITOBA</u>								
Under 30	160	15.1	166	41.1	1	0.7	327	20.4
30 - 59	274	25.9	198	49.0	8	5.6	480	29.9
60 and over	623	58.9	40	9.9	136	93.8	799	49.8
TOTAL	1057	100.0	404	100.0	145	100.0	1606	100.0
<u>NEWFOUNDLAND</u>								
Under 30	80	13.2	-	-	N/A	N/A	80	13.2
30 - 59	200	60.2	-	-	N/A	N/A	200	32.9
60 and over	52	15.7	275	100.0	N/A	N/A	327	53.9
TOTAL	332	100.0	275	100.0	-	-	607	100.0
<u>SURVEY TOTAL</u>								
Under 30	681	12.7	427	18.8	43	2.6	1151	12.3
30 - 59	2260	42.0	949	41.7	220	13.2	3429	36.8
60 and over	2439	45.3	898	39.5	1406	84.2	4743	50.9
TOTAL	5380	100.0	2274	100.0	1669	100.0	9323	100.0

SOURCES: Survey of Tenants Living in Rent Supplement and Public Housing Units, 1978, Program Evaluation Unit, CMHC.
Survey of Tenants Living in Non-Profit and Cooperative Housing in Canada (1977), Program Evaluation Unit, CMHC.

N/A - Not Applicable

NUMBER OF PERSONS PER HOUSEHOLD LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS (NHA SECTIONS 40 AND 43, 44(1)(a), AND 44(1)(b)), BY PROVINCE, 1978

Number of Persons	Type of Unit							
	Public Housing		Private Rent Supplement		Rent Supplement in Non-Profits & Coops		Total	
	Number	Per Cent	Number	Per Cent	Number	Per Cent	Number	Per Cent
<u>ONTARIO</u>								
1 person	1328	38.4	691	45.7	261	64.9	2282	42.4
2 persons	561	16.2	448	29.6	88	21.9	1097	20.4
3 persons	473	13.7	208	13.7	15	3.7	696	13.0
4 or more	1099	31.8	166	11.0	38	9.3	1303	24.2
TOTAL	3461	100.0	1513	100.0	402	100.0	5376	100.0
<u>BRITISH COLUMBIA</u>								
1 person	276	40.0	47	16.0	885	75.8	1208	56.2
2 persons	779	26.0	145	49.5	188	16.1	512	23.8
3 persons	37	14.1	77	26.3	37	3.2	211	9.8
4 or more	137	19.9	24	8.2	57	4.9	218	10.1
TOTAL	698	100.0	293	100.0	1167	100.0	2149	100.0
<u>MANITOBA</u>								
1 person	261	37.6	49	13.9	131	87.3	441	36.9
2 persons	166	23.9	155	44.0	14	9.3	335	28.0
3 persons	95	13.7	96	27.3	3	2.0	194	16.2
4 or more	172	24.8	52	14.8	2	1.4	226	18.9
TOTAL	694	100.0	352	100.0	150	100.0	1196	100.0
<u>NEWFOUNDLAND</u>								
1 person	14	4.2	197	71.6	N/A	N/A	211	34.8
2 persons	35	10.5	76	27.6	N/A	N/A	111	18.3
3 persons	59	17.8	2	0.7	N/A	N/A	61	10.0
4 or more	224	67.5	-	-	N/A	N/A	224	36.9
TOTAL	332	100.0	275	100.0	-	-	607	100.0
<u>SURVEY TOTAL</u>								
1 person	1879	36.2	984	40.4	1227	74.3	4140	44.4
2 persons	941	18.1	824	33.9	290	16.9	2055	22.0
3 persons	724	14.0	383	15.7	55	3.2	1162	12.5
4 or more	1632	31.5	242	9.9	97	5.6	1971	21.1
TOTAL	5185	100.0	2433	100.0	1719	100.0	9328	100.0

SOURCES: Survey of Tenants Living in Rent Supplement and Public Housing Units, 1978, Program Evaluation Unit, CMHC.
 Survey of Tenants Living in Non-Profit and Cooperative Housing in Canada (1977), Program Evaluation Unit, CMHC.

