

Newsbriefs

ONTARIO EDITION April 2005 – Volume 13, No. 1

by Tom Morris



Special issue: Fix the SHRA

West Rouge Co-op weighs in on SHRA

Calls on Minister to fix the Act, not defend it

West Rouge Housing Co-operative's letter to their MPP was a cry for help. The Scarborough co-op's complaints about how destructive the *Social Housing Reform Act* (SHRA) has been to their co-op will be instantly recognized by the other 260 co-ops operating under the Act.

In their November 2004 letter to their MPP, **Mary Anne Chambers**, the co-op called the SHRA "complex, restrictive and expensive." They said the Act passed by the Conservative government in 2000 urgently needs reform. Chambers immediately sent the letter along to the Minister of [2] ▶

1-5

All about the SHRA campaign

A series of articles with the latest campaign news and lobby tips.

6

Co-op Act changes

Changes to the Co-operative Corporations Act give co-op directors broader liability protection.

7

Energy management

The SHSC energy management program gets underway with a pilot project that includes nine co-ops.

8

Council Profile

A profile of Ontario Council Treasurer, David Spackman..



◀ [cover]

Municipal Affairs and Housing, **John Gerretsen**, asking him to reply directly to the co-op.

The Minister's February 25 reply was a disappointment. "It missed our main message that the Act is unworkable, that it hurts co-ops and is in crying need of overhaul," said the co-op's board. Gerretsen's reply did note that the Ministry has been consulting with stakeholders, including CHF Canada, on potential changes to the SHRA. But, for the most part, the letter defended the legislation or suggested that the co-op talk to someone else about the problem.

West Rouge is one of many co-ops that met with their MPP last fall and are now following up to show how the SHRA hurts their co-op's operations and the morale of their community. "We feel like puppets with constantly changing rules and mountains of paperwork to process," says co-op President, **Barb Tulk**.

In their letter to Chambers, the co-op says they have always worked hard to be "an inclusive community with residents from all walks of life working together." But, they complain, "this objective is becoming more difficult to reach as the board, committees and staff are now required to spend so much time trying to keep up with, understand and respond to the new legislation which leaves little time for community development, youth and member outreach...."

It is now much harder to run the co-op efficiently because the "requirements of gathering and reporting information and statistics have increased significantly." This drains staff time away from core management tasks such as controlling arrears and reporting to the board.

The co-op is particularly critical of new rent-geared-to-income rules that add a new administrative burden and hurt low-income members.

"The new requirements have resulted in a one-month task becoming a six-month ordeal.... New software had to be purchased to manage all the data, timeframes and deadlines."

Worse still, they can no longer offer security to long-time members. "If a member of the co-op paying market rent has a reduction in income, the co-op is not allowed to give them a subsidy even if the co-operative has one available. They must go on a central waiting list for subsidy. If they go into arrears, they must move or be evicted and the co-operative then has to find a person from the... central waiting list to move into the unit."

The co-op slammed the undemocratic nature of the SHRA, particularly the requirement to invest their capital reserve funds with a single firm. The Act makes co-ops responsible for the financial health of their co-op but takes away the right of boards to make investment choices.

West Rouge says that they were not only disappointed by Minister Gerretsen's reply – but puzzled by it. They wrote "In opposition, members of the Liberal party stood up in the legislature and condemned the SHRA, as did many of your candidates in the last election. We question whether this critical piece of legislation reflects the core political values of your government." The letter concedes that the Liberals have made a few, mostly minor, changes to the regulations but comments that, at this rate, "it will take about 130 years to make any significant progress."

West Rouge and other co-ops are not willing to wait 130 years. They will not be put off or ignored, but intend to step up pressure for meaningful changes to legislation that hurts co-ops and simply does not work. ☹

▶
West Rouge directors Claudia Ceres, Kathy Scott (seated) and Barb Tulk, David Coulter and Rebecca McKay (standing) review their letter from Minister Gerretsen.





◀ Janet Gardiner, Treasurer of the Co-operative Housing Federation of Toronto and member at Edgeview Housing Co-op and Lori Bremner, director at New Hibret Co-op Homes met with George Smitherman, MPP for Toronto Centre-Rosedale and Minister of Health and Long-Term Care in his constituency office."

- federal-program co-ops – write to the Minister about how you are able to operate under a fixed, simple agreement, unlike provincial co-ops that have to deal with complicated, heavy-handed rules
- once you have done that, set up a meeting with your MPP, on your own or with other co-ops in your area
- get individual members to write their own letters about why the SHRA needs to be fixed.

