

# The Role of the Social Economy in Meeting Diverse Housing Needs

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## What is the Social Economy?

There are many definitions used by practitioners and others interested in the Social Economy. The Canadian Community Economic Development Network (CCEDNet) National Policy Council has the following definition:

"The Social Economy consists of association-based economic initiatives founded on values of:

- Service to members of community rather than generating profits
- Autonomous management (not government or market controlled)
- Democratic decision making
- Primacy of persons and work over capital
- Based on principles of participation, empowerment.

The Social Economy includes: social assets (housing, childcare, etc), social enterprises including co-operatives, credit unions, equity and debt capital for community investment, social purpose businesses, community training and skills development, integrated social and economic planning, and capacity building and community empowerment. The Social Economy is a continuum that goes from one end of totally voluntary organizations to the other end, where the economic activity (social enterprise) blurs the line with the private sector."

To provide a context for studying the Social Economy, the Social Sciences and Humanities Research Council of Canada introduces the Social Economy as follows:

"In recent years, in both North America and Europe, there has been increasing interest in what is known as the 'Social Economy,' for which some authorities use the term 'community economic development.'

The social economy refers to those enterprises and organizations which use the tools and some of the methods of business, on a not-for-profit basis, to provide social, cultural, economic and health services to communities that need them. The social economy is characterized by cooperative enterprises, based on principles of community solidarity that respond to new needs in social and health services, typically at the community or regional level.

Social economy enterprises exhibit distinctive forms of organization and governance such as worker co-operatives and non-profit organizations. Such organizations produce goods for and deliver services to the public."

The United Nations Special Rapporteur on Housing (Miloon Kathari, United Nations, 2007) reported that Canada is in the midst of a national housing crisis, with 1.5 million Canadians in core housing need. Civil society organizations in the Social Economy have pointed to the growing number of homeless in our cities, and the fact that Canada is the only industrialized nation without a national housing strategy. Canada has 5% of its housing stock comprised of social housing compared to the European average of 13%. According to the Association of Community Organizations for Reform Now ([www.acorncanada.org](http://www.acorncanada.org)) "Canada has become an international laggard in terms of funding, policy innovation, and the provision of affordable housing".

Yet, community-based organizations, non-profits, and co-operatives are providing solutions and presenting ways of eliminating homelessness, as the case studies and research in this newsletter suggest. Across the Canadian Social Economy Research Partnerships, community and university based researchers have identified Social Economy models of partnership that work to create and sustain affordable housing for Canadians, from Québec to the Arctic, from Atlantic Canada to Saskatchewan. As our recent national tele-learning session on housing and the Social Economy suggested, community-based solutions driven by SE organizations supported by appropriate policies and investment by local, provincial and federal governments, can provide solutions to our housing crisis tailored to the unique circumstances of our diverse communities and populations.

By Rupert Downing and Ian MacPherson, Co-directors of CSEHub

## Housing for All

*The following passage is from the paper, "Housing for All: The Social Economy and Homelessness in British Columbia's Capital District" by Benjamin Isitt, and published as a CSEHub Occasional Paper: October 2008, [www.socialeconomyhub.ca](http://www.socialeconomyhub.ca).*

The Social Economy can eliminate homelessness and provide housing for all – in British Columbia's capital region and everywhere where the political will exists. That is the premise that guides this study. The 1500 homeless people living on the streets of Victoria, British Columbia confront a range of problems. They earn little if any income, grapple with mental illness and addictions, and face the daily experience of poverty and marginalization in the absence of social and economic supports.

Research on the Social Economy and homelessness has shifted with the ebbs and flows of housing policy in Canada. During the "golden years" – bounded by changes in the National Housing Act in the early 1970s and ending with the emergence of neo-conservative and neo-liberal "restraint" in the 1980s and 1990s – scholars emphasized the innovative approaches of governments, non-profits, and co-ops to provide non-market housing for Canadians. In the 1990s, research shifted to the impact of economic restructuring and government "downsizing." Growing poverty and income disparities were documented as housing costs rose and government supports withered. Edmonton publisher Mel Hurtig described the problem succinctly in the title of his book *Pay the Rent or Feed the Kids: The Tragedy and Disgrace of Poverty in Canada* (1999). Other studies examined the correlation between gender, age, poverty and homelessness, which impacted women, men, single parents, seniors, children and youth in particular ways. Homelessness among First Nations people also attracted scholarly attention, reflecting substantially higher incidence of poverty among this segment of the population. The plight of single un-employed adults in British Columbia cities was highlighted in the 1995 report *Nowhere to Live*, while the disappearance of SROs and other forms of low-cost housing was examined in *Hulchanski and Shapcott's Finding Room: Policy Options for a Canadian Rental Housing Strategy* (2004).