N/A - Not Applicable

TABLE A.4

GROSS FAMILY INCOMES OF TENANTS LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS (N/A SECTIONS 40 AND 43, 44(1)(a), AND 44(1)(b)), BY PROVINCE, 1978

Gross Family Income	Age of Household Head																							
	Under 30						30 - 59						60 and Over						Total					
	PH		RS(1)(a)		RS(1)(b)		PH		RS(1)(a)		RS(1)(b)		PH		RS(1)(a)		RS(1)(b)		PH		RS(1)(a)		RS(1)(b)	
No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	
ONTARIO																								
Less Than \$5,000	141	51.8	69	47.9	5	33.3	350	31.5	225	41.4	20	27.4	978	76.3	281	66.4	148	57.1	1469	55.1	575	51.8	173	49.9
\$ 5,000 - 7,499	61	22.4	32	22.2	5	33.3	348	31.3	141	25.9	19	26.0	218	17.0	97	22.9	51	19.7	627	23.5	270	24.3	75	21.6
\$ 7,500 - 9,999	30	11.0	26	18.0	1	6.7	186	16.7	114	21.0	14	19.2	57	4.4	31	7.3	23	8.9	273	10.2	171	15.4	38	11.0
\$10,000 - and Over	40	14.7	17	11.8	4	26.7	227	20.4	64	11.8	20	27.4	28	2.2	14	3.3	37	14.3	295	11.1	95	8.6	61	17.6
TOTAL	272	100.0	144	100.0	15	100.0	1111	100.0	544	100.0	73	100.0	1281	100.0	423	100.0	259	100.0	2664	100.0	1111	100.0	347	100.0
(Missing)	105		30				432		100				117		73				654		203			
BRITISH COLUMBIA																								
Less Than \$5,000	27	42.9	42	48.3	1	4.2	63	25.9	56	52.8	21	17.8	255	69.9	48	55.2	569	72.6	345	51.4	146	52.1	591	63.8
\$ 5,000 - 7,499	17	27.0	22	25.3	3	12.5	102	42.0	27	25.5	27	22.9	85	23.3	31	35.6	147	18.8	204	30.4	80	28.6	177	19.1
\$ 7,500 - 9,999	6	9.5	14	16.1	7	29.2	34	14.0	13	12.3	18	15.3	21	5.8	8	9.2	33	4.2	61	9.1	35	12.5	58	6.3
\$10,000 - and Over	13	20.6	9	10.3	13	54.2	44	18.0	10	9.4	52	44.1	4	1.1	-	-	35	4.5	61	9.1	19	6.8	100	10.8
TOTAL	63	100.0	87	100.0	24	100.0	243	100.0	106	100.0	118	100.0	365	100.0	87	100.0	784	100.0	671	100.0	280	100.0	926	100.0
(Missing)	1		-				-		1				1		-				2		1			
MANITOBA																								