Phase 2 campaign goal: June decision by Minister

The second phase of the campaign to fix the *Social Housing Reform Act* kicked off in February with a new slogan “We want our co-ops back”. The slogan sends a clear message about how much co-ops feel is at stake as they fight for control of their homes. The Ontario Region sent a package of materials to co-ops, including posters, a brochure setting out key issues and a campaign bulletin with tips for writing your letters to the Minister of Municipal Affairs and Housing, **John Gerretsen**. We have also unveiled a new area of our website dedicated to the lobby (see campaign tools online, page 5).

Our goal in phase 2 of the campaign is to win a promise from the Minister, by our annual meeting, to do a full review of the Act. The Minister has made a preliminary commitment to speak at our meeting and we hope he will use the occasion to make the announcement. To make this happen, Minister Gerretsen needs to hear from every co-op in Ontario before the AGM. Here is what we are asking you to do:

- Ontario-program co-ops – write to the Minister with your story about how the SHRA is hurting your co-op and your members

The message is getting out. We know that the Minister is hearing from MPPs. “But we haven’t accomplished anything yet,” says **Harvey Cooper**, Manager of Government Relations. “The government’s focus remains health, education and the deficit and Minister Gerretsen is tied up with the Greenbelt legislation and controversial *Tenant Protection Act* changes.”

“To break through,” Cooper says, “we need the active support of a broad base of government members. It’s not enough to get MPPs to ask the Minister to look into our concerns. We need the MPPs to press the Minister to take steps to fix the problem.”

If you have not written your letter to the Minister yet – write it this week. Be sure to send a copy to your MPP. Encourage your members to write. Even a couple of letters from individual members in each co-op will make a big difference. Then push hard to get a meeting with your MPP in the next few weeks.

Need help? Have questions? Contact Harvey Cooper at CHF Ontario Region at 1-800-268-2537 (in Toronto, call 416-366-1711 ext. 237). E-mail: hcooper@chfc.ca or **Andrew Noble** at ext 239. E-mail: anoble@chfc.ca. Andrew replaced **Brian Eng** who left to take another position. ☺

Campaign notebook

Opposition support

The SHRA lobby is focused on government MPPs. We want them to press **Minister Gerretsen** to open up the Act. But we are also looking for the backing of the two opposition parties. Having some level of all-party support will make it much easier for the Minister to commit valuable time in the legislature to reviewing the Act.

At a recent meeting, **Michael Prue**, the NDP housing and finance critic, offered to help. Prue said he would write a letter to the Minister calling for an overhaul of the Act. He said he was flabbergasted that the government had not at least passed the consensus regulation changes submitted by a group of service managers, **ONPHA** and the Ontario Region over two years ago. "Regulation changes don't have to go to the legislature. All you need is cabinet approval and an Order-in-Council. What is the problem?" asked Prue. He was also puzzled about why the government is taking its time to change legislation it was so critical of when in opposition.

Just before Christmas, Council President **Lori-Anne McDonald**, Managing Director, **Dale Reagan** and Manager of Government Relations, **Harvey Cooper** met with the new Progressive Conservative Party leader, **John Tory**. In a very positive and relaxed meeting, Tory said he was intrigued by co-operative housing and saw a number of important benefits in the co-op model. He said, for example, that from what he has seen co-op members have a pride of ownership in their homes and a commitment to making their communities work. He noted that he finds the local democratic control in co-op housing very appealing. Tory also commented that he believes the community-based, smaller-scale, mixed-income model in co-op and non-profit housing works better than the government-run, public housing approach of earlier decades.

Just a day before the meeting, in an interview with the *St. Catharines Standard*, Tory indicated that he wants to review the party policy that led to the downloading of social housing. In its story on December 16, The Standard wrote "Seven years after the former Conservative government of **Mike Harris** downloaded a slew of services, including welfare, social housing and land ambulance... Tory said

reversing those changes may ease the growing tax burden on property owners." The paper quoted Tory as saying, "I believe it would be time now for us to re-examine some of the consequences of the changes we made to the reallocation of responsibilities in terms of who pays for what."

This apparent willingness to take a hard look at these issues is a positive development for the campaign to fix the SHRA.

Federal co-ops speak out

Ramer's Wood Co-operative Homes in Markham was first off the mark in phase two of the SHRA lobby.

The 81-unit federal-program co-op wrote to Minister Gerretsen on February 16 urging him to "set up a process to overhaul the SHRA right away". In the letter, President **Katherine Bontje** says "Our membership is thankful that we live in a federal co-op but are all too aware of the problems facing our provincial counterparts. Members in federal co-ops truly have the right and ability to make real decisions about running their co-ops. These fundamental rights and abilities do not exist for provincial co-ops under the SHRA."

