



March 14, 2024

John Williamson, M.P.
Chair
Standing Committee on Public Accounts
House of Commons
Ottawa, Ontario K1A 0A6

Dear John Williamson:

Pursuant to Standing Order 109, I am pleased to respond on behalf of the Government of Canada to the 31st Report of the House of Commons Standing Committee on Public Accounts, entitled *Chronic Homelessness*, which was tabled in the House of Commons on November 7, 2023.

I would like to thank the members of the Committee for their work in examining progress towards implementing the recommendations in Report 5, *Chronic Homelessness*, of the 2022 Reports 5-8 of the Office of the Auditor General of Canada.

The Government agrees with the Committee on the need to continually review programming delivered through the National Housing Strategy, including *Reaching Home: Canada's Homelessness Strategy*. The Government also recognizes the need to coordinate between federal initiatives and with other orders of government to address the root causes of chronic homelessness and support efforts to achieve the National Housing Strategy commitment to reduce chronic homelessness by 50% by 2027-2028.

Since the end of the pandemic, Infrastructure Canada worked with communities to successfully implement coordinated access in 44 communities with another five expected to implement the system by March 31, 2024. Furthermore, in December 2023, the Government made \$100 million available to support communities through *Reaching Home* for urban communities, Indigenous communities and territorial capitals to assist communities in responding to urgent unsheltered homelessness needs this winter. The Government will continue to work with all orders of government to address homelessness issues facing communities and ensure that everyone has access to safe and affordable housing.

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The enclosed response addresses the Standing Committee's recommendations and outlines the progress the Government has made, and will continue to make, in achieving the aims of the National Housing Strategy and creating a housing and homelessness system that serves all people living in Canada.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Fraser".

The Honourable Sean Fraser, P.C., M.P.
Minister of Housing, Infrastructure and Communities

Enclosure: Government Response to the 31st Report of the Standing Committee on Public Accounts, Entitled: *Chronic Homelessness*

GOVERNMENT RESPONSE TO THE THIRTY-FIRST REPORT OF THE STANDING COMMITTEE ON PUBLIC ACCOUNTS, ENTITLED: *CHRONIC HOMELESSNESS*

Introduction

The Government of Canada is pleased to respond to the 31st Report (the Report) of the Standing Committee on Public Accounts (the Committee), entitled *Chronic Homelessness*. The Government of Canada appreciates the work of the Committee and welcomes the analysis, views, and recommendations, based on the various hearings that the Committee held. The Government welcomes the opportunity to respond to the recommendations raised by the Committee and discuss its efforts to address homelessness.

Homelessness affects communities across Canada and has a direct impact on the most vulnerable. The Government has taken a leadership role in addressing homelessness and ensuring that more people have a place to call home by establishing the National Housing Strategy. Launched in 2017, the Strategy is currently a 10-year, \$82+ billion plan that includes a range of complementary programs and initiatives that address diverse needs across the entire housing continuum, including homelessness.

On November 15, 2022, the Office of the Auditor General (Auditor General) tabled its audit, entitled *Chronic Homelessness*, which serves as the foundation of the Report. The Audit examined the effectiveness of the National Housing Strategy, which includes *Reaching Home: Canada's Homelessness Strategy*, in reducing chronic homelessness. The Government agrees with the Committee and Auditor General recommendations while noting that the audit was conducted during the COVID-19 pandemic, which directly caused many of the challenges identified by the Committee and the Auditor General. During this time, the homeless-serving sector was under incredible pressure to provide safe services and meet the urgent needs of people experiencing homelessness. As set out below, the Government has taken steps to address all four of the Committee's recommendations. In particular, the data gap for 2019-20 to 2022-23 has been eliminated, and significant progress to enhance homelessness data collected through Reaching Home has been made.

However, more work is needed to address chronic homelessness. Program data and feedback from communities indicates that the lingering effects of the COVID-19 pandemic, inflation, and the ongoing affordability crisis have created new pressures for the homeless-serving sector. That is why the Government invested \$79.1 million to support veterans through the Veteran Homelessness Program and recently launched the Action Research on Chronic Homelessness initiative to develop innovative solutions to chronic homelessness.

Communities across Canada are also facing increased pressures to support people experiencing unsheltered homelessness, including those living in encampments. In response, the Government has allocated an additional \$100 million to the Reaching Home program to support urgent unsheltered homelessness needs in winter 2023-24.

The Government continues to work with communities and all orders of government to develop evidence-based solutions to support the National Housing Strategy commitment of reducing chronic homelessness by 50% by 2027-28.

