Accessible Housing Network Submission to the National Housing Council, May 2023

The Federal Housing Advocate defines the **financialization of housing** as "the growing dominance of financial actors in the housing sector, which is transforming the primary function of housing from a place to live into a financial asset and a tool for investor profits." It also considers the acquisition of purpose-built rental housing (for rental purposes) to be a major cause of the housing crisis, and has linked financial firms and institutional investors (i.e., asset management companies, hedge funds, pension funds, private equity funds, Real Estate Investment Trusts/REITs, real estate operating companies and sovereign wealth funds), to a range of negative impacts for renters (evictions, rising rents and reduced building services and maintenance).

This crisis is widely regarded today as an issue of affordability, but we take exception to this characterization because the crisis comes from a deliberate financial strategy rather than an unintended consequence of marketing decisions. In other words, housing has become unaffordable precisely because of the commodification and financialization of a basic human need: shelter. As a result, even purpose-built housing has become a wealth-generator, and the very idea that a house is a home, first and foremost, is now passe.

To reverse the negative effects of financialization, we need to return to the notion of shelter as a human right, to which Canada subscribes as a UN signatory.

The Accessible Housing Network advocates for a conscious and concerted effort to treat the home as an end in itself – i.e., a right, rather than a wealth-generator. Indeed, this effort must include "purpose-built/rental" housing, which was once considered more affordable than ownership. We believe that rent must be geared to income and that any increase in market-value be limited to the real costs of maintaining value rather than generating wealth. To make housing affordable for all means we must greatly increase the supply of non-profit housing, especially for rent, which has also been turned into a wealth generator.

To make housing attainable for all, especially those who need it most, the Accessible Housing Network considers de-financialization of housing to be the appropriate response to the affordability crisis. It advocates removing barriers to shelter for all, including the most vulnerable among us.

Thus the key to true affordability in Canada lies in the federal government's leading the de-financialization of housing, and that this must come through the adoption of national standards with a national building code to lead by example. Present practice leaves much to be desired since each level of government passes the buck on what's to be done by whom. There is no effective leadership at present.

Following Australia's bold move to adopt mandatory Universal Design Standards since voluntary guidelines do not work, the Accessible Housing Network recommends that Canada follow suit by adopting a mandatory standard.

This standard aims to make homes affordable and accessible for people of all ages and abilities. Thus by demanding that federal funding of housing be contingent on adherence to Universal Design, the Accessible Housing Network urges the Canadian government to lead the other levels of government in building a stock of accessible and attainable homes for future generations.

We can and must look to a time when no-one is homeless, especially due to illness, disability or accident. Canada needs to aspire to becoming a country where everyone enjoys the universal right to shelter, and where any barriers to it are boldly eliminated.

The greatest barrier to this goal is financialization so the federal government must work urgently to end commercialization of the housing sector. Without mandating national Universal Design Standards for all new housing and renovation, investors will perpetuate financial barriers to accessible homes.

Minette Samaroo

Salvatore Amenta,

Accessible Housing Network Co-Chairs