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## First Steps Housing Project: An Atlantic Canada Effort

*The following is a profile of a Social Economy organisation in Atlantic Canada. It was conducted (and written) by Atlantic Node research partner George Karaphillis from Cape Breton University, and student research assistant Kelsey Peters as part of a study called 'Financing The Social Economy.'*

The aim of First Steps Housing Project Inc. (First Steps) is to provide a supportive transitional housing facility for homeless pregnant young women and their infants. It strives to ensure that homeless pregnant young women will have a healthy pregnancy and a healthy baby; and through partnering with existing community services will assist these young women in moving from homelessness to self-sufficiency and a better quality of life.

First Steps was initially developed in Saint John, New Brunswick because of the high teen pregnancy rate, and the lack of support facilities for young women and their babies. First Steps provides a supportive environment where young mothers can continue their education, further their personal development, and gain the skills required to thrive as individuals and as parents. First Steps first opened its door in May 2002. It currently employs 18 individuals, has 20 devoted volunteers, and 12 Directors, including Dr. Davies who still serves as President. So far, approximately 200 women have lived at First Steps, a 12-bed, nine-crib transitional housing facility. It is estimated that there have been successes in many of the women who have come through their doors. Success, according to Sharon Amirault, a current employee at First Steps, is a difficult thing to measure. It can mean anything from overcoming a drug addiction, to completing a high school diploma, to overcoming an abuse issue,

to giving birth to a healthy child. Employees and volunteers at First Steps see lots of successes everyday, but expect that the most significant successes will take place in the long-term.

First Steps depends upon self-referral (from friends, public health workers, social workers, etc.) as its sole means of advertising. The facility is fairly small, and unaccommodating in a sense. As a result, First Steps has made the decision not to advertise, as there is not enough room in the housing unit to support large numbers of women.

First Steps offers a number of programs within their organisation. The First Steps program takes pregnant or parenting women off the streets, or from unhealthy environments, and offers the opportunity to continue their education, further their personal development, and gain the skills required to thrive as individuals and as parents. Involved in this program is schooling, childcare, parenting programs and self-development courses. First Steps also offers an on site high school completion program, and a daycare facility. The social impacts of such an organisation are not only obvious, but also significant in the grand scale of things. Increasing numbers of women are overcoming drug abuse, physical or emotional abuse, and life skill challenges, which have a positive effect not only on these women, but also on the community as a whole. This organisation clearly contributes to the Social Economy of Saint John, and provides an inspiring example of community collaboration and initiative. For more information: [www.firststepshousing.com](http://www.firststepshousing.com)

## Houses and Communities: Learning from a Case Study of Co-operative Assisted Home Ownership in Saskatchewan

*The following is an example of a housing research project that is being conducted by the Northern Ontario, Manitoba, and Saskatchewan Social Economy Regional Node.*

Saskatchewan has spawned significant organizational and program innovations designed to help low-income households to meet their needs for housing. Assisting home ownership via a multi-household co-operative model is one such initiative. Formalized in 1996 as the Neighbourhood Home Ownership Program (NHOP), this framework was intended to allow low-income households that had relied on rental housing to successfully achieve home ownership. As vehicles for self-help and social learning, these housing co-ops were also seen as tools to promote the wellbeing of inner-city communities.

This project is designed as collaborative, action- and policy-oriented research. It was also created to contribute to scholarship on affordable housing with findings published in academic as well more popular venues. The academic researchers are Michael Gertler, University of Saskatchewan (principal investigator); and Isobel Findlay, University of Saskatchewan (co-investigator); with student researcher Cara Spence, University of Saskatchewan (internship). The community researcher is Eric Leviten-Reid, Community Development and Research Consultant; and the community partners are Quint Development Corporation and Community Services, City of Saskatoon.

The proposed case study of assisted home ownership (in Saskatoon and, by extension, in other locales) is designed to reveal strengths and limitations of such models, and factors that promote or restrict success. The study goes beyond the systematic documentation of a particular housing initiative. Drawing on other examples and employing methodologies designed to reveal neighbourhood as well as household impacts, it considers the efficacy and cost-effectiveness of such programs in meeting housing needs and in supporting other dimensions of inner-city renewal. It also considers broader lessons for program design where the goal is to promote home ownership options for low- and moderate-income households.

The final report will be available this spring, and can be found at: [http://usaskstudies.coop/socialeconomy/?page\\_id=273](http://usaskstudies.coop/socialeconomy/?page_id=273).