These letters of support from federal-program co-ops that have no direct stake in fixing the SHRA send a strong message to the Minister about how important it is to co-op members to be able to run their housing as member-controlled communities.

Liberal report urges reform of welfare rules

A new report on the social assistance system by Liberal MPP **Deb Matthews** points to significant problems with employment assistance rules in Ontario Works and the Ontario Disability Support Program. The report sets out goals for reforming this part of the welfare system and recommends a number of changes. Deb Matthews is Parliamentary Assistant to the Minister of Community and Social Services, the Honourable **Sandra Pupatello**.

Members and staff in Ontario-program co-ops will find an uncanny similarity between the approach to social assistance that Matthews criticizes and the punitive RGI rules in the *Social Housing Reform Act*. This is not surprising as the former government closely modelled the get-tough approach in the SHRA on the policies it introduced into the social assistance system.

by Scott Piatkowski

Matthews' report says that social assistance should be changed by "moving from the current punitive approach, to establishing a supportive, client-centred approach to social assistance." It also calls on the government to move "from a system so mired in a labyrinth of rules..., to a system where the rules are simple, clear, well communicated and focused on helping people improve their circumstances and opportunities for success." And finally she says the system needs to move from one "that rewards municipalities for meeting activity quotas, to a system that rewards the achievement of lasting results."

Matthews' recommendations to Minister Papatello serve equally well as advice to Minister Gerretsen on the goals that should guide reform of the *Social Housing Reform Act*.

Co-op seniors press their Minister to help fix the SHRA

Seniors co-ops are joining together to ask the Ontario Minister Responsible for Seniors for his help in the campaign to fix the *Social Housing Reform Act* (SHRA). They are asking for a meeting to talk to him about how the Act is hurting their communities.

The Minister, **John Gerretsen**, will know more than most of his cabinet colleagues about the issues and will be in a better position to help out since he is also Minister of Municipal Affairs and Housing and is responsible for the SHRA.

Minister Gerretsen has taken a very active interest in seniors' issues during his political career which started at the municipal level. For years, he sat on the board of **Kingcole Non-Profit Homes**, a seniors' project in Kingston.

Seniors co-ops have a history of effective political action. Speaking out as a group about their concerns, members from these co-ops could have a big impact on the Minister. They will be able to point out how some of the SHRA rules that affect every co-op member are particularly bad for seniors. For example, rigid overhousing rules, a lack of priority on RGI waiting lists for existing market residents, and strict reporting deadlines, can be especially devastating for seniors living in co-ops. And the piles of paperwork required by the Act drain staff time from important community services that benefit members in these co-ops.

Peggy Racicot from **Rockview Seniors Co-operative Homes** in Sudbury is one of the seniors who wants a chance to talk to the Minister. She comments, "Mr. Gerretsen seems well qualified to be the Minister Responsible for Seniors. It's clear that he has a long-standing personal commitment to seniors' issues. We hope that we can get him to take a good look at the SHRA from our point of view and see how heartless, bureaucratic and wasteful it is. For a better quality of life for seniors he should be prepared to make some productive changes." 🙏

Fix the SHRA – campaign tools online

For the latest news on the campaign and lobby tools, go to CHF Canada's website at www.chfc.coop. Click on the Fix the SHRA logo on the Ontario Region home page.

You will find campaign bulletins, backgrounders and poster. You will also find a black and white copy of the campaign brochure that you can download to make more copies.

Co-op Act changes give directors more protection

The Ontario government recently passed some important changes to the *Co-operative Corporations Act*. The co-operative sector, through the Government Relations Committee of the **Ontario Co-operative Association** (On Co-op), had pressed for these changes for several years. The Ontario Region sits on this committee.

A number of the amendments bring co-op legislation into line with similar laws for private businesses. Most of the changes do not affect housing co-ops but the new rules about director liability will give broader protection to directors in your co-op.

The old rules in the Act limited how far a co-op could go in indemnifying its directors (protecting against legal responsibility) and what insurance it could buy to protect them. For example, a co-op could not buy insurance to protect a director if a court found that they had made a decision without taking enough care. Directors had to buy this insurance themselves. Many co-ops bought this coverage for their board members as part of their insurance package and then charged them \$5.00 or so for it.

With the changes, co-operatives can now, with some qualifications, indemnify their directors and buy director liability insurance, that gives directors a wider range of protection. The changes on director liability are already in effect.