Recommendation 1 – *Housing, Infrastructure and Communities must provide the Committee with a report showing efforts to accelerate availability of homelessness research and to address data gaps.*

The Government agrees in principle with the recommendation of the Committee and has provided below the information requested in parts 1 to 7. The content below provides a detailed response to recommendation 1; however, the Government will also provide a follow-up report to the Committee in October 2024 once new information is available. This timeline will ensure that the Department has enough time to analyze and report on new research activities and Reaching Home program and homelessness data.

1) Housing, Infrastructure and Communities' s workplan to accelerate the availability of national shelter, homelessness and chronic homelessness statistics including goals and timelines

Robust data and Reaching Home program results help the Infrastructure Canada (the Department) to analyze the underlying causes of homelessness, develop evidence-based solutions to homelessness, and adjust federal homelessness programming to improve outcomes for people experiencing homelessness.

That is why Reaching Home has required communities to implement data-driven and outcomes-based approaches, such as coordinated access, in their local homelessness strategies since the program launched in 2019. For the homeless-serving sector however, the shift towards a data-driven, outcomes-based approach is relatively new and was significantly hindered by the COVID-19 pandemic.

The COVID-19 pandemic placed significant strain on Reaching Home communities and the homeless-serving sector, limiting their ability to collect and report on homelessness data. During this time, homeless-serving organizations were focused on providing safe and effective services to people experiencing homelessness. The pandemic also disproportionately affected people who were precariously housed or homeless, adding further operational pressure on the sector.

Due to these increased operational pressures, many Reaching Home communities were unable to provide the Department with homelessness data or program results during the pandemic between 2020 and 2022. The Department provided flexibility to Reaching Home communities for reporting on homelessness data and program results so they could focus on providing essential services to people experiencing homelessness. As the Auditor General's audit was conducted during this time, homelessness data and Reaching Home program results were not available for the 2020, 2021, and 2022 program years.

Since the COVID-19 pandemic has receded, the Department has implemented multiple initiatives to enhance the quality and timeliness of national homelessness data while reducing burden on Reaching Home communities. Some key initiatives include:

- **Improvements in data processing:** The automation of data quality checks and the ability to complete batch updates, rather than depending on manual reconciliation, in addition to the automation of individual updates have reduced the time it takes to update national emergency shelter statistics by several months.
- **Improvements in data infrastructure:** The development of standardized protocols for analysis and improvements to data linkages have increased the efficiency of data processing and analysis, which allows the Department to produce more timely emergency shelter use statistics.
- **Improvements to methodology:** A new methodology for estimating national shelter use has been developed that accounts for large changes to shelter capacity within a year. This allows for more accurate estimates of shelter use, particularly in years with significant changes to the capacity of the shelter system.
- **Partnerships to improve data collection:** A new partnership has been established with the United Way and regional 211s to collect data on the homelessness support system, including shelter capacity data. This has improved the accuracy and timeliness of data on the shelter system.

Through these efforts, the Department has been able to close the data-gap caused by the COVID-19 pandemic, resulting in four years of updated homelessness statistics since the Audit, for 2019, 2020, 2021, and 2022. This includes program results, shelter data¹, Point-in-Time count findings², and new data snapshots³ that provide insight into homelessness trends in Canada.

The Department is also taking steps to increase the speed at which it releases annual homelessness statistics. Over the coming year, the Department will seek opportunities to expedite data availability and explore alternative data sources that may provide more frequent indicators of homelessness trends. For example, the Department will:

- Improve and expand data collection on homelessness system capacity, through improvements to data systems and alternative data sources.
- Expand the implementation of the Homeless Individuals and Families Information System, seeking opportunities to offer the system to service providers in more communities.

¹ [Infrastructure Canada - Homelessness Data Snapshot: The National Shelter Study 2021 Update](#)

² [Infrastructure Canada – Everyone Counts 2020-2022: Preliminary Highlights Report](#)

³ [Infrastructure Canada - Homelessness data snapshot: Analysis of chronic homelessness among shelter users in Canada 2017 - 2021](#); [Infrastructure Canada - Homelessness Data Snapshot: Findings from the 2022 National Survey on Homeless Encampments](#)

- Support the capacity of communities to improve and maintain data quality. This reduces the data cleaning necessary to produce national statistics, while also improving the quality of data communities have access to use for program and policy development.

In addition, the Department published data from the Nationally Coordinated Point-in-Time counts that took place between March 2020 and December 2022. Point-in-Time counts provide a snapshot of the state of homelessness within a community. A preliminary report was published in May 2023 and the full report will be published in Winter 2024. Beginning in fall 2024, Nationally Coordinated Point-in-Time counts will take place annually, providing more timely insights into homelessness across Canada.