## RESOURCES

**Co-operative Housing Federation of Canada**  
[www.chfc.ca](http://www.chfc.ca)

**Canadian Housing and Renewal Society**  
[www.chra-achru.ca/english/view.asp?x=1](http://www.chra-achru.ca/english/view.asp?x=1)

**Tyee Housing Series**  
<http://thetyee.ca/Series/2009/02/10/HomeForAll>

**The Wellesley Institute**  
[www.wellesleyinstitute.com](http://www.wellesleyinstitute.com)

**National Homelessness Conference, Growing Home: Housing and Homelessness in Canada. U of Calgary**  
[www.nhc2009.ca/en/index.html](http://www.nhc2009.ca/en/index.html)

**Canada Mortgage and Housing Corporation**  
[www.cmhc-schl.gc.ca/en/index.cfm](http://www.cmhc-schl.gc.ca/en/index.cfm)

**“Understanding and Responding to Neighbourhood Decline and Renewal”**  
[www.ccednet-rcdec.ca/en/node/5312](http://www.ccednet-rcdec.ca/en/node/5312)

**The Right to Housing Coalition in Manitoba**  
<http://righttohousing.ca>

**Housing First**  
[www.endmontonhomelessness.com/about-homelessness/housing-first.aspx](http://www.endmontonhomelessness.com/about-homelessness/housing-first.aspx)

**Federation of Canadian Municipalities**  
[www.lmp-pgt.fcm.ca/english/View.asp?mp=1166&x=1119](http://www.lmp-pgt.fcm.ca/english/View.asp?mp=1166&x=1119)

**Canadian Policy Research Network: “Homelessness, Program Responses, and an Assessment of Toronto’s Streets to Homes Program.”** By Nick Falvo  
[www.cprn.org/documents/50981\\_EN.pdf](http://www.cprn.org/documents/50981_EN.pdf)

**Roots to Roofs Housing Co-operative**  
<http://innovativecommunities.org/Roots/01.php>

**Social Economy Centre Webcast session: The Future of Social Housing Programs in Canada,** April 2008  
<http://142.150.98.64/SEC/20080423-120116-1/rnh.htm>

**CSEHub Telelearnings Session 18: The Role of the Social Economy in Meeting Diverse Housing Needs** February 2010

This informative session featured: David Hulchanski, Associate Director for Research at the University of Toronto’s Cities Centre, and Professor of housing and community development in the Faculty of Social Work; and George Penfold, Regional Innovation Chair in Rural Economic Development at Selkirk College in Castlegar, B.C. The session was moderated by Assistant Professor and postdoctoral fellow of history at the University of Victoria, Ben Isitt.

Please listen to the recording on the CSEHub website: [www.socialeconomyhub.ca/?q=content/telelearning-sessions](http://www.socialeconomyhub.ca/?q=content/telelearning-sessions)

## A Review of Canadian Options for Financing and Building Social Housing

Dr. Jorge Sousa, BALTA, University of Alberta, Co-chair of Public Policy Committee

Since the Federal government divested itself of providing and maintaining social housing in 1993, the responsibility for the social housing system devolved to the two other levels of government. The provincial and municipal governments have attempted to build new housing for low-income individuals by a variety of approaches that rely on working with the Social Economy as well as the private sector. Examples include: partnership arrangements, targeted funding initiatives, and tax incentives. While the first two approaches have resulted in a modest level of new developments, private sector involvement has been sporadic and has not been able to address the housing needs of vulnerable populations. While there have been few cases of the private sector building affordable housing for low-income people, there has not been the hoped for participation in building new low-income housing—that is, for both rental and ownership—on a larger scale.

The involvement of the Social Economy has resulted in unique housing communities and the introduction of unique community building opportunities. These organizations have developed some new social housing as well as maintaining the existing stock for low-income individuals and families. These organizations have been able to access limited funding through government programs that offer either equity financing or grants for the purpose of developing new housing or rehabilitate existing properties. The purpose of this project is to begin to explore the role of the Social Economy in building social housing. Additionally, in this project I consolidate the different approaches to financing new social housing by investigating the different financing options related to the provision of social across Canadian jurisdictions. I address research objectives through a systematic analysis of existing housing programs and neighbourhood revitalization efforts across Canada. The analysis will be based on the following information:

- Type of funding program across provinces and municipalities
- Targeted populations
- Level of government involvement
- Type of funding mechanisms, such as rent subsidies
- Presence of partnerships between government and non-profit organizations
- Unique approaches to neighbourhood revitalization and building affordable housing

*This study was generously funded by the SSHRC CURA project “Strategies For Transformation In Inner City And Aboriginal Communities” of the University of Manitoba. The final report will be available in early summer 2010.*

## Holistic Housing Resource From Québec

Se loger autrement au Québec: le mouvement de l’habitat communautaire, un acteur du développement social et économique / under the direction of Marie J. Bouchard and Marcellin Hudon; CAP-Habitat communautaire de l’ARUC en économie sociale.

