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OPIMS: 63610

Printed in Canada

Produced by CMHC

Canada Mortgage and Housing Corporation supports the Government of Canada policy on access to information for people with disabilities. If you wish to obtain this publication in alternative formats, call 1 800 668-2642.

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Introduction: Why Housing Matters

Housing matters to Canadians, their communities, the environment and the economy.

Housing and people

Housing is of profound importance to Canadians. In times gone by, housing was regarded first and foremost as shelter from the elements. Over time, generations of Canadians have developed a strong attachment to their homes for reasons that go beyond shelter alone.

While Canadian society is highly mobile, with people moving many times during their lifetimes, the home remains an anchor, providing a link to family, neighbours and the broader community. The home therefore provides an important foundation for obtaining and maintaining employment, for creating a secure and supportive environment for raising children, for accessing public and private services and for building the web of relationships that underpin a socially cohesive community. While Canadians are now among the best-housed people in the world, the search for shelter remains a very real and present reality for the most unfortunate in society, the homeless.

Housing also has great economic significance for individual Canadians. For many households, housing and related costs often form the largest component of the household budget. For those who have purchased their homes, housing constitutes a major financial asset, a way of building wealth and contributing to their longer-term financial security. For households with very low incomes,

paying for suitable and adequate housing, along with all the other household necessities, places a very significant strain on their limited economic resources. The same can be true for some households with special requirements related to disabilities, for whom housing designed with their needs in mind can be essential for day-to-day living.

Housing has important health dimensions as well. The way homes are constructed and maintained can influence the health and well-being of residents. New knowledge is enabling us to better understand the relationships between our homes and our health and the influence that housing plays in contributing to the health of Canada's population overall.

Just as housing is important to people, so too, are people important for housing. Skilled labour in the building trades and other housing professionals are of pivotal importance in ensuring the quality of Canada's housing. Equally important are knowledgeable housing consumers who are equipped to make well-informed decisions about their housing and its ongoing maintenance and care. Knowledge creation that supports a better understanding of housing challenges and solutions plays an important role in ensuring ongoing improvements in housing conditions in Canada.

Housing and communities

The availability of housing of varying sizes, types, tenures and prices constitutes an important building block for inclusive communities capable of accommodating residents with diverse housing needs and economic

means. It is also an essential aspect of a community's quality of life. In today's global economy, quality-of-life factors are regarded as critical to attracting and retaining the people and investment that Canadian cities require to sustain their continued growth and prosperity.

Cities are increasingly being recognized for the role their economies play in contributing to economic growth in Canada, as well as their importance in contributing to innovation and the creative life of the country. Nearly four out of five Canadians now live in an urban centre. Public and private investments over the years have helped ensure that Canada's cities offer a high quality of life. Accordingly, Canadian cities regularly place well in international comparisons of quality of life. They have also been successful in attracting immigrants from around the globe, who bring new skills and diversity to Canada's economy and social fabric along with additional housing requirements. There is growing concern, however, that increased investments in housing and related infrastructure are required in order to maintain the quality of life in Canadian cities.

Housing is also an important resource in medium-sized and smaller communities in Canada. Ensuring an adequate supply of housing is a pressing challenge for Aboriginal communities and settlements in Canada's Far North, which are experiencing rapid population growth.

Housing and the environment

Housing has important environmental dimensions. The construction and operation of housing is a major consumer of land, energy and raw materials. The choices that Canadians make as housing consumers have broader implications for the environment, insofar as they influence the consumption of energy, land and other resources as well as the overall form and design of our communities. The challenges associated with climate change are leading to a renewed focus on sustainable development in Canada.

The way communities are designed can have significant impacts on commuting patterns, traffic congestion and the production of greenhouse gases, which contribute to climate change. Approaches to the development of new, sustainable communities, as well as intensification of existing residential neighbourhoods and brownfields development are being explored by communities across the country in an effort to balance social and economic objectives with the preservation of the environment and quality of life. Looking to the future, advancements in communications technologies and infrastructure are also likely to be part of the solution, as Canadians in increasing numbers take advantage of the Internet to communicate, shop and do business from their homes.

