

# Municipalities Under Pressure:

## The Growing Human and Financial Cost of Ontario's Homelessness Crisis

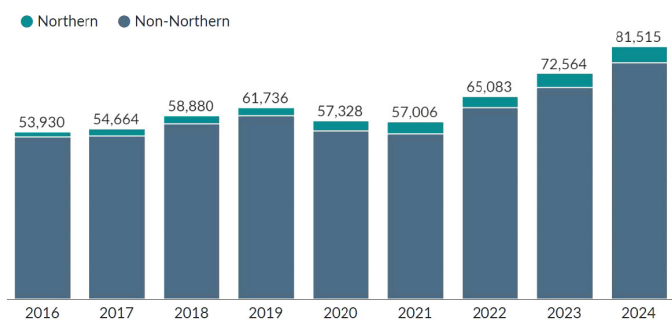
**Ontario is at a tipping point in its homelessness crisis. A new study reveals the unprecedented and growing costs to individuals, families, communities, and governments. It also charts a collective path forward.**

The Association of Municipalities of Ontario (AMO) has partnered with the Ontario Municipal Social Services Association (OMSSA), the Northern Ontario Service Deliverers Association (NOSDA) and HelpSeeker Technologies on the most ambitious study of homelessness conducted across Ontario.

### **The homelessness crisis in Ontario is severe and getting worse.**

- More than 80,000 Ontarians were known to be homeless in 2024, a number that has grown by more than 25% since 2022.
- More than half of this total are chronically homeless, characterized by prolonged or repeated episodes. This is a critical indicator of the breakdown in the homeless response system.

People Experiencing Homelessness



### **The vast majority of homeless individuals live in urban centres in southern Ontario, but homelessness is increasing fastest in rural and northern communities.**

- In rural communities, homelessness has grown by more than 150% since 2016, compared to an average of about 50% across all communities.
- In Northern Ontario, homelessness has risen by an estimated 204% since 2016, more than four times faster than in southern Ontario over the same time period.

### **Different groups of people are disproportionately impacted by homelessness.**

- While the majority of those experiencing homelessness are adults, **nearly one quarter of chronically homeless Ontarians are children (0-15) or youth (16-24).**
- Refugee homelessness has grown more than 600% in four years, while the number of chronically homeless immigrants has doubled in the same time period.

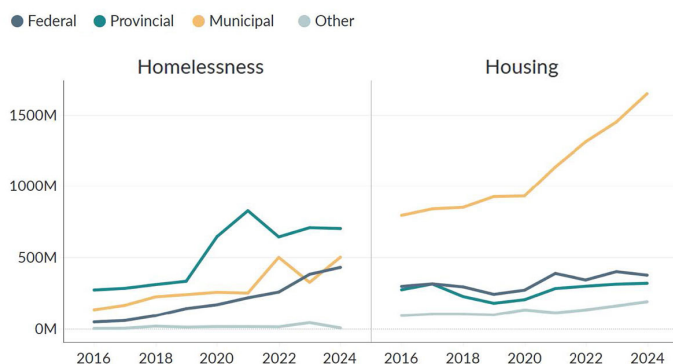
**Almost 50 per cent of the chronic homeless population in some communities are Indigenous, reflecting the enduring effects of colonialism.**

All orders of government have a responsibility to work together in the spirit of reconciliation to commit meaningful resources to advance homelessness solutions that are co-developed and led by Indigenous People, recognizing the majority of Indigenous people live in urban and rural communities.

**Municipalities have stepped in to address homelessness in their communities despite homelessness in their communities despite limited resources. The provincial and federal governments have not done their part.**

- Municipal spending on homelessness and housing programs has sky-rocketed since 2020, growing to more than \$2.1 billion in 2024.

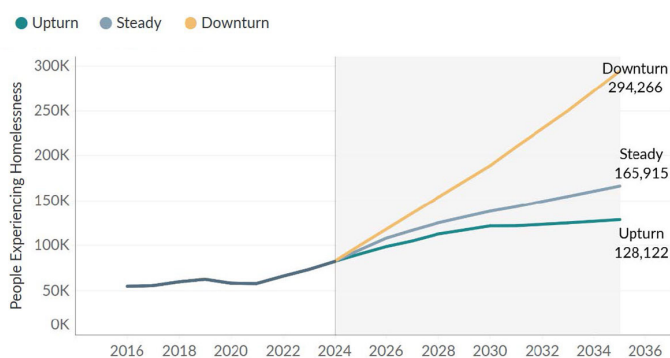
Government Spending on Homelessness and Housing in Ontario



**The situation will only get worse if we don't take action.**

- Without additional action, homelessness will continue to increase.
- **Even under a steady economic scenario, homelessness in Ontario could double over the next 10 years** and could grow to almost 300,000 people in an economic downturn.

People Experiencing Homelessness Projections: All Ontario



**The scale and scope of homelessness described in this report should be unacceptable in Ontario.**

**To end chronic homelessness, we need a fundamentally new approach that prioritizes long-term housing solutions over temporary emergency measures and enforcement-based responses.**

- To end chronic homelessness, the report modelling showed that an additional **\$11 billion over 10 years**, would re-focus investments into capital, increase focus on prevention, and create more than 75,000 new affordable and supportive housing units\*. This approach would prevent people from becoming chronically homeless by creating stable exits from homelessness.
- To tackle the **immediate priority of ensuring all encampment residents are appropriately housed, we need an additional investment of \$2 billion over eight years** to greatly increase the capacity of support services and supportive, transitional and community housing, and to move people into stable housing.

**Through collective and strategic action, we can make our communities safer, improve quality of life, reduce costs and improve local economies.**

**Recent provincial investments in homelessness are appreciated but inadequate:**

- \$50 million for affordable housing is 3% of what municipalities alone spent on housing in 2024.
- \$20 million in additional shelter funding is 2% of the total spending on shelters in Ontario in 2024.
- \$378 million for HART hubs is an important investment in health services however, the 375 supportive housing beds is only 6% of the additional capacity needed to end encampments.

\*Numbers reflect provincial average costs. Unit costs for individual municipalities will vary based on unique circumstances.