Recognizing the need for enhanced collaboration, the Department is working with other departments to explore opportunities to leverage other government data sets as well as exploring the use of public data sources, such as community chronic homelessness dashboards. Improving data availability and integration will help the Department develop timely indicators to measure and better understand homelessness trends.

2) Housing, Infrastructure and Communities' research plan on homelessness and chronic homelessness. The research plan should aim to understand factors driving homelessness trends and assess the alignment of funding projects for addressing the needs of people experiencing homelessness.

Expanding the understanding of homelessness and chronic homelessness trends is a key priority for the Government. Leveraging new and existing homelessness research initiatives, the Government will continue to implement evidence-based solutions to support people experiencing homelessness.

The Department recently launched the Action Research on Chronic Homelessness (ARCH) initiative to identify persistent barriers to addressing chronic homelessness and test potential approaches to overcome these barriers. The Department is partnering with eight communities across Canada to conduct action research projects that foster collaboration across local and governmental partners, improve alignment between the homeless-serving sector and other public institutions, improve services and supports for Indigenous communities, and enhance the quality and use of data by communities.

Based on an understanding of existing knowledge gaps, each community research project will be grounded in collaborative efforts bringing various partners – including community and Indigenous partners, and different orders of government – to work together towards a joint plan-of-action to reduce and prevent chronic homelessness. The research is meant to complement and align with ongoing community efforts and facilitate collaboration between a variety of partners across Canada to address chronic homelessness.

Due to the iterative nature of action research, preliminary findings will be shared broadly to support ongoing efforts in communities and governments, with a final report being released in 2025-26. The eight communities and their areas of study are as follows:

- **Brandon, Manitoba** – exploring service navigation and connection hubs in rural areas, and investigating the root causes of rural to urban migration in order to better support surrounding communities;
- **Edmonton, Alberta** – investigating ways of reducing unsheltered homelessness by building multidisciplinary outreach teams, seeking to better understand factors contributing to homelessness, and using new knowledge to inform policy and program adjustments at the provincial level;
- **Fredericton, New Brunswick** – exploring alignment with the corrections system to prevent discharges into homelessness by improving case management practices for people in corrections, putting more resources towards Indigenous programming, piloting a systems navigator role to better support clients, and testing early intervention approaches for people at risk of homelessness;
- **Hamilton, Ontario** – evaluating the process of building and implementing an Indigenous Cultural Capacity and Accountability Framework and Indigenous Data Liaison, focusing on the co-development of data and service provision approaches with Indigenous communities;
- **London, Ontario** – investigating alignment between Coordinated Access and Indigenous Housing First by improving coordination, building community support teams, and developing tailored tools, processes and training to meet the needs of Indigenous communities;
- **Medicine Hat, Alberta** – researching ways of better supporting high acuity clients by building stronger connections between healthcare and the organizations that serve these clients, as well as by incorporating Indigenous healing into the westernized healthcare system;
- **Sudbury, Ontario** – exploring ways of improving systems alignment with the child welfare system and outcomes for Indigenous youth through addressing needs such as enhanced supports tailored for youth, improved connections between agencies, and culturally appropriate service delivery; and
- **Whitehorse, Yukon** – working to strengthen collaboration amongst community and governmental partners (e.g., surrounding First Nations, community, and Territorial governments) to create greater alignment and consensus to house the unhoused under the leadership and guidance of Modern Treaty Holders.

In addition to ARCH, the Department's current research plan focuses on better understanding the individual and structural factors that contribute to homelessness, as well as the dynamics of chronic homelessness when it occurs. Examples of recent research projects include the following:

- **A Review of Economic and Social Factors Associated with Homelessness.** This project reviewed the social and economic factors that have been associated with homelessness (e.g., rent levels, unemployment, poverty rates, the proportion of single-person households, the proportion of people with Indigenous identity, weather, mobility rates, and the amount of subsidized housing). It also sought to quantify these relationships and how they may differ across regions in Canada.
- **Forecasting Homeless Shelter Users in the aftermath of COVID-19 and the Economic Downturn in Canada.** This project examined the potential impact of the economic downturn seen in the early phase of the COVID-19 pandemic on potential increases in shelter use. The project identified the impact of certain economic indicators, including unemployment rate, GDP growth, and 5-year conventional mortgage rate, on the number of shelter users over time.
- **Dynamics of Chronic Homelessness in Canada.** This project examined the entry and exit rates of homelessness and the transition to chronic homelessness. Results focused on rates of transition to chronic homelessness and individual and regional factors, such as provincial employment growth, that make a transition to chronic homelessness more likely.