Less Than \$5,000	80	50.0	60	36.4	-	-	101	36.9	87	43.9	5	-	509	82.1	23	59.0	109	88.6	690	65.5	170	42.3	114	87.0
\$ 5,000 - 7,499	30	18.8	44	26.7	-	-	78	28.5	50	25.3	1	-	92	14.8	12	30.8	10	8.1	200	19.0	106	26.4	11	8.4
\$ 7,500 - 9,999	33	20.6	39	23.6	1	-	59	21.5	40	20.2	1	-	13	2.1	3	7.7	1	0.8	105	10.0	82	20.4	3	2.3
\$10,000 - and Over	17	10.6	22	13.3	-	-	36	13.1	21	10.6	-	-	6	1.0	1	2.6	3	2.4	59	5.6	44	10.9	3	2.3
TOTAL	160	100.0	165	100.0	1	-	274	100.0	198	100.0	7	-	620	100.0	39	100.0	123	100.0	1054	100.0	402	100.0	131	100.0
(Missing)	-		1				-		-				3		1				3		2			
NEWFOUNDLAND																								
Less Than \$5,000	23	35.9	N/A	N/A	N/A	N/A	61	30.6	N/A	N/A	N/A	N/A	36	69.2	187	70.3	N/A	N/A	120	38.1	187	70.3	N/A	N/A
\$ 5,000 - 7,499	25	39.1	N/A	N/A	N/A	N/A	74	37.2	N/A	N/A	N/A	N/A	11	21.2	77	28.9	N/A	N/A	110	34.9	77	28.9	N/A	N/A
\$ 7,500 - 9,999	14	21.9	N/A	N/A	N/A	N/A	35	17.6	N/A	N/A	N/A	N/A	5	9.6	2	0.8	N/A	N/A	54	17.1	2	0.8	N/A	N/A
\$10,000 - and Over	2	3.1	N/A	N/A	N/A	N/A	29	14.6	N/A	N/A	N/A	N/A	-	-	-	-	N/A	N/A	31	9.8	-	-	N/A	N/A
TOTAL	64	100.0	-	-	-	-	199	100.0	-	-	-	-	52	100.0	266	100.0	-	-	315	100.0	266	100.0	-	-
(Missing)	1		1				1		2				-		8				2		11			
SURVEY TOTAL																								
Less Than \$5,000	271	48.5	171	43.2	6	15.0	575	31.5	368	43.4	46	23.2	1778	76.7	539	66.1	826	70.8	2624	55.8	1078	52.4	878	62.5
\$ 5,000 - 7,499	133	23.8	98	24.7	8	20.0	602	33.0	218	25.7	47	23.7	406	17.5	217	26.6	208	17.8	1141	24.3	533	25.9	263	18.7
\$ 7,500 - 9,999	83	14.8	79	20.0	9	22.5	314	17.2	167	19.7	33	16.7	96	3.9	44	5.4	57	4.9	493	10.5	290	14.1	99	7.1
\$10,000 - Plus	72	12.9	48	12.1	17	42.5	336	18.4	95	11.2	72	36.4	38	1.6	15	1.8	75	6.4	446	9.4	158	7.7	164	11.7
TOTAL	559	100.0	396	100.0	40	100.0	1827	100.0	848	100.0	198	100.0	2318	100.0	815	100.0	1166	100.0	4704	100.0	2059	100.0	1404	100.0

