



SUMMARY REPORT

HOUSING: MORE THAN JUST A DWELLING!

A dwelling is the centre around which people build their lives. The cost of housing determines the choice and often the quality of the environment in which they live.

In fact, housing is the greatest expense of Québec households: on average it represents more than a quarter of their current consumer expenditures and it can even be higher than 35% for the poorest households¹.

Because it is essential, housing impacts the well-being of individuals and communities. It determines how we occupy and develop the territory.

At the heart of major concerns, housing generates activities that are felt socially and economically.

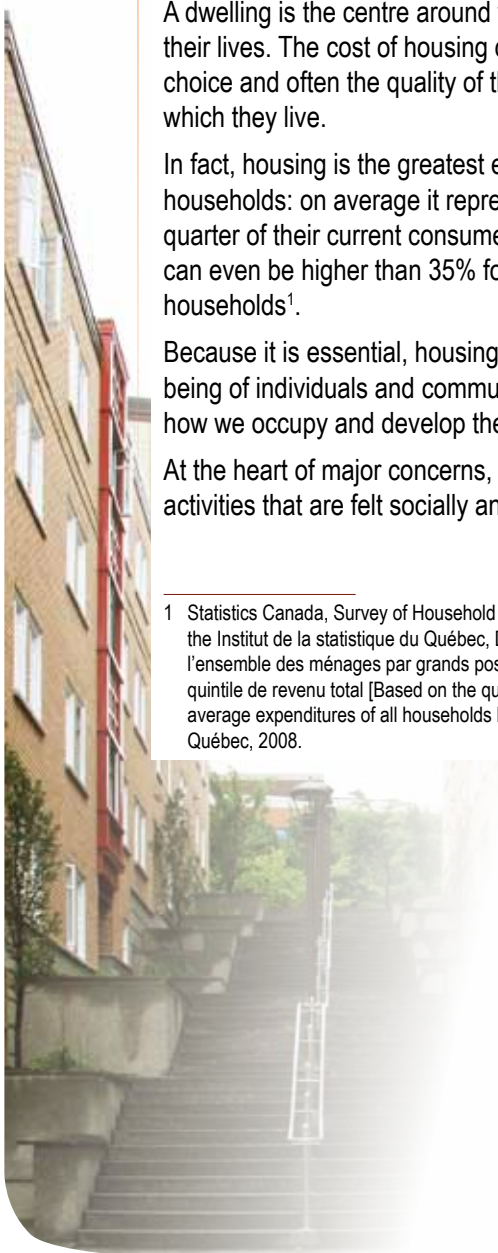
¹ Statistics Canada, Survey of Household Spending. Compilation by the Institut de la statistique du Québec, Dépenses moyennes de l'ensemble des ménages par grands postes de dépenses, selon le quintile de revenu total [Based on the quintile of total income, average expenditures of all households by major expenditure], Québec, 2008.



It is within this context that the Société d'habitation du Québec (SHQ) operates. Its main purpose is to help Quebecers gain access to adequate housing.

It intervenes in several ways so that a larger number of households in need can gain access to affordable and adequate housing. **In 2010, its programs helped more than 241,000 households in Québec.**

Over the last few years, the SHQ has developed itself in order to be able to better take into account the overall situation of individuals and families in need. With the assistance of its network of partners and agents, the SHQ no longer just offers financial assistance or housing, it also helps create favourable conditions for supporting people in order to develop quality living environments.



Whether they are community organizations (non-profit organizations, housing cooperatives or technical resource groups), housing offices or municipalities, our partners are involved in their community. They have a detailed understanding of the residential situation in their area, enabling the implementation of initiatives and projects adapted to the needs of households.

The SHQ also works closely with other government departments and agencies to provide structured assistance to people, taking into account their needs as a whole. In this regard, housing plays an essential role in implementing some fifteen government plans and policies aimed at improving the living conditions of Quebecers.

The direct impacts of the SHQ's activities on its targeted population are well known. What has not been documented or highlighted are the impacts it has on Québec society as a whole.

ÆCOM was asked to conduct a study to measure all the benefits of SHQ activities.

The report shows that the SHQ is not only an important player, but also an essential player in Québec's economic and social activities.



ECONOMIC IMPACTS

Housing plays an important economic role as a job creating sector with high investment expenditures across Québec. Given the amounts invested and the diversity of its actions, the SHQ stimulates the Québec housing industry as well as the local economy.

In its study, ÆCOM took into account Government of Québec subsidies paid by the SHQ that generated economic activity. This amount totaled 608 million dollars for 2010-2011, which included 195 million in expenditures for replacement, improvement and modernization work on low-rental housing (LRH).