These projects have been completed. While the findings are expected to be published in academic journals, the Department will work with the project leads to make the key results available to the public in 2024.

The Department and Canada Mortgage and Housing Corporation are jointly conducting a research project to explore the possibility of developing a predictive model for homelessness that would analyze the trends of people experiencing homelessness. Initial findings on the feasibility of developing a model are expected in 2024.

These research and data initiatives are helping the Government of Canada better understand the root causes of homelessness and how it impacts communities across the country. Through these initiatives, the Department is identifying areas of action and developing a plan to work with other federal departments to coordinate efforts to address the causes of chronic homelessness and support the Government's commitment to reduce chronic homelessness by 50% by 2027-28.

3) *Estimates on emergency shelter use, homelessness and chronic homelessness in 2020, 2021, and 2022.*

Annual estimates of shelter use are now available up to 2022. These estimates are developed using shelter data provided by service providers using the Homeless Individuals and Families Information System or an equivalent system.

Estimates	2019	2020	2021	2022
Annual shelter users	118,759	88,342	93,529	105,655
Chronic homelessness among shelter users	29,927	28,004	28,631	31,476

Results show a reduction in shelter use in 2020 that was likely due to a drop in shelter capacity (e.g., to allow for physical distancing) and policies responding to the pandemic (e.g., the Canada Emergency Response Benefit, eviction moratoria.) Shelter use increased in 2021 and 2022, although it remained below pre-pandemic levels.

Chronic homelessness remained relatively consistent among shelter users between 2019 and 2021. The latest available data from 2022 indicates that an estimated 31,476 shelter users experienced chronic homelessness, representing an increase from 2021.

Further information on changes in homelessness is provided by the nationally coordinated Point-in-Time counts that took place in 2020-22. Results from 67 communities and regions indicate that the overall number of people experiencing homelessness had increased by 20%, including an approximate 90% increase in unsheltered homelessness, compared to the previous Point-in-Time count, which took place in 2018 results. These trends in homelessness come as communities and the homeless-serving sector are facing significant pressures caused by ongoing affordability challenges and the lingering effects of the COVID-19 pandemic.

4) *The 2020-2021, 2021-2022, and 2022-2023 annual goals and results of the Reaching Home program*

The Department leverages two key performance indicators to assess the impact of Reaching Home on supporting the reduction and prevention of homelessness in Canada:

1. the number of individuals and families experiencing homelessness that are placed into more stable housing through programs and services funded by Reaching Home; and
2. the number of individuals and families at imminent risk of homelessness that are provided support through programs and services funded by Reaching Home.

The results for the 2020-21, 2021-22, and 2022-23 program years are set out in the table below.

Outcome	Performance indicator	Target(s) and date(s)	Actual Results
Individuals and families experiencing homelessness are placed in more stable housing.	Number of people placed in more stable housing	16,800 in 2020-21 18,600 in 2021-22 18,600 in 2022-23	19,316 in 2020-21 18,814 in 2021-22 19,651 in 2022-23
Individuals and families at imminent risk of homelessness are provided with support.	Number of people who received a homelessness prevention or shelter diversion intervention	37,000 in 2020-21 37,000 in 2021-22 37,000 in 2022-23	37,051 in 2020-21 32,981 in 2021-22 28,067 in 2022-23
Individuals and families at imminent risk of homelessness are provided with support.	Number of people who benefited from Emergency Housing Funding	Targets are not available for this indicator.	5,237 in 2020-21 5,077 in 2021-22 8,114 in 2022-23
Improved economic stability and self-sufficiency for homeless individuals and those at imminent risk of homelessness	Number of people who participated in Social and Community integration activities	8,000 in 2020-21 8,900 in 2021-22 8,900 in 2022-23	46,035 in 2020-21 51,842 in 2021-22 46,424 in 2022-23
Not applicable.	Number of new temporary accommodations available in the community in response to COVID-19	Targets are not available for this indicator.	20,215 in 2020-21 6,429 in 2021-22 697 in 2022-23
Not applicable.	Number of instances of temporary placements in response to COVID-19	Targets are not available for this indicator.	162,915 in 2020-21 53,483 in 2021-22 5,974 in 2022-23

5) To what extent the incremental Reaching Home funding provided through Budget 2022 (for fiscal years 2024-2025 and 2025-2026) will be used

As announced in Budget 2022, the Government invested an additional \$562.2 million in Reaching Home funding to provide enhanced support to communities in 2024–2025 and 2025–2026. As impacts of the pandemic and ongoing economic pressures continue to exacerbate needs across the country, this funding will help ensure that communities are able to continue serving those experiencing or at risk of experiencing homelessness, as well as implement longer-term solutions to homelessness, including chronic homelessness.