This book clearly explains the history, the finances, and the government programs that contribute socially and economically to non-market housing in Québec. Non-market housing encompasses co-operatives, and non-profit rental housing (rental complexes under the control of community members and occupants). As a result of the introduction of development co-operatives at the end of the 1930s, and the first non-profit rental housing at the beginning of 1960s – non-market housing counts today for approximately 57,000 housing units in Québec (25,600 co-operatives, and 31,400 non-profit rental housing). This book is a wealth of information for anyone who wants to understand what this innovative sector has contributed to Québec society.

For more information on this resource, please follow this link:

[www.habitation.gouv.qc.ca/bibliotheque/choix\\_bibliotheque/2008/nov\\_dec.htm](http://www.habitation.gouv.qc.ca/bibliotheque/choix_bibliotheque/2008/nov_dec.htm)

## Homeless in an Arctic Homeland

*Julia Christensen, a PhD Candidate in Geography and Trudeau Scholar at McGill University, is the northern student representative for the Social Economy Research Network of Northern Canada. Her doctoral research looks at the emergence of visible homelessness in Yellowknife and Inuvik, two urbanizing regional centres in the Northwest Territories.*

Born and raised in Yellowknife, Julia has witnessed firsthand the increased marginalization of vulnerable members of her community. Her thesis project, "Homeless in a Homeland: housing insecurity and homelessness in the Northwest Territories, Canada", highlights the need for more support for the Social Economy, particularly community-led supportive and social housing initiatives, as a solution to the bleak housing situation for northerners at-risk of homelessness.

"Funds from the federal government to the GNWT for the administration of public housing, as well as construction of new units and the retrofitting of old ones, have been in a process of gradual phase-out since the 1990s," Julia says. "Increased demand on a limited number of units have meant that waiting lists are long, especially for single men and women."

"Meanwhile," she adds, "private rentals are incredibly expensive and with the low vacancy rate, landlords can afford to be very picky about who they rent to. The result is very few housing options for low-income or unemployed individuals. If you're trying to deal with additional challenges, such as a health issue, or recovery from an addiction, you're in an even more difficult situation because many

of the housing options available to you mean living with roommates, which might not always be helpful."

In Yellowknife and Inuvik, there are examples of social housing programs implemented by non-governmental organizations that have been successful in reaching certain target groups, however there is a tremendous need for more support for such initiatives. Housing programs that are community-based and operated by community groups who are sensitive to local needs and context are proven to be much more successful in alleviating the housing insecurity of vulnerable individuals.

"It's also important to note that homelessness in the NWT is not just a Yellowknife or Inuvik issue," Julia says. "A lot of these issues stem from a lack of employment and housing options in the smaller settlement communities. Right now, many people leave to come to larger centres in the hopes of finding employment and places to live, only to end up disappointed when dreams don't materialize."

Economic development and community-based housing initiatives in small northern communities is therefore critical to any efforts to effectively address homelessness in the larger northern centres.

For more information on this research, you can email Julia at:

[Julia.christensen@mail.mcgill.ca](mailto:Julia.christensen@mail.mcgill.ca)



### Regional Research Centres

Social Economy and Sustainability Research Network  
[www.msvu.ca/socialeconomyatlantic](http://www.msvu.ca/socialeconomyatlantic)

L'Alliance de recherche universités-communautés en économie sociale (ARUC-ÉS) et le Réseau québécois de recherche partenariale en économie sociale (RQRP-ÉS)  
[www.aruc-es.ca](http://www.aruc-es.ca)

Social Economy Centre  
[sec.oise.utoronto.ca](http://sec.oise.utoronto.ca)

Linking, Learning, Leveraging: Social Enterprises, Knowledgeable Economies and Sustainable Communities  
[www.usaskstudies.coop/socialeconomy](http://www.usaskstudies.coop/socialeconomy)

Social Economy Research Network of Northern Canada  
[dl1.yukoncollege.yk.ca/sernoqa](http://dl1.yukoncollege.yk.ca/sernoqa)

BC-Alberta Research Alliance on the Social Economy  
[www.socialeconomy-bcalberta.ca](http://www.socialeconomy-bcalberta.ca)

### The Canadian Social Economy Hub [www.socialeconomyhub.ca](http://www.socialeconomyhub.ca)

The Canadian Social Economy Hub (CSEHub) is located at the University of Victoria and is co-directed by Ian MacPherson and Rupert Downing. CSEHub undertakes research in order to understand and promote the Social Economy tradition within Canada and as a subject of academic enquiry within universities.

CSEHub is a Community-University Research Alliance (CURA) between the University of Victoria, represented by its principal investigator, and the Canadian Community Economic Development Network (CCEDNet), represented by the designated co-director. CSEHub is directed by the two organizations and their representatives, with the advice and input of a board of representatives of regional nodes and national partners of the Canadian Social Economy Research Partnerships (CSERP).

### Questions? Please Contact Us!

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