Housing and the economy

The housing sector is a significant component of the Canadian economy. Housing's importance to the economy has been growing in recent years, as low mortgage rates coupled with strong growth in employment and personal income have provided the foundation for strong housing demand. As a result, the housing sector has accounted for an increasing share of Canada's total economic output.

Demand for housing stimulates activity in the new construction and the renovation industries. The associated expenditures generate ripple effects throughout the economy, creating jobs and business opportunities in communities across the country. A broad range of industrial sectors and businesses benefits from the resulting increase in income flows within the economy.

Homeownership has provided an opportunity for generations of Canadians from all walks of life to invest and build wealth while providing a home for their families. The equity built up in the family home over time can provide a safety net to help weather periods of economic downturn as well as a source of wealth on which to draw in retirement. The financial security that homeownership provides plays an important role in underpinning overall consumer confidence and spending of Canadian households which, in turn, help to sustain economic growth.

The State of Canada's housing: An Overview

This report charts the state of Canada's housing. The contents are divided into five sections that explore the diversity of Canada's housing stock, demographic and socio-economic influences on housing demand, current housing market developments, trends in housing finance and challenges related to housing affordability. This section summarizes the conclusions reached in the balance of this report.

A portrait of Canada's housing

According to the most recent Census, there were over 12.5 million residential dwellings in Canada in 2001. Over 90 per cent of these (11.6 million) are classified in the Census as "occupied private dwellings." The remaining stock of almost one million dwellings was comprised of either unoccupied or vacation properties, or "collective" dwellings (such as hospitals, dwellings on military bases, correctional institutions, school dormitories and residences for senior citizens).

Canada's housing stock is relatively diverse and differs from one part of the country to the other, reflecting historical trends in population and economic growth, urbanization and the design of buildings and communities. The majority of Canadian households (57 per cent) live in single-detached homes, a proportion that has remained relatively stable for a quarter of a century. While they comprise over 80 per cent of the housing stock in rural areas and smaller centres, single-

detached homes are less common in Canada's larger cities, where land costs and residential densities are typically higher.

Next to single-detached homes, apartments are the most common housing type in Canada, accounting for 27 per cent of all occupied dwellings. Apartment buildings are a common feature in Canada's metropolitan areas. In Montréal, apartments are the most common dwelling type, comprising 55 per cent of all occupied dwellings.

Approximately two-thirds (65.8 per cent) of all Canadian households have purchased their homes. Among provinces, homeownership rates are highest in Newfoundland and Labrador, at 78 per cent, and lowest in Quebec, at 58 per cent. The lowest homeownership rates overall are found in Nunavut, where 24 per cent of households own their homes. Homeownership rates have been increasing in Canada in recent years.

Condominiums, a dwelling tenure introduced to Canada in the mid-1960s, represent a small but growing share of the ownership market. In many communities, condominiums offer an affordable means of accessing homeownership. As many condominiums are purchased by investors and then subsequently rented, they have also contributed to the supply of rental housing in many of Canada's urban centres.

Just over one in three households (34 per cent) live in rented housing. Apartment dwellings account for the

majority of rental units, and are the most common type of rented housing in Canada's large urban centres. In contrast, single-detached homes are the principal form of rented housing in rural areas and small centres, comprising just under half (44 per cent) of the rental stock in these areas.

Canada's housing stock is aging. In 2001, just under half (46 per cent) of Canadian homes were more than 30 years old, up from 35 per cent just 10 years earlier. The age of the housing stock varies from region to region in Canada, reflecting the historical pattern of settlement and population growth. Despite the aging of the stock, most Canadian homes remain in good condition. The majority of Canadian homes (65 per cent) require only regular maintenance. Just over one-quarter (27 per cent) of homes required minor repairs and fewer than one in ten (8 per cent) required major repairs.

