

CO-OPERATIVE INNOVATION PROJECT



Housing in Rural and Aboriginal western Canada: Communities speak out

Notes from the Co-operative Innovation Project

In western Canada, rural and Aboriginal communities face a housing crisis. Proper housing is required to support growing and healthy communities.

The Co-operative Innovation Project

From 2014-2015, the Centre for the Study of Co-operatives at the University of Saskatchewan led the Co-operative Innovation Project, looking into the possibilities of co-operative development in rural and Aboriginal communities in western Canada.

Through on-line and telephone surveys and open events in communities in Manitoba, Saskatchewan, Alberta, and British Columbia, the Co-operative Innovation Project asked: what are the needs in your community? And, what do you know about co-ops?

What we learned: rural and Aboriginal communities across western Canada are deeply concerned about housing. Whether they are a First Nation facing inadequate and overcrowded housing, a rural community squeezed for space to welcome new citizens, a community with an aging population looking to match housing with people's needs, or a community with few skilled tradespeople to repair and maintain current housing or build new houses, everywhere we went, housing was a hot topic.

Housing – it's all about choice

A lack of housing options – including houses available to buy or rent, condominiums, regular apartments, and low-income options – all play a role in a community's ability to grow. Without housing options, residents are forced to accept unsuitable housing, commute to another community with better options, or move. None of these choices are acceptable, and none contribute to the long-term sustainability of a community.

Housing – affordability

Affordable housing is the current buzzword in western Canada – particularly given several years of strong growth in many resource-based regions. Rural residents are used to a level of economic disparity compared to urban residents. As a result, rural housing prices are generally lower than in urban centres. In a boom cycle, this may not be the case. Housing prices skyrocket according to demand and local economic wealth. Oil or natural gas production, for example, can cause housing prices (both for purchase and for rent) to rise. In other cases, rural resort communities observe rising housing prices as urban residents buy or build summer vacation properties. Local price inflation has posed a major concern to permanent residents.

If a community's barrier to housing is lack of affordability, there are significant social ramifications. Every community has entry level positions – at coffee shops, grocery stores, and restaurants, for example – where the pay has not kept pace with housing cost inflation. Nonetheless, these positions and businesses are critical to a community's overall well-being, and so it is important that affordable housing options are available.

Communities aim to provide low-income housing – for seniors, for those requiring social assistance, and those who need a hand up – to match a community's resident base and address local needs. In boom communities, low-income housing is often used to meet the rising housing demand, which in turn puts additional pressure on those for whom it was originally built.

Housing – quality

Rural and Aboriginal communities expressed concern about housing quality. In some cases, a community with

too many rental properties noted a decline in housing quality and street-view cleanliness. In other cases, low-income or other rental properties have been built quite cheaply. Such construction wears out quickly, leads to higher heating bills in winter and can, in some cases, lead to mold or other damage due to environmental factors and extreme weather conditions.

Other rural communities noted a general decline in the stock of available housing. What houses are available for purchase or rental are old, small, and inadequate to meet today's standards and expectations. Many need significant renovations, which requires both time and financial investment. Young professionals and busy families move to places where good quality housing is more widely available at affordable prices.

Housing – specialty

Rural and Aboriginal residents in western Canada identified a variety of specialty housing needs. There is a growing need for multi-unit complexes, either for regular rental or to service a particular market, such as seniors or professionals (e.g., bankers, teachers, health care workers). Rural seniors are looking to sell their farms or houses (and retire from all the required mowing, snow shovelling, and maintenance) but want to remain living in the community. Professionals, many of whom move from community to community, expressed a desire for housing to suit their needs. Condo-style multi-units for purchase or rental were a hot topic.

Other types of senior housing identified include support complexes, similar to those in urban centres, with access to group dining, nursing, and cleaning services. Seniors with less mobility need seniors' residences and old age care homes, both public and private. A key requirement for rural seniors' housing is the need to be near other services, particularly health care, pharmacy, and grocery stores. Communities that don't have such services observe residents moving to alternate communities with more local service options.

Housing – solutions

We asked communities: who do you think will solve your local housing issue over the next three years? Communities suggested that there is room for multiple players, from business entrepreneurs to government. There are clear op-

portunities to fulfill housing needs in rural and Aboriginal western Canada.

But in most cases, the communities themselves wanted to be part of the solution, to direct development to suit community need. What they lacked was a supportive environment, with funding and financing options, and access to experts. There is a role for provincial and federal governments to match policies and financing options to community-level initiatives.

Role of co-operatives

If communities want to be part of the solution, then one available option is to create housing co-operatives. In many communities, there was a clear history of successful co-operative housing models, both to build co-op rental housing, and to co-operatively build private houses.

Housing co-ops can be set up in various ways to meet the needs of their member-owners. For example, a group in southern Manitoba is in the process of putting together an Aboriginal senior's housing co-op that has built-in cultural spaces, units with multiple bedrooms, and a children's play area, which suits Aboriginal multi-generational family dynamics.

Another solution is for local skilled tradesmen to create a worker co-operative. Their business could be to service the housing industry for new builds, renovations, and upkeep. A worker co-operative moves skilled tradesmen from hired hand to business owner.

Barriers to co-op formation include financing and co-op development support. Building a co-op business, as opposed to a conventional business, requires a clear understanding of the co-operative model, development support, targeted business financing aimed at co-ops, and ultimately a fundamentally different approach to addressing the needs of the community.

A clear government commitment to solving western Canada's urgent housing crisis will involve investing in community-led innovations, such as co-operatives, that respond to and build from the unique needs, opportunities, and capacities of each community.

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