Significant efforts have been made to maximize available funding to recipients by ensuring operating costs are as low as possible. Of the \$562.2 million announced in Budget 2022 to support Reaching Home communities (excludes funding announced in Budget 2022 for the Action Research on Chronic Homelessness initiative), only approximately 2.5% is dedicated to operating costs. This means that approximately \$542.9 million is provided directly to urban, Indigenous, territorial, rural and remote communities to support efforts to prevent and reduce homelessness. Additionally, the Government earmarked approximately \$5.4 million for national projects that support additional training, technical assistance and capacity building for communities through the Community Capacity and Innovation stream.

6) Changes made to the Reaching Home program goals

As a National Housing Strategy initiative and the Government’s flagship homelessness program, Reaching Home continues to support the prevention and reduction of homelessness to improve the well-being of people across Canada. This includes supporting the National Housing Strategy target to reduce chronic homelessness by 50% by 2027-28, as well the Budget 2022 commitment to eliminate chronic homelessness by 2030.

Reaching Home has evolved since the program launched in 2019. While the goals of the program remain the same, significant advancements have been made in areas such as coordinated access and the outcomes-based approach. In recognition of this, the program’s Directives have recently been updated to clarify expectations, outline new requirements, and provide additional guidance. These updates are intended to further support and advance communities in their efforts to prevent and reduce homelessness, including chronic homelessness. Designated Communities, representing the bulk of Reaching Home funding, as well as territorial capitals under the Territorial Homelessness stream must continue to work toward achieving five core outcomes, including reductions in overall homelessness, new inflows into homelessness, returns to homelessness, Indigenous homelessness, and chronic homelessness. This includes the requirement that communities set their target to reduce chronic homelessness by 50% by 2027-28.

Feedback from communities and homeless data indicates that unsheltered homelessness has increased in recent years. In response to this trend, the Government invested an additional \$567 million through Budget 2021 and \$562.2 million through Budget 2022 to help communities address local homelessness needs until 2025-2026. The Government also recently reallocated other funding to provide a one-time top up of \$100 million to Reaching Home. This funding is being used by communities to expand their responses and keep people experiencing unsheltered homelessness safe during winter 2024.

Homelessness, including chronic homelessness, is a shared responsibility between federal, provincial, territorial, Indigenous, and municipal governments. Collaboration and coordination across all orders of government, Indigenous partners, and the non-profit and private sectors is necessary to prevent and reduce homelessness.

7) The results of the gender-based analysis plus assessment

Homelessness affects a diverse cross-section of the population in which some groups are more vulnerable to homelessness and experience homelessness differently. For example, the detrimental impacts of colonialism, including intergenerational trauma, have resulted in Indigenous peoples being at a substantially greater risk of homelessness. Gender-based violence is also often a pathway to homelessness. Women and 2SLGBTQIA+ individuals experiencing homelessness are also at an increased risk of gender-based violence. For newcomers, pathways to Canada can result in significant barriers to accessing employment and supports, resulting in an increased risk of homelessness.

Significant progress has been made to strengthen the timely collection and analysis of disaggregated data. This has contributed to a better understanding of homelessness in Canada, as well as the impact of Reaching Home in helping address this issue, and this informs policy and program development that is more responsive to the needs of different groups.

While emergency shelter use does not capture all people experiencing homelessness, it is currently the best available indicator of large-scale trends in homelessness. The forthcoming National Shelter Study 2022 Update provides the following demographics, based on 105,655 emergency shelter users in 2022: 33.1% identified as Indigenous, while Indigenous peoples only accounted for 5% of the Canada population; 32.2% and 1.1% were women and gender-diverse individuals, respectively; 90.3% were Canada citizens; youth (aged 13-24) accounted for 11.4% of users; and, 1.4% reported that they were Veterans.

Regarding Reaching Home program data, funding recipients provide data about select demographic information (e.g., gender, age, disability, immigration, Indigenous identity, Veteran status) for outcomes associated with housing placements, homelessness prevention and shelter diversion services, and client support services (income, employment, education, and job training assistance). The Department continues to work with communities to support the implementation of processes that can help them use this data to inform local homelessness responses, including coordinated access and an outcomes-based approach.

Reaching Home provides communities with the flexibility to design homelessness responses that meet their local community needs. Under the program, communities can use funding to deliver tailored services and supports to address the varying and changing composition of people experiencing or at risk of experiencing homelessness. Given the overrepresentation of Indigenous peoples experiencing homelessness, Reaching Home also includes two dedicated streams to address Indigenous-specific needs: the Indigenous Homelessness funding Stream and the Distinctions-Based Approaches Stream.