SOURCES: Survey of Tenants Living in Rent Supplement and Public Housing Units, 1978, Program Evaluation Unit, OMC.
Survey of Tenants Living in Non-Profit and Cooperative Housing in Canada (1977), Program Evaluation Unit, OMC.

Note Table Headings: PH - Public Housing; RS(1)(a) - Private Rent Supplement RS(1)(b) - Rent Supplement in Non-Profit and Cooperative Units

N/A - Not Applicable

TAB 1

MAJOR SOURCE OF FAMILY INCOME, TENANTS LIVING IN PUBLIC HOUSING, PRIVATE RENT SUPPLEMENT AND RENT SUPPLEMENT IN NON-PROFIT AND COOPERATIVE UNITS (NHA SECTIONS 40 AND 43, 44(1)(a), 44(1)(b)), BY PROVINCE, 1978

Gross Family Income	Age of Household Head																	
	Under 60						60 and Over						Total					
	PH		RS(1)(a)		RS(1)(b)		PH		RS(1)(a)		RS(1)(b)		PH		FS(1)(a)		PS(1)(b)	
No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	No.	p.c.	
ONTARIO																		
Employment	891	43.7	382	37.9	(69)	51.3	86	6.2	74	15.0	(208)	9.6	977	28.4	456	28.7	(277)	20.0
Pension	334	16.4	290	28.8		3.2	1212	87.8	346	69.9		67.3	1546	44.9	636	40.0		51.3
Welfare	797	39.1	323	32.1		38.4	66	4.8	55	11.1		1.6	863	25.1	378	23.8		10.8
Other	17	0.8	12	1.2		7.1	16	1.2	20	4.0		21.5	58	1.7	120	7.5		17.9
TOTAL	2039	100.0	1007	100.0		100.0	1380	100.0	495	100.0		100.0	3444	100.0	1590	100.0		100.0
(Missing)	25		10				18		1									
BRITISH COLUMBIA																		
Employment	162	79.9	88	79.3	(126)	60.7	10	2.9	3	3.6	(665)	4.7	172	25.7	91	31.0	(791)	13.6
Pension	31	9.8	19	10.8		9.9	338	94.4	83	79.6		78.3	369	55.1	102	34.7		67.4
Welfare	23	5.9	8	7.2		17.7	9	2.6	1	15.6		3.9	9	1.3	9	3.1		6.1
Other	-	-	3	2.7		11.7	1	0.3	-	1.2		13.1	120	17.9	92	31.3		12.9
TOTAL	216	100.0	118	100.0		100.0	358	100.0	87	100.0		100.0	670	100.0	294	100.0		100.0
(Missing)	109		89				8											
MANITOBA																		
Employment	269	54.9	222	58.3	(6)	16.7	29	4.9	10	23.8	(113)	4.1	298	27.5	233	55.1	(119)	4.7
Pension	25	5.1	14	3.7		4.2	557	94.7	30	71.4		75.6	570	52.7	42	9.9		72.0
Welfare	191	39.0	139	36.5		66.7	1	0.2	-	-		9.3	2	0.2	2	0.4		12.2
Other	5	1.0	6	1.6		12.4	1	0.2	2	4.8		11.0	212	19.6	146	34.5		11.1
TOTAL	490	100.0	381	100.0		100.0	588	100.0	42	100.0		100.0	1082	100.0	423	100.0		100.0
(Missing)	4						-											
NEWFOUNDLAND																		
Employment	183	69.6	N/A	N/A	N/A	N/A	8	16.2	-	-	N/A	N/A	191	57.5	-	-	N/A	N/A
Pension	18	6.5	N/A	N/A	N/A	N/A	34	65.5	277	100.0	N/A	N/A	52	15.7	275	100.0	N/A	N/A
Welfare	62	23.6	N/A	N/A	N/A	N/A	9	18.4	-	-	N/A	N/A	71	21.4	-	-	N/A	N/A
Other	1	0.4	N/A	N/A	N/A	N/A	-	-	-	-	N/A	N/A	18	5.4	-	-	N/A	N/A
TOTAL	264	100.0	-	-	-	-	51	100.0	277	-	-	-	332	100.0	275	100.0	-	-
(Missing)	16						1											
SURVEY TOTAL																		
Employment	1505	50.0	692	45.9	(201)	56.2	133	5.6	87	9.7	(986)	5.6	1638	29.6	780	30.2	(1187)	14.2
Pension	408	13.6	323	21.4		7.4	2141	90.1	736	81.7		75.7	2537	45.9	1055	40.9		64.1
Welfare	1073	35.7	470	31.2		26.3	85	3.6	56	6.2		4.1	945	17.1	389	15.1		7.8
Other	23	0.8	21	1.4		10.2	18	0.8	22	2.4		14.6	408	7.4	358	13.9		13.9
TOTAL	3009	100.0	1506	100.0		100.0	2377	100.0	901	100.0		100.0	5528	100.0	2582	100.0		100.0
(Missing)	154		480				27		1				181		481			

SOURCES: Survey of Tenants Living in Rent Supplement and Public Housing Units, 1978, Program Evaluation Unit, CMHC.
 Survey of Tenants Living in Non-Profit and Cooperative Housing in Canada (1977), Program Evaluation Unit, CMHC.

Note Table Headings: PH - Public Housing; RS((1)(a)) - Private Rent Supplement; RS((1)(b)) - Rent Supplement in Non-Profit and Cooperative Units
 Note Numbers in Parentheses: - Source of Income was computed differently in the Survey of Non-Profit and Cooperative Housing. Percentages are shown, but the actual numbers in each category are not mutually exclusive.