While Canadian homes are in good condition overall, there are pockets of housing with significant repair needs. Aboriginal communities in particular face significant challenges related to the physical condition of their housing stock. At 39.2 per cent, the incidence of the need for major repair in Band housing was almost five times the national average in 2001. Dwellings located in Northern and remote communities also have a higher incidence of housing in need of major repair. While more than half of all dwellings in the Northwest Territories (52.4 per cent) and Nunavut (63.3 per cent) were less than 20 years old, these two territories had the highest proportion of stock in need of major repair of any province or territory in 2001 (16 per cent and 19 per cent, respectively).

At the same time as the aging of the stock is creating an increase in repair requirements, innovations in building design, materials and construction are contributing to improvements in the quality of Canadian housing. The average size of Canadian homes has also increased significantly over time. The growth in the number and size of Canadian homes is a contributor to increased energy consumption and related environmental impacts. Total residential energy use in 2001 was 3.7 per cent higher than it was in 1990. This increase would have been six times higher were it not for improvements in energy efficiency and conservation, which have helped to moderate energy use in Canadian homes.

In addition to energy use in the home, the way in which residential communities are designed also influences energy consumption and related environmental and quality-of-life impacts. Canada's cities are growing and increasing numbers of commuters are taking to the roads to get from home to work. For some Canadians, the distance between home and work is considerable. One in eight workers travelled over 25 km from their homes to reach their place of employment in 2001. Improved community design can help reduce the need for road travel, through increased densities, the creation of mixed commercial and residential neighbourhoods and access to public transportation.

Demographic and socio-economic influences on housing demand

The evolution of Canadian housing has been influenced by a variety of demographic and socio-economic factors. An aging baby boom generation and low and declining fertility have contributed to a slowing pace of population growth over the last decade and a half. The population slowdown would have been much more pronounced were it not for the growth in immigration.

Net international migration has now become the principal source of population growth in Canada, accounting for more than 60 per cent of Canada's population increase in recent years. The impact of immigration has been particularly noticeable in Canada's three largest cities: Toronto, Vancouver and Montréal, which attracted 74.1 per cent of all new immigrants to Canada in 2003. These cities have emerged as favoured destinations for immigrants from many parts of the world.

Canada's urban centres, in general, have been the focal points for much of the country's population growth in recent years. Nearly four in five Canadians lived in urban centres with populations of 10,000 or more in 2001. In the previous five-year period, the population of these urbanized areas grew by 5.3 per cent, while the population living outside them dropped by 0.4 per cent.

While Canada's population growth has slowed overall, its composition is evolving as some parts of the population are growing more rapidly than others. With the aging of the population, the number of seniors is growing roughly twice as fast as the general population. The growth of

Canada's seniors population is expected to accelerate in the future with the aging of the baby boom generation.

Canada's Aboriginal population has also experienced rapid growth. Between 1996 and 2001, the number of people in Canada identifying themselves as Aboriginal people rose by 22 per cent—more than three times faster than the Canadian population overall. Numbering just under one million, Aboriginal people now account for 85 per cent of the population of Nunavut, 51 per cent of the Northwest Territories, and 23 per cent of the Yukon. Elsewhere, the Aboriginal population is prominent in Manitoba and Saskatchewan, at 14 per cent of the total, and in the cities of Saskatoon, Winnipeg and Regina, where they comprise eight to nine per cent of the population.

Household formation has been strongly influenced by the growth and aging of the population. When baby boomers began leaving home as young adults in large numbers in the 1970s, the number of households in Canada increased by an average of just under 225,000 annually. With a smaller generation of young adults entering the housing market in the late 1990s, average annual growth in households was one-third lower.

The slowing pace of household formation has also been accompanied by a change in the composition of Canadian households. One-person households were the fastest-growing household types between 1971 and 2001, followed by lone-parent families and couples without children. Consequently, the average size of Canadian households declined from 3.9 persons in 1961 to 2.6 in 2001.