Added to these amounts are subsidies from partners such as the other levels of government and, if applicable, the expenditures assumed by the beneficiaries.

SHQ subsidies have therefore generated a total expenditure of 1.4 billion dollars. For each dollar spent by the SHQ in the form of subsidies, \$2.3 were injected into the Québec economy.

In order to measure the economic impact of these expenditures using the inter-sector model of the Institut de la statistique du Québec, ÆCOM has broken this amount down into two economic sectors: the residential construction and renovation sector, and consumer demand. These simulations make it possible to transform these economic benefits into direct, indirect and induced impacts.

In terms of jobs, this represents nearly 7,300 person-years of work in the construction sector. According to ÆCOM, nearly 10% of the hours worked by employees in the residential construction sector can be attributed to SHQ interventions.

In total, in the two economic sectors considered by ÆCOM and taking into account the induced effect, 13,758 person-years of work were generated by SHQ activities, only for 2010-2011.

In terms of added value, that is, the creation of wealth, ÆCOM estimates the benefits at 1.027 billion dollars. This added value created by SHQ activities equals approximately 3.7% of Québec's gross domestic product for 2010.

Lastly, the contribution of tax and incidental tax revenues for the various levels of government totalled 257 million dollars.



SOCIAL IMPACTS

The SHQ generates more than economic activity. It contributes to the well-being of people and to the quality of life of communities. It also helps in reducing certain public expenditures linked to the mission of the state.

REDUCING THE IMPACTS OF POVERTY

SHQ programs help in reducing the effects of poverty. Quality, appropriate and affordable housing allows people to participate more in a community's economic and social life and promotes their integration, an essential component of social cohesion.

The SHQ contributes to improving the quality of life of households by increasing their purchasing power for essential goods and services.

Residential stability secured through affordable housing allows some tenants to develop confidence in themselves and a feeling of belonging that are essential for social integration.

SOCIAL HOUSING

In October 2011, tenants with temporary limitations to employment living alone received \$697 per month, in accordance with the Social Assistance Program. If they live in LRH, they have \$492 left to meet their needs other than housing. If they live in a studio apartment in the private rental market with a median-level rent, their situation would vary based on the area where they live. For example, they would have \$337 left over if they lived in the Trois-Rivières region, but they would only have \$162 if they lived in Montréal.

COMMUNITY SUPPORT

Housing offices and community housing provide a favourable framework for providing community support.

Partnerships established with local organizations make it possible to develop the employability, employment integration, academic success of young people as well as intercultural cohabitation. A large number of these innovative experiences have a high level of success.

The residential stability provided by affordable housing allows some tenants to develop self-confidence and a sense of belonging, both of which are vital for integration into society.

DECONCENTRATION OF POVERTY

Economic and social diversity integrated into community housing projects promotes the deconcentration of poverty and creates a living environment that is conducive to mutual assistance and inclusion.

The commitment of people and community groups in projects on Pelletier Street in Montréal-Nord is a great example. Improved socio-economic diversity leads to security and social stability in neighbourhoods while strengthening social cohesion.



ÎLOT PELLETIER: MOBILIZATION OF RESIDENTS THROUGH COMMUNITY HOUSING

In 2008, in the Pelletier Street sector of Montréal-Nord, there were problems with gangs. Residents and several partners mobilized to organize group actions that revitalized the sector. The AccèsLogis Québec and Rénovation Québec programs made it possible to offer more than 200 community housing units. The quality of life of residents clearly improved.

HOMELESSNESS AND VULNERABLE PERSONS

SHQ activities make it possible to mitigate the effects of homelessness and to prevent the phenomenon altogether by allowing individuals to stabilize their situation in terms of housing and social support. For organizations involved in the fight against poverty, these interventions are the answer to the problems experienced by these people for it will allow them to see another life path for themselves.

The SHQ intervenes in a structuring manner in offering housing and rooms to vulnerable persons who might

become homeless. It has also encouraged the preservation of rooming houses in collaboration with the municipalities in question, namely those in Montréal and Québec City.

Thanks to the work of its partners, the SHQ helps in meeting the basic needs of people who have functional social problems resulting from mental illness or intellectual disabilities. In reality, these measures help people who could be exposed to homelessness. It might be a matter of providing them with access to temporary or permanent housing, based on the needs of beneficiaries and the mission of the organization in question.



11-unit building on Dorchester Street in Québec City for people with mental health problems. The building is managed by PECH (Programme d'encadrement clinique et hébergement [Clinical Supervision and Accommodations Program]).

Incidentally, in December 2005, the building received a certificate of merit in the category "Remarkable Integration into the Environment" during Québec City's architectural merit awards.

