



CANADIAN CENTER
FOR WOMEN'S
EMPOWERMENT

CENTRE CANADIEN
POUR L'AUTONOMISATION
DES FEMMES

To: Standing Committee on Human Resources, Skills and
Social Development and the Status of Persons with Disabilities
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WRITTEN BRIEF ON THE FINANCIALIZATION OF HOUSING

IMPACTS OF FINANCIALIZATION OF HOUSING

ON WOMEN FLEEING DOMESTIC ABUSE

SUMMARY

The financialization of housing has direct and adverse effects on women and their children who are seeking to escape domestic violence. One of the primary reasons victims remain in abusive situations is the absence of affordable and suitable long-term housing options, leaving them without a secure place to seek refuge. This lack of access to safe housing acts as a significant barrier, compelling individuals to endure abusive circumstances.

While the federal government has reiterated the right to housing as a human right, current housing policies do little to support its progressive realization. Affordable housing targeted for survivors is urgently needed in addition to more robust controls of financialization, renovations, and rent increases. Enhanced measures will provide more substantial support to survivors, facilitating their search for sustainable housing solutions and mitigating the risk of them being compelled to return to their abusers.

ISSUE

The Canadian Center for Women's Empowerment (CCFWE) welcomes the federal government's reiteration of the **right to housing as a fundamental human right** within the *2019 National Housing Strategy Act*.

Nevertheless, the federal government lacks sufficient effort in pursuing the progressive realization of its goals, particularly when addressing the needs of the most vulnerable. For women and children fleeing domestic violence, access to women's shelters in the short-term and affordable and safe housing in the long term is crucial to regaining agency over their lives. Women and children escaping domestic violence face significant challenges in accessing essential support services. Immediate access to women's shelters is vital for their safety. In the long term, affordable and secure housing is pivotal to regaining control and autonomy over their lives. The government's current initiatives fail to address these critical needs, hindering the journey toward empowerment and stability for survivors of domestic violence.

The federal government's efforts toward progressive realization, especially for the most vulnerable population, have been inadequate. Women and children escaping domestic violence face significant challenges in accessing essential support services. In the short term, access to women's shelters is crucial for their safety and well-being. However, in the long time, affordable and secure housing availability is pivotal for these individuals to regain control and autonomy over their lives. The government's current initiatives fail to address these critical needs, hindering the journey toward empowerment and stability for survivors of domestic violence.

Under international law, Canada has the obligation to fulfill human rights but also the duty to protect it from interference by third parties.

Studies show that in Canada, 25 of the biggest financial landlords, such as real estate investment trusts (REITs), own 20% of Canada's rental apartment market.¹ Due to the inherent nature of their business, financial landlords prioritize maximizing short-term returns, which often leads to detrimental consequences. The outcomes include: rent spikes, forced evictions through renovations, and the conversion of affordable housing into investment opportunities are some of the outcomes observed. This profit-driven approach disregards the stability and affordability of housing, adversely affecting tenants and contributing to the broader issue of housing insecurity.

The principle of financialization regards housing not as a fundamental human right but as a lucrative investment opportunity limited only to a privileged few. This perspective undermines the notion of housing as a basic necessity that should be accessible and enjoyed by all members of society. This approach perpetuates inequality by prioritizing financial gain over housing as a fundamental right. It denies many individuals the opportunity to secure safe and affordable housing for themselves and their families.

¹ August, Martine. "The rise of financial landlords has turned rental apartments into a vehicle for profit." Policy Opinions. IRPP (June 11, 2021). Online: <https://policyoptions.irpp.org/magazines/june-2021/the-rise-of-financial-landlords-has-turned-rental-apartments-into-a-vehicle-for-profit/>

According to Canadian housing policy expert Steve Pomeroy, **Canada lost more than 320,000 affordable rental housing between 2011 and 2016.**² The envisioned 150,000 affordable homes built through the National Housing Strategy don't come close to even counteracting the current loss rate.

In the latest 2023 federal budget, the federal government recognized that "too many Canadians have experienced excessive renovations, above-guideline rent increases, and other actions that have made rent more expensive."³ However, the acknowledgment of the housing crisis was not followed by measures reflected in the budget.

For the federal government to fulfill its obligation of the right to housing for all, housing policies must drastically increase funding for affordable housing within the National Housing Strategy and prevent further loss of affordable housing due to financialization and renovations. The current lack of regulations on the financialization of housing and its significant spike in rent prices drives survivors and their children back to their previous abuser or in other vulnerable situations.

According to Statistics Canada, in 2019 (thus pre-pandemic), **almost 1,000 women and children were turned away from shelters in Canada every day**, primarily due to overcapacity. If survivors cannot find a safe place to stay, they are forced to either return to their abuser or find another, often unsafe, solution. Despite the presence of women's shelters, survivors typically face a restrictive time frame, usually limited to one to two months at most, while waiting lists for affordable housing programs can extend up to two years. The scarcity of housing programs designed explicitly for women and children escaping abuse fails to match the overwhelming demand they face.