The overall aging of Canada's population has had an impact on homeownership rates, which have risen steadily over the last three decades. In the 1970s, when the first baby boomers were leaving home, most turned to rental housing, creating a strong demand for this housing tenure. By the turn of the century, the majority of baby boomers had become homeowners, contributing to an increase in the rate of homeownership. Homeownership rates increased markedly between 1996 and 2001, rising from 63.6 to 65.8 per cent, the largest increase for any five-year period dating back to 1971.

While demographic factors have clearly been a contributing factor, the rise in the total ownership rate is roughly double that which would be expected as a result of population aging alone, as ownership rates rose in

every age group. Since the late 1990s, prolonged employment and income growth have helped sustain housing demand. Whereas increases in shelter costs had outstripped growth in incomes in the early 1990s, the reverse was true later in the decade. The acceleration of household incomes in relation to shelter costs contributed to an overall improvement in the housing conditions of many Canadian households in the latter half of the 1990s.

While benefiting from improved economic conditions, income growth among lower-income households has been less pronounced. After accounting for inflation, average after-tax incomes of the bottom fifth of families increased by 8.6 per cent between 1992 and 2001, less than half the 22.0 per cent increase recorded by the top income quintile.

In addition to current income, wealth is also an important factor influencing housing demand and consumer spending in general. Home equity is a major component of the wealth of homeowner households, accounting for about 36 per cent of their average net worth in 1999. Homeowners saw their net worth increase more rapidly than renter households between 1984 and 1999.

Current housing market developments

A combination of low mortgage rates, strong growth in personal income and robust employment have made housing one of the faster-growing sectors of the economy in recent years. Spending on residential investment and home repairs contributed \$73.3 billion to the Canadian economy in 2002, with new construction and related costs accounting for 45 per cent of this total. Residential investment and home repairs accounted for 6.5 per cent of Canada's GDP at the end of 2002.

Low interest rates, which by mid-year had dropped to their lowest level since August 1951 for five-year mortgages, helped to support a very active home resale market in 2003. Existing home sales set a record, as 439,000 dwellings were sold through the Canadian Real Estate Association's Multiple Listing Service (MLS®). The record volume of sales was accompanied by a 9.7 per cent increase in the average MLS® price, slightly greater than the previous year's increase and double the increase recorded in 2001. The average MLS® resale home price in Canada reached \$216,300 in November, surpassing the record set in February 1989 (adjusted for inflation).

Increases in average MLS® prices varied considerably across Canada's larger urban centres, ranging from 1.3 per cent in Windsor to 16.3 per cent in Montréal.

Favourable market conditions also spurred on the construction of new housing. New housing starts reached a 15-year high of 218,400 units in 2003. Construction of new, multiple-family dwellings, principally apartment structures, accounted for the majority of this growth. While starts of single-detached homes declined moderately, apartment starts increased by 28.6 per cent. Indicative of the pace of their growing population and economies, new home construction in Canada's three largest urban centres—Toronto, Montréal and Vancouver—accounted for nearly 40 per cent of all housing starts in 2003.

Both building materials costs and construction labour costs increased at a modest pace in 2003, somewhat slower than in 2002. The construction labour market remained relatively tight in many centres, with the average unemployment rate only marginally above the historic lows hit in 2000. The average price of a new home with a standardized set of features, as calculated by Statistics Canada's New Housing Price Index, rose by 4.8 per cent in 2003.

The availability of rental housing improved somewhat, as the average vacancy rate in Canadian urban centres with a population of 10,000 or greater moved up to 2.6 per cent in 2003 from 2.1 per cent. While remaining below the national average, the average vacancy rate in Canada's larger urban centres areas also increased, to 2.2 per cent from 1.7 per cent. The availability of rental housing varied considerably from community to community. Among larger urban centres, the highest average vacancy rate was recorded in Saint John (at 5.2 per cent); the lowest in Québec City (0.5 per cent).

With vacancy rates rising, the pace of increases in average rents slowed somewhat in 2003. The average monthly rent for a two-bedroom apartment in Canada's largest urban centres was \$728, up only 1.1 per cent from 2002, and well below the 3.6 per cent increase recorded the previous year. The lowest-priced segment of the rental market experienced higher-than-average increases in rents (2.7 per cent). Average rents for the highest-priced units declined by 0.5 per cent.