Such data have also helped advance horizontal homelessness policy across the federal government. Efforts to prevent and reduce homelessness extend beyond those strictly tied to homelessness policy and programming. Recognizing the various causes and demographics of those experiencing homelessness, the responsibilities and mandates of other departments have an impact on efforts to realize progress. Accordingly, interdepartmental senior official-level committees have been established to strengthen collaboration and coordination.

Recommendation 2 – *Housing, Infrastructure and Communities must provide the committee with a report indicating how many of the 44 eligible communities in 2021-2022 have fully implemented coordinated access to housing support services, for those communities that have not, the reason explaining why they have not done so, and a new timeline for complete implementation. In addition, a final report should be provided indicating how many of the 64 eligible communities in 2023-2024 have fully implemented coordinated access; for those communities that have not, a similar supplementary report should be provided.*

The Government agrees in principle with recommendation 2 and provides below a detailed response on the efforts of Reaching Home communities to implement coordinated access. The Department will also provide a follow-up report to the Committee in October, 2024. This deadline for a follow-up report will give the Department time to continue to engage with communities to identify timelines and develop workplans for the implementation of coordinated access.

The Reaching Home program requires that communities that receive funding under the Designated Communities stream, as well as territorial capitals under the Territorial Homelessness stream, introduce coordinated access and work toward the implementation of an outcomes-based approach to address homelessness.

Coordinated access is a community-wide system that aims to streamline access to community programs and services that support people experiencing homelessness. It is recognized as a best practice within the homeless-serving sector and is an essential tool for addressing chronic homelessness. To implement coordinated access, communities are required to, among other things, use a data management system (Homelessness Individuals and Families Information System or equivalent) to generate a current and complete Unique Identifier (By-Name) List of people experiencing homelessness. The Unique Identifier List is used to match and refer people to appropriate housing and supports as quickly and effectively as possible.

The Department reports on the status of coordinated access among 60 communities required to implement coordinated access through annual Community Homelessness Reports. While Reaching Home funds 64 communities under the Designated Communities stream, the implementation of coordinated access for the seven designated communities located in Quebec is guided by the *Canada-Quebec Agreement Regarding Reaching Home 2019-2024*. Overall, the Agreement includes the same program objectives as elsewhere in the country regarding coordinated access but provides flexibility on the timeframe and implementation of program objectives, to allow for greater alignment between federal and provincial approaches regarding homelessness. Implementation of coordinated access began in 2021-22. Quebec communities report publicly, on an annual basis, on their progress implementing coordinated access. The next update is scheduled for fall 2024.

As of March 31, 2022, 26 communities funded through the Designated Communities stream had successfully implemented coordinated access. Between 2019-20 and 2022-23, communities were experiencing significant operational pressures caused by the COVID-19 pandemic, which significantly limited their ability to implement new processes as resources were focused on providing care to people experiencing homelessness.

As of December 1, 2023, 44 communities have successfully implemented coordinated access with another five communities expected to achieve this milestone by March 31, 2024. Of the remaining communities, 10 are located in British Columbia and one is located in the territories. The Province of British Columbia is currently in the process of implementing a province-wide data management system to support coordinated access. While this has increased the complexity of implementing coordinated access, the province-wide system will allow British Columbia communities to have access to more comprehensive data than what is provided by community-based systems. The Department is continuously working with the Province and British Columbia communities to identify and remove barriers to the implementation of coordinated access.

In the territories, the Department is providing tailored training and technical guidance to assist the territorial capital in developing the necessary operational capacity to successfully launch coordinated access. With these supports, the Department anticipates that the British Columbia communities and the territorial capital will implement coordinated access in 2024-25.

Recommendation 3 – *Canada Mortgage and Housing Corporation must provide the Committee with a progress report outlining measures taken to define the needs of vulnerable groups, determine whether housing outcomes of vulnerable groups are improving and take the necessary steps to align definitions of affordability across initiatives.*

The Government agrees in principle with recommendation 3 and has provided the Committee with a detailed response to parts 1 to 4. The Department and Canada Mortgage and Housing Corporation will also provide a follow-up report to the Committee in October, 2024. This new timeline will provide the Department and Canada Mortgage and Housing Corporation with enough time to assess new developments and provide a substantive update to the Committee.

1) Define the housing needs of vulnerable groups and measure how programs are meeting these needs?

2) Determine whether housing outcomes for vulnerable groups are improving, using specific metrics

4) Provide evidence that the targeted groups under the National Housing Strategy are actually those that are receiving housing assistance.

