

2019 Canadian Rental Housing Index – Media Q&A

What is the Canadian Rental Housing Index?

- The Canadian Rental Housing Index is a comprehensive database that provides an accurate picture of the rental housing situation in cities, regions, federal electoral districts, provinces and territories across Canada.
- All of the data used in the Index is provided by Statistics Canada using custom tabulations from the 2016 long-form census.
- The Index continues to serve as the first of its kind in Canada, examining issues of income, affordability, and overcrowding in more than 800 municipalities and regions across all of Canada’s provinces and territories, as well as all 338 federal electoral districts.
- It provides housing planners, non-profit developers, and local and regional governments with the information they need to plan for the future of rental housing in their region.

What does the Rental Housing Index do?

- It examines the state of rental housing across Canada by assessing the affordability and suitability (overcrowding) of rental housing stock.
- The Index continues to serve as one of the first major studies looking at incomes of renter households versus monthly shelter costs across Canada.
- The RHI provides customized data on the number of Canadian households that rent, how much of their average household income is going toward rent and utilities, and how overcrowded their living conditions are.

Why are non-profit housing organizations looking at levels of market rental housing?

- Nearly a third of Canadians – or 4.4 million households – rent, but most studies of housing affordability are focused on home ownership.
- With a policy focus on home ownership, we continue to see a gap in critical planning information that needs to be filled.
- When rents are so high in the private market it puts people at risk of homelessness. Homelessness costs the Canadian economy over \$7 billion per year ([Homeless Hub: The State of Homelessness in Canada 2016](#)). Prioritizing the need for a reliable supply of rental housing will help contribute to the lowering of rental costs.
- The higher the rents are in the private market, the more pressure there is on the non-profit housing sector to provide housing solutions for renters.

What do you plan on doing with this Index?

- The Index will provide housing planners, non-profit developers, and local and regional governments across Canada with the information they need to plan for the future of affordable housing in their respective regions.

How did you collect this data?

- All data in the Index comes from a Statistics Canada custom data request based on the 2016 long-form census. All data is specific to renter households. We will continue to update the Index after every Census period.

How does the 2019 Rental Housing Index compare to the 2018 Index?

- The 2019 Index was calculated using data from the 2016 long-form census as was the 2018 Index, however the data has been analyzed differently to provide far more detail and to look at the situation in the context of the upcoming Federal Election.
- The 2019 update includes information on renter households for all 338 federal electoral districts.
- The 2019 update includes information for renter households by demographic categories: Immigrants, Indigenous, Age, and family type.
- Given the wider data set used in 2018 and 2019, the Index offers a more robust overview of the situation in Canada in comparison to previous versions with demographic breakdowns to put a more accurate face to the situation.

Why did you include utilities in with the rental costs?

- Utilities are included in the rent figures since the data does not allow us to separate each respective cost out.
- It was also a way of equalizing all regions of the country, given that utility rates are higher in different parts of Canada (e.g. the North).

How do you define overcrowding?

- Overcrowding is measured by the [Canada Mortgage and Housing Corporation's National Occupancy Standard](#), which provides guidelines on housing suitability by family composition and size.
- As an example, two unrelated individuals sharing a studio suite to lower their monthly rental costs are considered to be in an overcrowded condition, whereas someone living in the same space with a spouse or common-law partner would not be.

RENT IN CANADA

How many renters are there in the country?

- There are approximately 4.4 million renter households in Canada -- 32% of all households.
- The highest percentage of renter households is in Nunavut (80%), followed by Northwest Territories (46%).
- Out of the provinces, Quebec (39%), BC (32%), Nova Scotia (31%), and Ontario (30%) have the highest number of renter households.

AFFORDABILITY

How do you determine housing affordability?

- According to the Canada Mortgage and Housing Corporation, a household spending 30 per cent or more of its gross income on housing is considered to have affordability issues.
- Households spending in excess of 50 per cent of gross income on housing are severely overspending and considered to be at a *crisis level of spending, putting individuals and families at risk of homelessness*.

What effect does rental housing have in the country?

- According to a KPMG study ([KPMG Economic Impact Assessment Study](#)), in 2015 the rental housing industry contributed \$69.3 billion to Canada's GDP, \$30.6 billion in labour income, and 436,306 full-time employment positions.
- Many of Canada's economic goals (e.g. resource development, highly trained professional sector, skilled immigration, etc.) all depend on rental housing at various points. Unaffordable levels of rent could impact our ability to achieve those goals.

What effect does a lack of affordable rental housing have in the country?

- Unstable and unaffordable housing often leads to a range of socio-economic issues including impacts to the health, justice, and social care systems.
- Without affordable rental housing, households cannot save for a down payment on a home, which continues to put home ownership further out of reach for many Canadians.
- The data shows that, while the 2001 to 2011 period saw an increasing rate of homeownership, 2011 to 2016 saw a decline in homeownership and a rise in the proportion of renters in all provinces/territories except Nunavut.

Where is there a need for more affordable housing?

- The data shows that there is a need for more affordable housing across all of Canada, in both rural *and* urban areas.

- The data also shows that the affordability issues we've traditionally seen in major urban centres are now spreading further into the suburbs of large metropolitan areas like Toronto and Vancouver.
- The provinces that show the greatest need for affordable housing are: Ontario, B.C., Nova Scotia, Saskatchewan, and Newfoundland/Labrador.