New construction added to rental housing supply in 2003. About 19,000 new rental units were completed during 2003, up 21 per cent from 2002. Rental construction starts were up 5.8 per cent, well below the 86 per cent surge recorded between 2000 and 2002. In addition to the conventional rental housing supply, many Canadian households rely on other forms of rental housing. This "secondary" rental market is comprised of a diverse range of dwelling types and living arrangements, which make it difficult to effectively monitor trends in this part of the rental market. A recent survey suggests that the secondary market's contribution to total rental housing supply is significant, with one in six households responding that they rented out part of their residence.

Condominiums have become an increasingly important source of both owner-occupied housing and rental housing supply in many urban centres. Condominium starts grew by 33.7 per cent in 2003 to reach a record level of 49,200 units, accounting for one in four urban housing starts. Condominiums that have been purchased and then rented out make a significant contribution to the supply of rental housing in some local markets. Units rented out by their owners account for about 20 per cent of the condominium stock in Toronto and 30 per cent of condominium apartments constructed in Vancouver between 1990 and 2000 (47 per cent of units built in the downtown core).

With the aging of the housing stock, home repair and renovation has emerged as a significant and growing economic activity. Stimulated in part by the strong growth in sales of existing homes and declining mortgage interest rates, growth in renovation spending has accelerated in recent years. Total spending on alterations, improvements and repairs contributed \$29.9 billion to Canada's GDP in 2002 and accounted for about 2.6 per cent of nominal GDP. Spending on alterations and improvements alone grew by 9.3 per cent in 2003. Roughly three out of every four homeowners in Canada reported at least one repair or renovation expenditure in 2002, amounting to an average of \$2,910 for all homeowner households.

Trends in housing finance

Mortgage rates continued to decline in 2003, making housing financing as affordable as it was in the early 1950s. Declining mortgage rates have translated into

tangible benefits to home purchasers, whether in terms of reduced interest payments, the ability to pay off their mortgages more quickly, or by enabling them to qualify for a larger mortgage to purchase the home they want.

Since 2000, posted five-year mortgage rates have declined by almost two percentage points to 6.39 per cent. The cost to the borrower of a five-year mortgage taken out in 2003 was consequently 24 per cent lower than if the equivalent mortgage had been taken out in 2000. On a \$100,000 mortgage, this would translate into interest savings of \$9,500 accruing to the borrower over the five-year term.

Lower interest rates have also made it possible for borrowers to qualify for larger mortgages. Borrowers are typically allowed to borrow at a level such that the combined mortgage and property tax payments do not exceed 32 per cent of their gross monthly income. The decline in posted five-year mortgage rates since 2000 has had an effect equivalent to a \$4,900 increase in borrowers' gross annual income, allowing them to access an additional \$18,472 in mortgage financing to purchase the home of their choice.

Mortgage credit is generally accessible in all parts of the country at similar terms and conditions. Competition among lenders for a share of the mortgage origination and renewal business has resulted in an increasingly diverse range of product offerings, customized services, flexible loan terms and conditions and discounts off posted mortgage rates.

The Internet continues to make inroads as a key vehicle used by consumers to obtain information on mortgages. Over half (58 per cent) of first-time homebuyers relied on the Internet for mortgage-related information in 2003, compared to 42 per cent in 2002. Mortgage brokers have also become an important intermediary for consumers, with 30 per cent of first-time homebuyers and 22 per cent of existing homeowners using their services in 2003.

Homeowners are taking advantage of increased equity in their homes and low interest rates to finance additional investments in their home and other purchases. Recent survey results suggest that the top three purposes of home equity borrowing through refinancing are renovation, debt consolidation and investing in a house.

In 2003, \$138 billion in mortgage financing was approved for 1,110,000 units of new or existing housing across the country, an average of \$124,400 per unit. Banks continued to lead the market, with 82.8 per cent of the total mortgage approvals in 2003. As a group, life insurance companies, mortgage investment brokers, loan companies, co-operative credit societies, pension funds and other lending institutions were a distant second, capturing a combined share of 14.2 per cent of the new mortgage business. The market share of trust companies was three per cent.