As part of its core mandate, Canada Mortgage and Housing Corporation manages and conducts research on housing needs and priorities in Canada, including the needs of the vulnerable populations identified under National Housing Strategy.

Since the launch of the National Housing Strategy, Canada Mortgage and Housing Corporation has initiated and conducted regular analysis and research to define the housing needs of Canadians, with a focus on better understanding the needs of vulnerable groups. An inventory has been developed to keep track of all relevant research reports undertaken by Canada Mortgage and Housing Corporation on the housing needs of vulnerable population groups and to identify projects underway. This includes reports on the characteristics of individuals in persistent need⁴, on core housing need experienced by senior households in urban and rural areas, and on core housing need transitions of racialized communities in Canada.

Canada Mortgage and Housing Corporation has also developed profiles for each National Housing Strategy priority population. The profiles analyzed the level and type of housing need experienced, identified factors affecting poor housing outcomes, and outlined factors and supports to decrease core housing need or improve housing outcomes.

⁴ [CMHC – Characteristics of Individuals in Persistent Core Housing Need](#)

For relevant housing supply programs, Canada Mortgage and Housing Corporation reports on which priority populations are targeted by funded projects at time of application. This data is made publicly available since November 2023 on Canada Mortgage and Housing Corporation's Place to Call Home website⁵ through its National Housing Strategy progress report, which is updated on a quarterly basis.

Canada Mortgage and Housing Corporation is also working with Statistics Canada on an "Assessment of National Housing Strategy impacts on households" pilot project, which has collected anonymized data about households living in National Housing Strategy funded units to get demographic and outcome-based information. This project will allow Canada Mortgage and Housing Corporation to conduct detailed research and analysis on who is being assisted while respecting the privacy of occupants. As of November 2023, the first version of this data is available at Statistics Canada's Research Data Centres for analysis, including for external researchers.

It is important to note that construction and repair takes time – it can take years for planning, permitting, site preparation and design for a project to come to fruition. Therefore, there is a lag between when a project is announced to when occupancy data is available. More data will be available as units are completed, other data sources used by Statistics Canada are updated, and as additional programs are added to the scope of the project.

Canada Mortgage and Housing Corporation has also launched a multi-year longitudinal housing research program, examining the outcomes of National Housing Strategy investments and affordable housing on populations experiencing vulnerability. The research examines health, socio-economic, and environmental outcomes and how they intersect with the lives on Canadians.

National Housing Strategy priority populations targeted by the funded projects are set out in Canada Mortgage and Housing Corporation funding agreements. Canada Mortgage and Housing Corporation has implemented ongoing compliance monitoring processes to ensure those being served by the project align with expectations set out in the funding agreements. For example, projects under both the Rapid Housing Initiative and the Affordable Housing Fund (previously known as the National Housing Co-Investment Fund) are required to submit an annual attestation once repairs or construction is completed, which includes information on which priority populations are being served by their project, as well as if any adjustments were made to the identified groups they will target, to account for changes in community need. Further enhancements to Canada Mortgage and Housing Corporation's monitoring processes and tools are planned for 2024 to ensure effective and efficient collection of this information across relevant programs.

⁵ [CMCH – Progress on the National Housing Strategy](#)

The data collected on National Housing Strategy funded projects through Canada Mortgage and Housing Corporation's application process, the "Assessment of National Housing Strategy Impacts on Households" project with Statistics Canada, and compliance work will provide a view of the contribution of National Housing Strategy housing investments towards improving the housing outcomes of vulnerable groups. Initial findings from the record-linkage project and data on Canada Mortgage and Housing Corporation compliance will be released in 2024.

3) Steps taken to align the definitions of affordability for all National Housing Strategy initiatives, so they are consistent

In its response to the Auditor General's recommendations, Canada Mortgage and Housing Corporation committed to reviewing and taking the necessary steps to align how affordability is measured and reported within its programs.

The National Housing Strategy consists of complementary programs and initiatives that aim to address needs across the housing continuum and are funded at different levels of contribution, some of which are entirely loan-based. Canada Mortgage and Housing Corporation undertakes analysis and modeling to consider the impacts of adjusting program criteria, including affordability. Higher levels of grant funding allow program designs that require deeper levels of affordability to meet the housing needs of the most vulnerable households. While some programs, such as the Affordable Housing Fund, have requirements for the rental cost of a unit based on market measures (i.e., the affordable unit is a below-market unit), other programs with higher levels of contributions set affordability requirements based on income measures (i.e., rents are set as 30% of the tenants' income), such as the Rapid Housing Initiative. These differences in program requirements reflect the varying levels of contribution and the different program focus; the former combines loans and contribution funding for low to middle-income households, whereas the latter is entirely contribution-based and only funds projects specifically targeted towards those in greatest need.