According to Statistics Canada (2021), **almost half (44%) of all women in Canada have experienced some form of abuse**⁴. Studies show that poverty, lower educational attainment and being part of the BIPOC community increase the risk of domestic violence among women (FreeFrom, 2022)⁵

Studies conducted in the United States confirm similar findings from the United Kingdom and Australia that **roughly 95% of all domestic abuse survivors have also experienced Economic Abuse.**⁶

² Steve Pomeroy. "Recovery for all. Proposals to Strengthen the National Housing Strategy and End Homelessness." Canadian Alliance to End Homelessness (July 2020). Online:

<https://caeh.ca/wp-content/uploads/Recovery-for-All-Report-July-16-2020.pdf>

³ Government of Canada, Federal Budget 2023. "Making Life More Affordable and Supporting the Middle Class." Online: <https://www.budget.canada.ca/2023/report-rapport/chap1-en.html>

⁴ Statistics Canada. "Intimate partner violence in Canada, 2018" (2021). Online: <https://www150.statcan.gc.ca/n1/daily-quotidien/210426/dq210426b-eng.htm>

⁵ FreeForm. "Support Every Survivor, How Race, Ethnicity, Gender, Sexuality, and Disability Shape Survivors' Experiences and Needs" (2022). Online:

<https://www.freefrom.org/wp-content/uploads/2022/10/Support-Every-Survivor-PDF.pdf>

⁶ Adams, A. E., Sullivan, C. M., Bybee, D., & Greeson, M. R. (2008). Development of the Scale of Economic Abuse. *Violence Against Women*, 14(5), 563–588. <https://doi.org/10.1177/1077801208315529>

In CCFWE's own research study conducted in Greater Ottawa with survivors, 74% of survivors stated that they were worried about their housing situation and 80% of victims said that their abusers displayed more controlling, manipulative, coercive behaviors about their finances and economic stability. Victim-survivors mention a lack of financial resources and safe shelter as the main barriers to leaving abusive relationships.⁷

As a direct consequence of Economic Abuse and coerced debt, survivors are often highly indebted, without a regular income and a low credit score. In addition to the multifold discrimination that women can face due to their status as low-income women, as survivors, and potentially as members of the BIPOC or other marginalized communities, survivors are faced with numerous systemic barriers to finding a good and affordable place to live in the current rental market. It is, therefore, crucial for the government to provide funding for additional affordable and off-market housing.

In addition, a clear definition of "affordability," such as proposed by the Housing Assessment Resource Tool (HART)⁸, would ensure that corporate developers don't use a median income measurement which often inflates rent prices and are not affordable for low or medium-income households.

CCFWE welcomes the federal government's recently launched National Action Plan to End Gender-Based Violence (GBV) and its commitment to work towards a GBV-free Canada actively. The fulfillment of the right to housing for survivors and their children is closely linked.

The recently published report by the Mass Casualty Commission strongly reiterates GBV and domestic violence are not private issues but have to be seen as public health concerns. Violence against women and children is not inevitable.

More funding is needed to build affordable housing in light of the current housing crisis. However, in the meantime, disincentivizing and implementing stricter controls on the financialization of housing would be a crucial step for the federal government to limit the loss of affordable housing and consequently have a significant impact on the lives of women and children fleeing abuse.

RECOMMENDATIONS

- **Recommendation 1:** HUMA Committee summons executives of Real Estate Investment Trusts (REIT) and capital funds, similar to what has been done with Canada's executives of the largest grocery store chains, to answer for rising housing prices.

⁷Chandrarajan, N, Bedard, T, Thomas, Haileyesus, M. P, Lucente, G,(2021). Access to Economic Resources of Economic Abuse Victims During COVID-19 in the National Capital Region, Canada. Canadian Centre for Women's Empowerment, 2021."; FreeForm. "Support Every Survivor"

⁸ <https://housingresearchcollaborative.scarp.ubc.ca/hart-housing-assessment-resource-tools/>

- **Recommendation 2:** HUMA Committee calls Ms. Meseret Haileyesus, Founder and Executive Director of CCFWE as a witness of Black victim's experience exercising their right to housing
- **Recommendation 3:** The federal government defines “affordability” in the National Housing Strategy and adopts the measurement suggested by the Housing Assessment Resource Tool (HART).
- **Recommendation 4:** The federal government commits to increasing the development of affordable and off-market housing to at least offset the current loss of affordable housing.
- **Recommendation 5:** The federal government addresses the specific needs of survivors and their children through housing policy.
- **Recommendation 6:** The federal government adopts the recommendations on the financialization of housing by the National Housing Advocate.
- **Recommendation 7:** The federal government conducts changes to current tax regulations that incentivize financialization and planned obsolescence.

AUTHOR

About the Canadian Center for Women’s Empowerment (CCFWE)

The Canadian Center for Women’s Empowerment (CCFWE) is the only Canadian national non for profit organization based in Ottawa dedicated to addressing Economic Abuse and injustice through advocacy, education, research, economic empowerment, and policy change.

CCFWE works collaboratively with organizations and individuals to develop a comprehensive approach that enables domestic violence survivors to recover from Economic Abuse. It also addresses critical policy gaps preventing survivors from recovering and becoming economically secure and independent.

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