Dear Mr. Mayor:

Thank you for your letter of October 26, 2006, in which you include a motion approved by the Hamilton City Council urging the federal government to renew and expand the National Homelessness Initiative (NHI) beyond March 31, 2007.

The Government of Canada understands the important role that the NHI plays in preventing and reducing homelessness in communities across Canada. That is why the NHI has been extended by one year to March 2007, with funding in the amount of $134.8 million, all of which has been allocated. Furthermore, $37 million, which was not spent in fiscal year 2005–2006, has recently been made available to ensure support for projects in 2006–2007.

In response to the call for sustainable solutions, Human Resources and Social Development Canada officials are developing options to address homelessness beyond March 2007. As part of this process, a stakeholder round table was convened in September 2006. This round table focused on strategic and sustainable solutions to prevent and reduce homelessness in Canada. The outcome of the meeting will be taken into account as the federal government reviews current policies, approaches, partnerships and delivery models, in order to ensure that federal investments provide concrete, meaningful and lasting results for Canadians.

I am also pleased to report that Budget 2006 confirmed the Government of Canada’s clear intention to support affordable housing across the country by allocating up to $1.4 billion over the next three years to support the building of new affordable rental housing units, transitional housing and supportive housing. This funding includes the following: $800 million to provinces and territories to help increase the supply of affordable housing, including transitional and supportive housing; $300 million to provinces to address immediate pressures in off-reserve Aboriginal housing; and $300 million to the three territories to address the particularly acute housing pressures in these regions.

I assure you that the Government of Canada is committed to working with all levels of government, local communities, faith-based organizations, and the private, not-for-profit and voluntary sectors to implement short- and long-term solutions to homelessness.
Thank you again for taking the time to write regarding this important issue. Your comments are appreciated.

Yours sincerely,

The Hon. Diane Finley, P.C., M.P.