N/A - Not Applicable

APPENDIX THREE

OPERATING COSTS - SOME CASE STUDIES

In the case studies illustrated in the Table A.6 below, the subsidy payable over ten years is compared for public housing and private rent supplement for a hypothetical tenant family. The family illustrated is four persons, one spouse earning the minimum wage, two children, living in a two bedroom unit. This family would have had an annual income of \$4,660 in 1974, but family allowance is not considered income.

The comparisons indicate that relative subsidy costs over time between public housing and private rent supplement depend on the growth rates of tenant incomes and rents (on total operating costs). Public housing and rent supplement tenants tend to have gross family incomes at the lowest quintile, which has risen more slowly than higher quintiles. These tenants would likely fall into the situation hypothesised in Case Number Two, that is where incomes rise more slowly than costs (rent on total operating expenses). The situation is analogous to the home-ownership or renting question: over seven years in the case illustrated (Case Number Two), the benefits of owning the public housing unit begin to make the latter cheaper in subsidy terms than renting from a private landlord.

TABLE A.6

COMPARISON OF SUBSIDY COSTS OVER TEN YEARS, PUBLIC HOUSING AND PRIVATE RENT SUPPLEMENT, HYPOTHETICAL FAMILY OF FOUR IN NEW TWO-BEDROOM UNIT

CASE NO. 1: INCOME INCREASE GREATER THAN RENT INCREASE
INCOME GROWTH = 10%, RENT GROWTH = 5%

Year ⁸	Income ¹ \$	Annual Rent Payable ² \$	Public Housing ³				Rent Supplement ⁷	
			Amortization \$	Amortization Subsidy ⁴ \$	Total Operating Costs ⁵ \$	Subsidy ⁶ \$	Annual Rent \$	Subsidy \$
1	4160	840	1546	375	3225	2760	2760	1920
2	4576	1068	"	"	3309	2616	2898	1830
3	5034	1212	"	"	3397	2560	3043	1831
4	5537	1332	"	"	3490	2533	3195	1863
5	6091	1475	"	"	3587	2487	3355	1880
6	6700	1627	"	"	3689	2437	3523	1896
7	7370	1795	"	"	3796	2376	3699	1904
8	8107	1979	"	"	3908	2304	3884	1905
9	8917	2181	"	"	4026	2220	4078	1897
10	9809	2404	"	"	4150	2121	4282	1878

CASE NO. 2: INCOME INCREASE LESS THAN RENT INCREASE
INCOME GROWTH = 5%, RENT GROWTH=10%

1	4160	840	1546	375	3225	2760	2760	1920
2	4368	1008	"	"	3393	2760	3036	2028
3	4586	1080	"	"	3578	2873	3340	2260
4	4816	1152	"	"	3781	3004	3674	2522
5	5057	1212	"	"	4005	3168	4041	2829
6	5309	1272	"	"	4251	3354	4445	3173
7	5575	1344	"	"	4522	3553	4890	3546
8	5854	1416	"	"	4820	3779	5379	3963
9	6146	1488	"	"	5147	4034	5917	4429
10	6454	1566	"	"	5507	4316	6509	4943

CASE NO. 3: INCOME INCREASE = RENT INCREASE
INCOME GROWTH = 5%, RENT GROWTH = 5%

1	4160	840	1546	375	3225	2760	2760	1920
2	4368	1008	"	"	3309	2676	2898	1890
3	4586	1080	"	"	3397	2692	3043	1963
4	4816	1152	"	"	3490	2713	3195	2043
5	5057	1212	"	"	3587	2750	3355	2143
6	5309	1272	"	"	3689	2792	3523	2251
7	5575	1344	"	"	3796	2827	3699	2355
8	5854	1416	"	"	3908	2867	3884	2468
9	6146	1488	"	"	4026	2913	4078	2590
10	6454	1566	"	"	4150	2959	4282	2716

Sources: Public Housing Review Phase One Data Base, CMHC Computer file, weighted averages for Toronto CMA.
Rent Supplement Agreements on file, CMHC National Office.
Case Studies from P.W. Brown, Policy Development Division, CMHC.

