

## **Backgrounder**

### **Task Force on Housing Affordability**

Saskatchewan people are enjoying the benefits of strong economic momentum and population growth. There are more people working in Saskatchewan today, residential construction is up 40 per cent, average wages have grown five per cent in the last year (the highest growth in Canada ) and Saskatchewan is expected to lead the country in new capital investment this year.

The Government of Saskatchewan is committed to sustaining Saskatchewan's economic momentum to ensure all Saskatchewan people benefit from a growing economy and a thriving province. The Government of Saskatchewan is also committed to making sure our province is ready for growth and preserving the unique quality of life we enjoy as citizens of Saskatchewan.

#### **The Impact of the Current Housing Market**

One of the consequences of Saskatchewan's economic and population growth has been a growing demand for housing. In the current rental housing market, growing demand has reduced the supply of housing and contributed to low rental vacancy rates and higher rental costs in cities throughout the province:

- Saskatchewan's urban centres have recorded a decline in the overall average vacancy rate to 1.2 per cent, the lowest average vacancy rate ever recorded in Saskatchewan;
- Saskatoon, Lloydminster, North Battleford and Swift Current have all recorded rental vacancy rates below 1 per cent;
- The average rent for a two bedroom apartment in the province's urban centres climbed to \$661 per month, a \$60 increase in rent since October 2006; and
- The average rent for a two bedroom apartment suite rose in all of Saskatchewan's smaller centres. Rents for an average two-bedroom apartment in Lloydminster increased by \$64 to \$774 per month, the highest average rent in the province
- Lower vacancy rate and rent increases have stemmed from a growing economy and improved migration.

(Source: CMHC Rental Housing Report – Saskatchewan Highlights – Fall 2007)

#### **The Security of Housing Affordability in a Growing Province**

The increased value of housing in Saskatchewan's cities and communities has both positive and negative consequences for Saskatchewan residents.

The positive consequences include increased equity for owners and an incentive for developers to create new housing supply. Given that housing represents the largest single investment most families will make in their lives, rising housing values have resulted in increased wealth for homeowners.

A strong housing market is also the best incentive for developers to build new housing or make capital improvements to existing housing stock. RBC Economics notes that Saskatchewan now holds the top spot on growth across all key housing indicators including housing starts, house prices, residential building permits, and resale activity. Despite a 62 per cent increase in housing starts in Saskatchewan last year, Saskatchewan is the only province expected to see an increase in housing starts in 2008. (Source: RBC Economics, Housing Affordability, 2008)

However, rapid increases in housing costs have a negative impact on those individuals and families who are least able to increase their income to keep pace with rising costs. Renters in general, but particularly low income individuals and families with low or fixed incomes, are experiencing significant housing pressures in the current housing market.

Because the current housing market has both positive and negative effects, the question facing the Government of Saskatchewan is how to best ensure greater housing affordability for those individuals and families least able to afford the increased cost of housing, while at the same time ensuring that there are sufficient incentives in place to encourage new private sector construction of rental and affordable housing.

### **Mandate**

The mandate of the Task Force on Housing Affordability is to bring forward recommendations by May 30, 2008 to assist the Government of Saskatchewan in developing a housing affordability strategy.

### **Scope**

The Task Force will provide recommendations to government on the following issues:

- Improving housing affordability and security for those least able to afford rising housing costs;
- Increasing capacity in the housing system to encourage the creation of affordable housing; and
- Examining how best to facilitate the long term monitoring, policy development and provision of affordable housing in Saskatchewan

### **Consultation Process**

The Task Force will meet with stakeholders in Saskatoon, Regina, North Battleford, Prince Albert, Lloydminster, Yorkton, Swift Current, Estevan and Weyburn.

## **Biographies of Task Force Members**

### **Bob Pringle**

Bob Pringle is currently a City Councilor in Saskatoon and past CEO at the Saskatoon Food Bank and Learning Centre, where he has been for 5 1/2 years. Prior to that, he was Executive Director at Cosmo Industries and the Saskatoon Housing Coalition, and was the MLA for Saskatoon Eastview for 10 years, which included serving as the Minister of Social Services and Minister Responsible for Senior's Issues. Bob also spent 10 years in the Department of Social Services, including three as the Regional Director.

Bob has both a Bachelor's and a Master's Degree in Social Work from the University of Manitoba.

Bob has been on many boards and committees, including: Carmel House (boys group home), the Saskatoon Girl's Group Home, Crocus Co-op, Meewasin Valley Authority, the Saskatoon Mental Health Advisory Committee, the Saskatchewan and Canadian Association of Social Workers, the Canadian Association of Food Banks and the Saskatoon Advisory Committee on Homelessness, to name a few. Bob has done many charity fundraisers over the years, including the Saskatchewan Marathon for Mental Health, roller-blading for the Food Bank and he released a CD for Crisis Services.

### **Ted Merriman**

Ted Merriman is currently the President of Medallion Pipe Supply. From 2003 to 2007, he served as the MLA for Saskatoon Northwest and the Opposition Critic for Community Resources and Employment (now Social Services). Other previous career highlights include serving as Vice President of Westbridge Computer Corporation, Canadian Vice President of NCR and Vice President of MCR Systems in Toronto.

Ted has served as a board member with Catholic Family Services and Big Brothers and is Past President of the Saskatoon Downtown Progress Club. Ted has founded and chaired a number of charities under the Care and Share banner. Amongst other things, his charities help provide books, clothing and recreation for underprivileged children across the city.

Ted has been awarded the Queen's Golden Jubilee Award for his community service. He was also the 2000-2001 Saskatoon Citizen of the Year. In previous years he received the Nissan Award for Big Brother of the Year for the Saskatchewan / Manitoba Region, the Banai Brith Proud of You Award and the Progressian of the Year Award.