To align how affordability is reported for its National Housing Strategy programs, Canada Mortgage and Housing Corporation has adjusted its quarterly public reporting on a Place to Call Home, beginning in February 2024, to indicate the average rent of below-market units created or repaired through the National Housing Strategy, as well as what income level would be required for that rent to be affordable. This provides a consistent measure of affordability levels achieved, regardless of the program intent.

Recommendation 4 – *Housing, Infrastructure and Communities and Canada Mortgage and Housing Corporation must provide the Committee with a joint report indicating what measures have been taken to improve coordination between federal agencies involved in the National Housing Strategy as regards homelessness and chronic homelessness, as well as changes to clearly identify accountability regarding the National Housing Strategy*

The Government agrees in principle with recommendation 4 and has provided a summary of its efforts to improve coordination between federal departments and clarify accountabilities regarding the National Housing Strategy. This Government Response serves as the report that was requested by the Committee.

1) Measures taken to improve coordination between federal agencies

Chronic homelessness is a complex issue, with many contributing causes and factors that cannot be addressed by the Department alone. To address the root causes of homelessness and barriers that prevent people from transitioning to housing, a multi-faceted and coordinated response is needed that includes consideration of affordable housing, health, mental health, substance use, corrections, immigration, employment, training, and income supports.

For example, the federal Canadian Drugs and Substances Strategy plays an important role in supporting people experiencing homelessness with substance use challenges. While the Government of Canada has implemented many programs and services to tackle the root causes of homelessness, a whole-of-government approach to coordinate efforts across federal departments is needed to achieve a 50% reduction in chronic homelessness by 2027-28.

To facilitate coordination and collaboration at the federal level, the Department and CMHC established a Deputy Ministers' Interdepartmental Committee on Housing and Homelessness. This committee ensures a whole-of-government approach is being taken to address housing and homelessness challenges whereby all federal government levers are leveraged in a coordinated way.

Through this committee, the Department is engaging with other departments to explore opportunities to align new and existing Government initiatives in support of the development of broader actions on housing and homelessness.

2) Accountability regarding the National Housing Strategy

As part of the Housing, Community and Infrastructure portfolio, the Department leads the development of federal housing and homelessness policy, administers the National housing Strategy homelessness programs, and works with Canada Mortgage and Housing Corporation to administer National Housing Strategy housing programs. These programs support communities by addressing challenges across the entire housing spectrum and work together to achieve the goals of the National Housing Strategy. Through the implementation of their respective programs, the Department and Canada Mortgage and Housing Corporation share responsibility to achieve the goals of the NHS.

The Department is currently working with Canada Mortgage and Housing Corporation to recalibrate responsibilities between the two organizations with the Department taking the lead role for housing and homelessness policy and program development, in line with typical federal portfolio departmental responsibilities. Canada Mortgage and Housing Corporation will continue to play a pivotal role in the delivery of the NHS housing programs. The strong ongoing joint collaboration between the Department and CMHC is ensuring a smooth transition.

Conclusion

In conclusion, since the Auditor General report in 2022, the Government has worked with Reaching Home communities to make significant progress in enhancing national homelessness data in the face of the unprecedented challenges posed by the COVID-19 pandemic. These advancements enrich our understanding of homelessness trends in Canada and enable us to continue to refine our responses effectively towards the goal of reducing and eliminating chronic homelessness.

At the same time, the Department acknowledges that there are areas where further improvements are required, notably the full implementation of coordinated access requirements are yet to be achieved. The Department is actively collaborating with the remaining Reaching Home recipient communities to expedite this process.

Canada Mortgage and Housing Corporation has made progress to better understand and report on how National Housing Strategy housing investments are supporting and will support the needs of vulnerable populations. This includes through program administrative data, program agreement compliance information, and findings from research projects and collaboration with Statistics Canada. Canada Mortgage and Housing Corporation has also improved how affordability outcomes are reported.

The Department and Canada Mortgage and Housing Corporation are working to clarify their respective roles and responsibilities and, recognizing the multifaceted nature chronic homelessness, are actively collaborating across multiple federal mandates on a whole of government approach to eliminate chronic homelessness, which is generational challenge that extends beyond the ability of any single department or order of government to address.

The Government thanks the Committee for its recommendations on how to improve homelessness programming under the National Housing Strategy. The Government will continue to work to enhance its homelessness programming and, through the Department, will provide the Committee with an update on this work in October, 2024.