

# 2024 Alberta Budget Consultation

**Submission to the Ministry of Treasury Board  
and Finance**

January 19, 2024

## Summary of Recommendations

1. Increase investments in social housing.
2. Prioritize partnerships with non-profit housing providers.
3. Leverage public land and assets for affordable housing.
4. Stabilize housing for low-income renters.

## About CCHR

The Canadian Centre for Housing Rights (CCHR) is Canada's leading registered charitable organization working to advance the right to adequate housing. For over 35 years we have worked tirelessly at the intersection of human rights and housing, providing free services to renters facing evictions and human rights violations to remain housed, providing education and training about housing rights across Canada, and advancing rights-based housing policy through research, policy development, advocacy, and law reform.

## The Alberta Housing Crisis

The lack of affordable rental housing and the sharp rise in rents have become key issues in Alberta. As of December 2023, Alberta has seen the [greatest annual rent growth of any province](#), at a staggering 15.6 per cent increase – with [rent prices in Edmonton and Calgary rising faster than anywhere else](#) in the country.

Many Albertans today cannot afford these increased rent prices, as they compound with the rising cost of living. To be affordable, housing should cost [no more than 30 per cent](#) of a household's income before taxes. Data from the [2021 Census](#) shows that nearly 350,000 Albertan households spend more than 30 per cent of their income on housing. Low income households are most impacted by unaffordable housing costs: 70 per cent of households earning less than \$60,000 annually in [Calgary](#) and 54 per cent of households earning less than \$45,000 annually in [Edmonton](#) are unable to access housing that is affordable to them. In

[Calgary](#), households now require an average income of \$84,000 to be able to afford average market rents, which is a whopping 25 per cent jump compared to the previous year. Lower income households, particularly people living on fixed incomes, simply cannot absorb this level of spending increase. As a result, more and more people are facing economic evictions into homelessness, or are forced into involuntary displacement to areas far from jobs, public services and away from their community.

There are very few alternatives available to vulnerable Albertans. Long waitlists for social housing, a steady rise in [homelessness](#), and the [loss of affordable housing](#) units combined with a [crucial lack of new affordable supply](#) require urgent solutions to ensure that all Albertans can remain housed.

## Budget 2024

The current government has achieved success in attracting more private investments into the province. However, these investments have failed to provide meaningful support for lower income households, who are being priced out of their basic needs like shelter, housing, food, and job security. While we are encouraged that provincial revenues have increased, they have not translated into additional funding to meet the growing housing needs of vulnerable Albertans.

We commend your government for committing \$9 billion in the next decade to provide homes for 25,000 households, including the recently announced \$16 million top-up to repair aging units. We also support the government's Action Plan on Homelessness and hope to see increased spending towards support services for housing stabilization as proposed in the Plan.

However, we are deeply concerned by reduced investments in affordable and social housing in the forecast budget, and the reliance on the private sector to fill the supply gap. Alberta is projected to have 4,000 fewer housing starts in 2024 than in 2023 and, crucially, the new housing that is built will not be affordable to most Albertans. As a consequence, the province is poised to experience a worsened housing crisis despite a substantial budget surplus. Directing investments towards permanent affordable housing solutions yields [higher cost savings](#) than relying on emergency housing measures. By preserving and building housing that is affordable

to lower income households, the provincial government can ultimately relieve pressure on the shelter and health sectors, while allowing for increased consumer spending.

## Recommendations

We urge your government to prioritize public investments in deeply affordable housing for lower income households, particularly renter households, students, people with disabilities, seniors, immigrants, and Indigenous communities.

### 1. Increase investments in social housing

Private markets do not create housing that is affordable to the people most in need. New housing builds in the private sector are generally only accessible to higher income households, and at the same time, drive up rent prices for low- to moderate-income households. Alberta needs to increase, not reduce, capital and operational investments for social and community housing to meet the needs of lower income households. Stabilizing the cash flow of the Alberta Social Housing Corporation, allocating some of the budget surplus towards provincial housing programs and matching funding with core housing needs can help ensure that Alberta has a reliable, sustainable stock of affordable housing in the long run.

### 2. Prioritize partnerships with non-profit housing providers

While the 2022-2025 Capital Plan proposes significant funding commitments towards affordable housing partnerships with the private sector, the pace and type of supply currently created by the private market does not respond to the needs of vulnerable Albertans. We strongly urge your government to review the Alberta Housing Amendment Act and its *Stronger Foundations* housing strategy to redirect investments towards partnerships with non-profit housing providers. This would guarantee that new housing built is truly affordable, and in perpetuity.

### 3. Leverage public land and assets for affordable housing

The provincial government has a wide portfolio of land and immovable assets that can be leveraged to stimulate the supply of affordable housing for the long term. The high value of land is a barrier to the creation of new affordable supply by housing providers, especially non-profit providers. By making better use of public assets and investments, more deeply affordable options can be created sustainably. We recommend that your government review its Affordable

Housing Asset Management Framework to prioritize public land and immovable property for non-profit housing providers. This will help ensure that public resources are not absorbed into a financialized housing market.

#### **4. Stabilize housing for low income renters**

Amid an escalating cost of living and affordability crisis, more and more tenant households are cutting spending on basic necessities to be able to remain in their home. If faced with income loss or other critical disruptions, many Alberta renters would not be able to maintain their housing. Rent gouging has become an emergency issue in Alberta and urgent measures are needed to avoid mass displacement of vulnerable households. The proposed tax cut on personal income would not provide enough relief for a low-income household facing a sudden rent increase. Instead, allocating that funding and using part of the contingency fund to increase rent supplements will help households at risk of becoming homeless remain housed. In addition, rent supplements and other social supports should be indexed to inflation to ensure that vulnerable Albertans can afford basic necessities.

Funding programs that guarantee affordability and housing security is a way for the province to signal its commitment to progressively realize the right to adequate housing. The four above recommendations are vital in supporting the housing needs of lower income households. We encourage the province to consider its financial commitments in light of the needs of those most impacted by the affordable housing crisis and ensure all Albertans' freedom, dignity and sense of security are protected.

We thank you in advance for considering our recommendations. We welcome the opportunity to provide our housing expertise and look forward to further discussions with the province to ensure Albertans can live in secure and affordable homes.

Sincerely,



Dale Whitmore

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Canadian Centre for Housing Rights (CCHR)