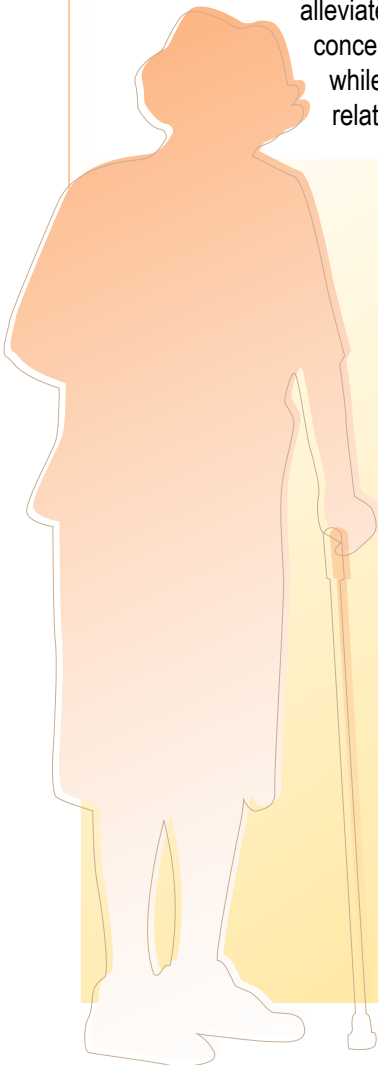


SENIORS

In 2010, seniors, independent or losing their independence, mostly low income, represented 55% of the clientele in SHQ programs. By improving their housing conditions, SHQ interventions contribute directly to helping them stay in their homes.

This contribution comes in the form of affordable and safe housing or financial assistance to adapt their home based on their limitations. The SHQ can also provide additional income for the poorest among them to reduce the financial burden related to housing.

These measures make it possible to respect the life choices of people who wish to remain active and independent in their home and help alleviate the burden of day-to-day concerns for their caregivers, while reducing the burden related to the dwelling.



DISABLED PERSONS

SHQ interventions in this area reduce the difficulties associated with certain tasks and daily activities for disabled persons by encouraging the installation of specialized equipment. This allows disabled persons to remain in their home and maintain control over their environment. At the same time, these interventions support caregivers.



COST REDUCTION FOR SOCIETY

SHQ programs that contribute to improving the housing conditions of individuals and low-income households benefit society as a whole since they reduce public expenditures associated with the cost of poverty.

These costs are generally associated with health care, crime and loss of productivity. According to the Comité consultatif de lutte contre la pauvreté et l'exclusion sociale (CCLP), 20% of health care costs can be attributed to poverty and inequality².

For example, taking action on homelessness reduces the need for emergency medical care or psychiatric services as well as public safety services: it costs at least twice as much to ignore the homeless than to stabilize them by providing both social housing and social support.

According to ÆCOM³, the creation of 200 supervised housing units for the homeless generates an annual savings of 8.1 million dollars in public services (2010). According to an estimate reported by the National Council of Welfare, the cost of eliminating poverty is half of the public cost it generates. The Council recommends looking at these expenses as a long term investment. These amounts will increase the participation of beneficiaries, neighbours and residents, in the vitality and cohesion of communities, regions and society in general.

With the assistance of the SHQ, the adaptation of existing homes could prevent or delay the placing of people in residential and long-term care centres and thereby reduce public service costs. Based on the assistance provided to nearly 2,200 people in 2010 under certain programs, ÆCOM estimates there was an annual savings of 25 million dollars in public funding.

REVITALIZATION OF NEIGHBOURHOODS AND TERRITORY OCCUPATION

The benefits of SHQ activities are felt across Québec. Indeed, housing determines how a territory is occupied. The decentralization of the SHQ's activities allows it to act effectively in offering housing services to people in need.

In addition to the economic activity that the SHQ's investments generate and the services it supports, the reduction in the financial burden of subsidized households benefits local communities and regions. In fact, low-income or moderate-income households are more likely than more affluent households to buy local when their purchasing power is increased⁴.

Québec has been the only province to offer assistance programs for renovations since the 1970s. Some of these renovations have had positive impacts on the neighbourhood, helping to build and revitalize communities.

SHQ programs are tools of choice for municipalities looking to revitalize their devitalized neighbourhoods and to increase their built environment⁵.

It has been demonstrated that areas where there have been interventions have experienced a quicker increase in real estate values than elsewhere in the same municipality without having a negative impact on the rent of occupants⁶.

In remote areas, community housing projects are often the only possibility available to low-income or moderate-income families. The difficulty in completing rental housing projects is significant given that the private sector cannot get involved in such areas.