¹Income - 1 working spouse on minimum wage, 1974-\$2 per hour, excluding family allowance.

²Annual Rent Payable - federal rent-to-income scale, less \$2 per month per child.

³Public Housing - 2-bedroom unit in Toronto Census Metropolitan Area.

⁴Amortization subsidy - Capital Cost amortized over 50 years at 9 3/4% - Capital Cost amortized over 50 years at 7 3/4% (1974 interest rate).

⁵Total Operating Costs - includes amortization, but not amortization subsidy.

⁶Subsidy - Total Operating Costs - Amortization Subsidy - Annual Rent Payable.

⁷Rent Supplement rents based on average 2-bedroom rents of units under agreement, Toronto CMA, 1974.

⁸Year One in 1972.

APPENDIX FOUR

INDICATORS OF SHELTER GAPS

The concept of housing need has been approached in two stages, first, the "actual" approach measures the ratio of actual shelter costs to actual income; it makes no distinction between households that incur a high shelter cost to income ratio out of their free choice, and those households that are forced into an affordability problem because of their low income. Clearly this method of analysis is inappropriate for three reasons: (i) differentiating between those over-consuming out of free choice, (ii) to ensure equal treatment of renters and owners, and, (iii) for identifying those households under consuming because of competing minimum requirements on their income. It is also insensitive to different geographic housing markets.

The second, so-called "market value" approach, establishes for each household size and housing market area, the average market rent of the norm unit. It is assumed that a household is able to secure adequate, uncrowded accommodation at this price. It also assumes a hypothetical return on equity for homeowners. The market value approach puts owners and renters on the same

expenditure basis, and excludes those households from the need definition that have a strong preference for housing services, spend over 25 percent of their income on shelter, but would not have to do so if they were satisfied renting on adequate, suitable unit at an average rent. This is the approach adopted in the analysis.

Three indicators of housing need are used: adequacy, suitability, and affordability. In this context their definitions are as follows: adequacy is a measure of the structural condition of the unit; suitability compares the size of the unit to the number of persons living in it; affordability measures the degree to which adequate, suitable accommodation can be obtained at a given ratio of expenditure to income. In the examples worked through in the table that ratio, called the "contribution rate", is at the 25 percent level.

Tables A.7 and A.8 below compare annual shelter gap costs for tenant households with an affordability problem or a joint affordability and adequacy or suitability problem at 25 percent and 30 percent of income respectively. The former is equivalent to the federal-provincial public housing rent-to-income scale; the latter is equivalent to the SAFER formula (see Page 76).

TABLE A.7

COMPARISON OF 1974 ANNUAL SHELTER COSTS ¹ FOR TENANT HOUSEHOLDS EXPERIENCING AN INCOME PROBLEM OR JOINT INCOME AND HOUSING PROBLEM, BY PROVINCE, CONTRIBUTION RATE 25%

Province ²	Affordability Problem			Affordability/Adequacy/ Suitability Problem ³			Total Shelter Gap Costs	
	No. of Households	Average Gap (\$)	Shelter Gap Costs (\$)	No. of Households	Average Gap (\$)	Shelter Gap Costs (\$)	No. of Households	Shelter Gap Costs (\$)
Newfoundland	874	713	622,987	1,662	805	1,338,264	2,536	1,961,251
P.E.I.	537	544	292,120	371	437	162,222	908	454,342
Nova Scotia	4,777	669	3,196,405	3,729	651	2,427,387	8,506	5,623,792
New Brunswick	1,487	575	854,793	1,908	514	980,802	3,395	1,835,595
Quebec	58,419	629	36,757,761	87,302	606	52,916,361	145,721	89,674,122
Ontario	88,469	664	58,784,200	40,923	755	30,901,776	129,392	89,685,976
Manitoba	11,546	522	6,031,642	8,972	554	4,974,516	20,518	11,006,158
Saskatchewan	4,286	459	1,969,057	4,584	513	2,352,422	8,870	4,321,479
Alberta	23,611	610	14,391,849	9,862	656	6,471,977	33,473	20,863,826
British Columbia	29,847	578	17,261,207	14,516	683	9,917,462	44,363	27,178,669
Total	223,853	626	140,162,021	173,829	647	112,443,189	397,682	252,605,210

Source: Program and Market Requirements Division, Central Mortgage and Housing Corporation, from Survey of Housing Units, 1974.