Another change that will affect housing co-ops is that co-ops will be able to send notices and documents to members and directors electronically. Members and directors will also be able to send notices and documents to the co-op electronically. These changes will take effect only after the government sets new regulations. Ontario Region staff are working with government officials on the wording of these regulations as part of an On Co-op committee. On Co-op will publish a fact sheet on directors' liability on its website in April, (www.ontario.coop).

eALERT – new bulletin for Ontario co-ops

The Ontario Region has launched a new electronic bulletin to get the news out quickly on important developments that affect Ontario co-ops. The first eALERT in February gave Ontario-program co-ops the latest news on their funding benchmarks and upcoming training sessions.

eALERT, the Ontario Region's new electronic bulletin for Ontario co-ops, provides an inexpensive means of delivering news and updates quickly to members.

We will send eALERT to the e-mail address we have on file for each Ontario co-op. To make sure you receive future issues of eALERT, send your co-op's e-mail address to kmoyer@chfc.ca.

Liberals consult, but still no new housing

Just before last Christmas, the Ontario Liberal government carried out a hasty round of consultations on its Affordable Housing Strategy. The move was widely seen as an attempt to show action on their election promise to get back into the affordable housing business. The fact remains, however, that almost a year and a half after the Liberals were elected, there is no new housing program and almost no new funding.

On short notice the Ontario Region, as well as many co-op representatives across the province, took part in the consultations. Once more we called on the Province to redesign the program to



level the playing field for co-ops and make the housing affordable for low-income households. And we called on the government to live up to its promise to fund 20,000 units of new affordable housing in its first term.

The Liberals are expected to table the 2005 Ontario budget in late April or early May. "We're anxiously waiting to see if one of the Liberal governments that campaigned on a platform of more affordable housing will finally deliver on their promise," says **Lori-Anne McDonald**, President of the Ontario Council. "Co-op members were shocked when the federal budget in February failed to deliver a dime of the \$1.5 billion in new housing money promised in the last federal election."

You can find a copy of the Ontario Region submission on the Affordable Housing Strategy in the Ontario Regions pages of our website www.chfc.coop.

Province announces improvements to Affordable Housing Program

Responding to pressure from the Ontario Region and other housing advocates, the Ontario government has announced two changes to the rules for the federal/provincial Affordable Housing Program.

Up to \$100,000.00 will now be available to approved projects to help pay for up-front development costs such as architectural drawings, legal services and getting planning approvals. Under old program rules, a group had to cover all development costs out of its own pocket until it had got a building permit, which shut most co-ops out of the program.

The Province also announced increases in its share of funding under the program, from \$2,000 to \$4,000 per unit. This still falls far short of matching the federal funding of \$25,000 per unit.

The Ontario Region continues to press for major additional changes to the Affordable Housing Program to make the program work for co-ops and other community-based groups.

For more information, check out our website where you can find our December 2003 Brief to Minister Caplan on the changes to the Affordable Housing Program called for by the Ontario Region. Or call **Harvey Cooper** at 1-800-268-2537 (in Toronto, call 416-366-1711, ext 237) or email hcooper@chfc.ca.

Nine co-ops part of energy management pilot

Rising utility costs are forcing co-ops to get serious about energy management. Another big hydro rate increase is about to kick in and more increases are planned. Water costs are rising sharply as municipalities renew their water infrastructure and start to act on the recommendations of the Walkerton inquiry.


In the Spring 2004 issue of *Ontario Newsbriefs*, we talked about the products and services that the Cost Cutters program has put in place to help co-ops control their costs. You can get details about the program from your local federation or call **Miriam Wohl** at the **Co-operative Housing Federation of Toronto** at 416-465-8688, ext. 212.

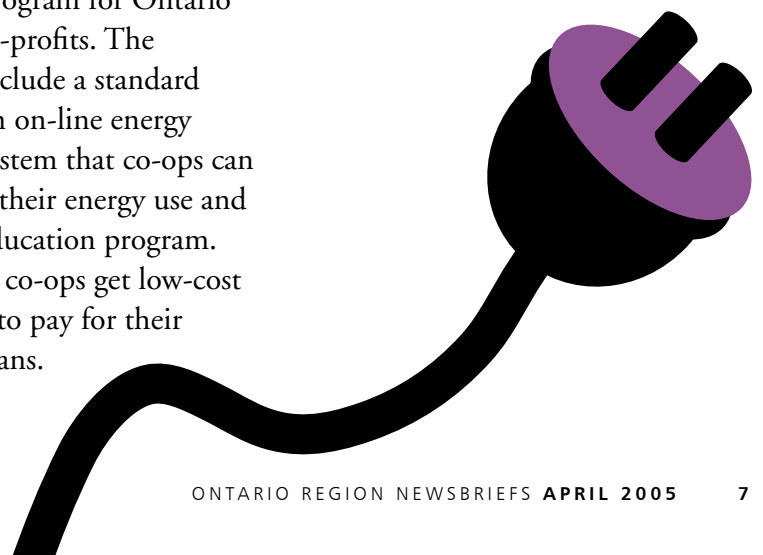
Now, some more help is on the way. The Ontario Region is working with the Social Housing Services Corporation (SHSC) to develop a new and ambitious energy management program for Ontario co-ops and non-profits. The program will include a standard energy audit, an on-line energy management system that co-ops can use to monitor their energy use and costs, and an education program. It will also help co-ops get low-cost loans or grants to pay for their conservation plans.