4 See *The Economic and Fiscal Benefits of Affordable Housing* by R. Cohen and K. Wardrip, in *Planning Commissioners Journal*, Summer 2011, no 83, p. 1-4.

5 See Rues principales Foundation, *Analysis of the important socio-economic impacts of the Rénovation Québec program*, preliminary version of August 2011, p. 69.

6 *Op. cit.*, p. 4.

2 Comité consultatif de lutte contre la pauvreté et l'exclusion sociale, *Planification et orientations 2010-2013 [Planning and Orientations, 2010-2013]*, 2011, p. 15. The recent report by the National Council of Welfare, *The Dollars and Sense of Solving Poverty*, reiterates the results from many studies conducted around the world confirming this relationship between poverty and health or bad health.

3 See ÆCOM, pages 37 to 42 and NCW, p. 61.

SUSTAINABLE HOUSING DEVELOPMENT

Housing is intimately linked to the social, economic and environmental dimensions of sustainable development. By supporting the living conditions of households, as demonstrated above, the SHQ is contributing to the sustainable development of Québec.

On the environmental front, the SHQ and Hydro-Québec have concluded an agreement that offers financial assistance to housing offices for the implementation of energy-saving measures in public LRH. All new AccèsLogis Québec projects must also comply with the provisions of the Novoclimat program.

INTERVENTIONS IN NUNAVIK

North of the 55th parallel, the vast territory of Nunavik is composed of 14 villages populated by approximately 10,000 Inuit. Given the isolation of this region, the private construction sector is nearly non-existent.

Since housing is a priority issue in Nunavik, the SHQ, together with its local partners, is funding the construction and renovation of most housing units. In addition to fighting the housing shortage, interventions in Nunavik are promoting the development of a housing culture among a people that until quite recently was still nomadic.

A series of concrete housing measures are also offered to the residents of Nunavik as part of the Plan Nord. Through amounts allocated by the provincial government, the SHQ will renovate 482 social housing units and construct 300 more units. Furthermore, the completion of 200 dwellings through a new program promoting access to residential ownership will expand the private housing market in Nunavik.



Photo : Ville de Québec — Coopérative d'habitation L'Escalier in Québec City.

CONCLUSION

SHQ activities have an impact on the targeted clientele, but also on Québec society as a whole.

Given that demographics have a strong influence on housing, the next few years will bring many challenges for the SHQ: an ageing population, integration of immigrants, growth of the Aboriginal population, etc.

Over the last few decades, the SHQ has proven that it is an organization that performs at a high level and that knows how to adapt to various realities. Today, it can reach people who have housing needs thanks to beneficial partnerships. In doing so, the SHQ has facilitated the implementation of a framework that encourages access to adequate housing conditions and the emergence of housing projects benefiting living environments.

This study is the first step of a process aiming to define an overview of the benefits of housing interventions. The SHQ plans to continue its efforts to document the impacts of public investments that help in reducing the effects of poverty throughout Québec.

APPENDIX

SHQ ACTIVITIES IN 2010-2011

Field of Intervention	SHQ subsidies generating economic activity	Total expenditures generating activity in the Québec economy (MISQ)
Assistance for social, community and affordable housing outside Nunavik	\$469.0 M	\$902.4 M
Housing improvements*	\$46.3 M	\$348.1 M
Industry assistance	\$0.5 M	\$0.5 M
Interventions in Nunavik	\$63.2 M	\$109.5 M
SHQ operations	\$28.6 M	\$35.0 M
TOTAL	\$607.6 M	\$1,395.5 M

Notes : This data were not taken from the annual management report. For projects undertaken over more than one year, the total subsidies are charged to the year in which the project was completed. Capitalized expenditures for replacing, improving and modernizing public LRH are covered at 100% here by the SHQ since the share that could be claimed from the CMHC is still not known.

* The municipalities and RCMs administer these programs.

HOUSEHOLDS THAT RECEIVED
SHQ ASSISTANCE IN 2010

INCLUDING THE BENEFICIARIES FROM PAST YEARS

	Number of Households
Assistance for social, community and affordable housing outside Nunavik	225,824
Housing improvements	11,884
Interventions in Nunavik ¹	2,541
Total	240,249

¹ This is the number of households assisted by the SHQ thanks to the LRH program – Inuit component and the LAQ program – Kativik component.



Supplements are documents published from time to time to provide additional information to publications produced by the Société d'habitation du Québec (SHQ).

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PUBLICATION

ÆCOM, Study on the Impacts of the Activities of the Société d'habitation du Québec: final report. ÆCOM Aménagement, Environnement et Ressources, 2011, 105 p.

Produced by the Société d'habitation du Québec, this document is available, in french also, from the SHQ's Service de documentation et d'information en habitation:

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