¹Administrative and participation rates are not considered in these calculations.

²These provincial estimates include only the aggregation of the 1974 Census Metropolitan Areas within each province.

³This problem group includes households with an affordability problem and an adequacy and/or a suitability problem.

TABLE A.8

COMPARISON OF 1974 ANNUAL SHELTER COSTS ¹ FOR TENANT HOUSEHOLDS EXPERIENCING AN INCOME PROBLEM OR JOINT INCOME AND HOUSING PROBLEM, BY PROVINCE, CONTRIBUTION RATE 30%

Province ²	Affordability Problem			Affordability/Adequacy/ Suitability Problem ³			Total Shelter Gap Costs	
	No. of Households	Average Gap (\$)	Shelter Gap Costs (\$)	No. of Households	Average Gap (\$)	Shelter Gap Costs (\$)	No. of Households	Shelter Gap Costs (\$)
Newfoundland	561	755	422,996	1,343	718	964,240	1,904	1,387,236
P.E.I.	414	484	200,435	219	463	101,551	633	301,986
Nova Scotia	3,096	691	2,140,726	2,802	569	1,593,074	5,898	3,733,800
New Brunswick	1,024	569	582,689	1,322	486	642,686	2,346	1,225,375
Quebec	42,333	602	25,471,808	65,471	557	36,481,685	107,804	61,953,493
Ontario	58,747	625	36,729,329	33,224	698	23,201,382	91,971	59,930,711
Manitoba	9,260	444	4,108,921	6,939	521	3,615,379	16,199	7,724,300
Saskatchewan	2,999	413	1,239,007	3,428	467	1,600,982	6,427	2,839,989
Alberta	17,622	549	9,682,214	7,955	581	4,626,954	25,577	14,309,168
British Columbia	21,702	512	11,109,297	12,231	601	7,354,207	33,933	18,463,504
Total	157,758	581	91,687,422	134,934	594	80,182,409	292,692	171,869,562

Source: Program and Market Requirements Division, Central Mortgage and Housing Corporation, from Survey of Housing Units, 1974.

¹Administrative and participation rates are not considered in these calculations.

²These provincial estimates include only the aggregation of the 1974 Census Metropolitan Areas within each province.

³This problem group includes households with an affordability problem and an adequacy and/or a suitability problem.

REPORTS FROM THE PROGRAM EVALUATION DIVISION

Reports marked with an asterisk are available to the general public.

1. Completed Reports

Rostum, H. Residential Rehabilitation Assistance Program: An Evaluation of Performance. August 1977. 59 pages. (English and French).

Lithwick, I. An Evaluation of the Federal Assisted Home Ownership Program 1976. October 1977. 209 pages.

_____. An Evaluation of the Federal Assisted Rental Program (1976-77). November 1977. 158 pages.

Carey, S. Municipal Incentive Grant Program: An Analysis of Performance 1976-77. October 1977. 79 pages.

Peddie, R. Evaluation of the Federal Housing Action Program (1976-77): Executive Summary. February 1978. 45 pages. (English and French).

Rostum, H. An Evaluation of RRAP for Landlords in Seven Municipal Areas. February 1978. 87 pages. (English and French).

_____. A Follow-Up to the Evaluation of the Residential Rehabilitation Assistance Program. September 1978. 54 pages. (English and French).

Thompson, M. and R. McCulloch. A Report on Clients Living in Non-Profit and Cooperative Housing in Canada (1977). September 1978. 62 pages. (English and French).

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