

August 2026

Ontario's Homelessness Crisis Worsens

AMO Position

- Ontario municipalities are on the front lines of the homelessness crisis and the growing human and financial costs associated with it.
- Municipalities do not have the tools or financial resources to meet the complex health and social challenges that communities across Ontario are now facing.
- The unprecedented scale of homelessness and its intersection with the mental health and addictions crisis demands bold, transformative action on an urgent basis.
- AMO is calling on both the provincial and federal governments to expand their investments in deeply affordable community, supportive and transitional housing in the immediate term.
- Over the long term, AMO is urging the provincial government to take decisive steps to address the root causes of homelessness to prevent it in the first place, including improving income support and increasing funding for mental health and addiction services.
- A renewed National Housing Strategy beyond 2028 can help end chronic homelessness.
- Investing in community housing is the right thing to do socially and economically. It supports future productivity growth and job creation, essential at this time of economic uncertainty.

Overview

- The homelessness crisis is taking a devastating toll on people and communities, undermining a healthy and prosperous Ontario. Homelessness imposes unnecessary costs on our institutions, community agencies, economy, health system and government. There is a cost to inaction.
- Homelessness is complex. It intersects with the mental health and addictions crisis, income insecurity, and a lack of affordable and supportive housing.
- Provincial action to date has been limited. Investments in HART hubs are appreciated but will create only a fraction of the supportive housing units needed.
- Through Build Canada Homes, the federal government has earmarked \$1 billion nation-wide to create new supportive and transitional housing for people experiencing or at risk of homelessness, which could result in more than 1,200 new units in Ontario. This is a step in the right direction, however AMO is calling on the provincial and federal governments to work collaboratively together to commit operating funding to fully leverage federal Build Capital Homes capital investments in supportive and transitional housing.¹
- We need a new approach – one that invests in long-term housing solutions, including deeply affordable community, transitional and supportive housing units across Ontario.
- The federal and provincial governments have publicly committed to renewing the National Housing Strategy beyond 2028; this is an excellent platform for collaboration to end chronic homelessness.

Key Facts

- There were 85,000 Ontarians who experienced homelessness in 2025, growing more than 8% from the previous year. Without action, this will only get worse. The number could grow to nearly 300,000 people over the next 10 years if we hit an economic downturn.²

- There is an urgent need for significantly more supportive housing units. Estimates of the shortfall of units just for mental health and addiction are about 36,000 units.³
- There is not enough deeply affordable community housing. The wait list for social housing has grown to over 300,000 households.⁴
- Municipalities are doing their part. Municipal spending on homelessness and housing programs grew to \$2.3 billion in 2025, an 11.3% increase from 2024.⁴
- According to in-depth modeling, an additional \$11 billion over 10 years would end chronic homelessness. It would include investments into capital, an increased focus on prevention, and create more than 75,000 new affordable and supportive housing units. This approach creates pathways to housing that help prevent people from becoming chronically homeless.⁴

Other Resources and Reports

- [Municipalities Under Pressure: An Update on the Human and Financial Cost of Ontario's Homelessness Crisis](#)
- [AMO's 2026 Pre-Budget Submission](#)
- [Homelessness Encampments in Ontario: A Municipal Perspective](#)
- [The Opioid Crisis: A Municipal Perspective](#)

For more information: Contact the AMO Media Team at media@amo.on.ca

¹ [AMO, 2026, Provincial Budget Spending Priorities and Build Canada Homes Operational Funding](#)

² [AMO, 2026, Municipalities Under Pressure: One Year Later of Ontario's Homelessness Crisis](#)

³ [Addictions and Mental Health Ontario, Addictions and Mental Health Ontario 2026 Pre-Budget Submission: Building a System of Profound Support](#)

⁴ [AMO, NOSDA, OMSSA, 2026, Municipalities Under Pressure: An Update on the Human and Financial Cost of Ontario's Homelessness Crisis](#)