To test the program, the SHSC has started a pilot project with 30 co-ops and non-profits. Nine co-ops have been included in the pilot, including four federal-program co-ops. The co-ops are

- Willowside, Kitchener
- Glenn Haddrell, Ottawa
- Coop Voisins, Ottawa
- Anne Marie Hill, Scarborough
- Bob and Kay Carlin, Sudbury
- Alexandra Park, Toronto
- Hugh Garner, Toronto
- Metta, Toronto
- Secord Avenue, Toronto

The SHSC will use the results of the pilot to fine-tune the program before launching it in the fall. All Ontario co-ops will be eligible to take part in the program.

To receive updates on the pilot and on energy issues, you can subscribe to SHSC's new energy newsletter, *PowerLines*. To do this, send an e-mail to feedback@shscorp.ca. 



David Spackman, Northern Ontario Council member, takes a stand on the issues at the 2004 Annual Meeting of Ontario Members in Quebec City.



Publication information

Newsbriefs is published by the Co-operative Housing Federation of Canada. Material may be copied. Please credit CHF Canada.

Story ideas, comments or questions? Call Keith Moyer at 1-800-268-2537 or e-mail kmoyer@chfc.ca.

Editor: Keith Moyer
kmoyer@chfc.ca
Design and printing:
EGO Creative Solutions
design@egocreatives.com
Allegra Print & Imaging
jim@allegra-ottawa.ca

Contact information

National Office
311-225 Metcalfe Street,
Ottawa, Ontario K2P 1P9
Tel (613) 230-2201
Fax (613) 230-2231
Toll-free 1-800-465-2752

Ontario Region
313-720 Spadina Avenue,
Toronto ON M5S 2T9
Tel (416) 366-1711
Fax (416) 366-3876
Toll-free 1-800-268-2537

Taking care of Ontario business at the AGM

Mark your calendar for the Ontario Region annual meeting on Friday, June 17, as part of the CHF Canada AGM in Edmonton. For more information, read the AGM section in National *Newsbriefs* or visit www.chfc.coop/agm2005.

Council Profile: David Spackman

David Spackman is serving his second term as the Northern Ontario Council member and as the Council's Treasurer. Since he joined the Council, David has also sat on the working group on eviction law reform and on CHF Canada's annual meeting review committee.

David has been the general manager at **Castlegreen Housing Co-operative** in Thunder Bay since 1997. With David's help, Castlegreen has been working since 1999 to develop a 52-unit seniors' co-op.

David has set two key goals for himself as a Council member:

- to press the Ontario government to fund and design programs that we can use to build more co-op housing
- to help CHF Canada find new and better ways to deliver services to co-ops in unfederated regions, particularly Northern Ontario.

Before joining the co-op housing movement, David worked for 21 years in private and non-profit facilities management. He has run a downhill ski resort, a performing arts theatre and a golf course and curling facility.

David has served on the board of a number of community organizations including Habitat for Humanity, Magnus Theatre and a non-profit parent-run day care. With his wife Cindy, David is working with a group in a rural municipality near Thunder Bay to improve controls on private logging and implement a long-term forest management plan.

David is the father of two sons, both born on April 17th – but 19 years apart. In his free time, David likes to canoe the many lakes in Northern Ontario.

Housing co-ops make a difference: tell us your story

We often hear stories from co-op members about what a big difference their co-op has made in their lives. People who were too shy to speak in public start speaking at co-op meetings and are soon actively involved in their co-op or local federation. Sometimes moving into a co-op helps a family deal with a significant crisis or prevents homelessness.

The Ontario Region is gathering stories about how housing co-ops make a positive difference in the lives of members. Send us your stories or call us and tell us about your experience. Call **Keith Moyer** at 1-800-268-2537 ext. 224 (416-366-1711 in Toronto). Or e-mail kmoyer@chfc.ca.