

Provincial Accountability on Homelessness: The Burden on Business (2023)

Issue

Municipalities are ill-equipped to address the community level impacts of homelessness, and direct funding is only provided to a few municipalities that qualify for supports. This in turn impacts municipal taxation leading to increased tax burden on those businesses that remain.

Background

The Government of Alberta announced significant new funding to reduce homelessness and expand Alberta's response to addictions on October 1, 2022. \$63 million over two years was promised to support the provincial [Action Plan on Homelessness](#)⁴⁶ to select communities. This plan concentrates its focus on priority communities like Edmonton, Wetaskiwin, and Lethbridge. Work will also focus on equalizing funding between community-based organizations in Edmonton and Calgary. As homelessness is not exclusive to the aforementioned municipalities, supports are a necessity for all communities regardless of size, and are best administered by those individual municipalities.

Alberta faces a growing challenge of homelessness. The reasons behind the increase in homelessness are many and complex, rooted in fiscal, social and policy decisions over many years. Supporting those who are experiencing homelessness is a provincial accountability and there are fundamental system level changes in how healthcare, mental health and addictions, and social services supports are provided that need to be reviewed.

While funding and program delivery is a provincial accountability, the impacts of homelessness are most felt by municipalities, business owners, and residents. The detrimental effect of inaction results in economic distress for businesses, economic dead zones, and economic deterrents leading to reduced tax revenues for the municipalities, and increased tax burden on our recovering businesses. There is also the burden of increased crime that adds pressure to law enforcement, emergency responders, and community social services.

Homelessness does not recognize borders and exists in varying degrees in all communities across Alberta. It is imperative that provincial investment in direct support delivery at the community level is consistent and equitable.

The Alberta Chambers of Commerce recommends the Government of Alberta:

1. Develop and execute a comprehensive Provincial action plan and respond to homelessness across Alberta ensuring that municipalities of all sizes are considered.
2. Create realistic and sustainable funding models for homeless assistance services.
3. Increase the overall funding for municipalities, allowing them to create and manage a sustainable solution-based response based on the distinct and individual needs of each municipality.

⁴⁶ <https://open.alberta.ca/publications/action-plan-on-homelessness>

4. For communities that have no community support organizations within a municipality, provide a funding structure whereby a municipality could access additional funds for programs that proactively address homelessness.