Homelessness in Calgary

An Economist's Perspective

By: Kerri Neil

This past week Memorial played host to Dr. Ron Kneebone, a visiting professor from the University of Calgary, to hear his work on homelessness in Calgary. While Calgary is one of the richest cities in Canada, it also holds one of the highest rates of homelessness. An average of 2000 people stay in shelters every night, while another 50-500 'rough sleepers' stay on the streets. Problems of homelessness are interrelated with domestic violence, food insecurity, income support measures, and legal/police/by-law enforcement, making it at a complex issue to solve. Homelessness is a sign of a broken social safety net and can only be solved by changing the policies of governments and social agencies, because the current policies clearly aren't working. Calgary is currently in year 6 of a 10 year plan that has done very little to mitigate the problem but has taken important steps to understanding it.

Breaking away from a career studying government finances, Dr. Kneebone became involved with the Calgary Homeless Foundation and learned some startling information for an economist: there was a complete lack of data. While the government knew how many people were checking into shelters each day, nobody was collecting data on who these people were, how long they stayed at the shelters, and how many times they returned, if at all. The government knew how many shelter beds were being used, but it hadn't been properly compiled to compare shelter use on different days of the week, different months of the year, or aggregate trends over times.

When Dr. Kneebone saw these stark holes in the data, he began a project to fill the gaps and learned some interesting information. Homelessness in Calgary is positively correlated with the business cycle, so when the labour market is booming, the number of people in shelters rise as more people move to Calgary looking for work. A rise in shelter use during weekdays implies that many of the homeless are working, and these men and women often receive preferential treatment, including a wake-up call, making these shelters more like cheap hotels. Interrelated is the lack of affordable living accommodations in Calgary. The city has been rezoning spaces, gentrifying areas, which has caused a dramatic decrease in the number of single room occupancy hotels and a complete removal of trailer parks. This has been directly correlated with the rise in the use of shelters since the 1990s. Interestingly, the issue of homelessness is not as prevalent in Edmonton. Despite being a near-by city of similar wealth and size, Edmonton has half the number of homeless people but many more rental accommodations.

Dr. Kneebone's solutions are simple and adaptable. The municipality must rezone and create more areas with affordable renting accommodations. Subsidizing the private sector to create these would be effective in putting them up faster. Echoing Brendon O'Flaherty, Dr. Kneebone also suggested incentivizing housing; giving people money for having a house and thereby minimizing behaviour that leads people to lose their homes. The grandest solution proposed was a Guaranteed Annual Income, topping up everyone's income so that they meet a certain living standard, with which they can do what they please. This was done in Dauphin, Manitoba under a progressive government between 1974-1979 with great success in making people healthier, physically and mentally, and more likely to seek education, making them more productive members of society.

Dr. Kneebone's presentation was an enlightening take on how to solve problems of homelessness that can be directly used to understand issues in St. John's. As our economy booms, do we have enough affordable housing to give everyone homes? Are we collecting enough data to understand the issues at hand? Answering these questions will be important to tackling the issues here in St. John's and lead to improved circumstances for everyone.