Mortgage funding through securitization has also grown significantly in the past several years to become the third-most-important source of mortgage funds. Outstanding NHA MBS balances reached just under \$50 billion in 2003, an increase of almost 27 per cent from 2002. Mortgage securitization helps increase downward pressure on mortgage rates in a competitive system of housing finance.

Housing affordability

Along with having a home that is in good physical condition and that is large enough to accommodate all household members comfortably, the affordability of housing is an important concern for Canadian households.

An analysis of the 2001 Census confirms that the majority of Canadian households (69.9 per cent) live in housing that is affordable, uncrowded and in a good state of repair. An additional 14.2 per cent of households live in housing which fell below one of these three standards, but had sufficient income to obtain acceptable housing without spending 30 per cent or more of their before-tax income.

Just under 16 per cent of Canadian households (an estimated 1.7 million households) were in core housing need in 2001. The incidence of core housing need was lowest in Alberta (12.9 per cent) and highest in Nunavut (38.7 per cent). Households in core housing need are those who currently reside in housing that is either in need of major repair, does not have enough bedrooms for the size and makeup of the household, or costs 30 per cent or more of their total income and who would not be able to rent an alternative housing unit which does meet these standards without paying 30 per cent or more of their income.

Housing affordability improved for many households between 1996 and 2001, as average growth in household incomes outpaced shelter cost increases. Consequently, fewer households were in core housing need in 2001 than in 1996. The number of households in core housing need declined by 4.7 per cent, almost 85,000 households, over this period while the percentage of Canadian households in core need fell from 17.9 per cent to 15.8 per cent.

Encouragingly, the most significant improvements in housing conditions were experienced by renters, lone parents and Aboriginal households, groups that have traditionally been particularly vulnerable to being in core housing need. Despite recent improvements, the incidence of core housing need among these groups remains high.

Between 1996 and 2001, the incidence of core housing need among renters fell from 34.7 per cent to 30.4 per cent. Among lone-parent households, it fell from 34.6 per cent to 28.1 per cent. For Aboriginal households not living on-reserve, the incidence of core need fell from 31.6 per cent to 24.8 per cent. The incidence of need among lone parents and Aboriginal households living in rental housing remains high, however, at 42.3 per cent and 37.8 per cent, respectively. Core housing need is also particularly prevalent among two other groups of renters: seniors aged 65 or over living alone (53.3 per cent) and lone parents with children under 18 living at home (48.8 per cent).

Many new immigrants also face significant housing challenges. One in three immigrant households living in Canada less than five years was in core housing need in 2001. The majority of recent immigrants have settled in

Canada's three largest metropolitan areas: Toronto, Vancouver and Montréal. With new immigrants arriving on an ongoing basis, ensuring an adequate supply of affordable housing is a continuing challenge.

Housing affordability remains the leading factor contributing to core housing need in Canada, by a significant margin. While job creation and income growth, coupled with historically low interest rates have helped improve the affordability of housing in recent years, the persistence of low incomes among certain segments of the population constitutes an ongoing challenge to ensuring that all Canadians have access to affordable, adequate and suitable housing.

The relative scarcity of low-cost housing in many communities means that shelter costs consume a much higher-than-average share of low-income households' incomes. On average, non-Aboriginal households who were in core housing need in 2001 lived on before-tax incomes of \$18,501, only about one-quarter of the income of those households who were not in core housing need (\$69,204). They spent an average of 47 per cent of their income on housing. Aboriginal households in core housing need had even lower average before-tax incomes (\$17,712), of which they spent 46 per cent on housing.

Of the 1.7 million households in core housing need in 2001, over one-third (almost 600,000 in total) spent 50 per cent or more of their before-tax incomes on housing. The majority of households in these straitened circumstances (over 420,000) reside in Canada's metropolitan centres, where housing costs consumed 67 per cent of their average before-tax income of \$15,859.

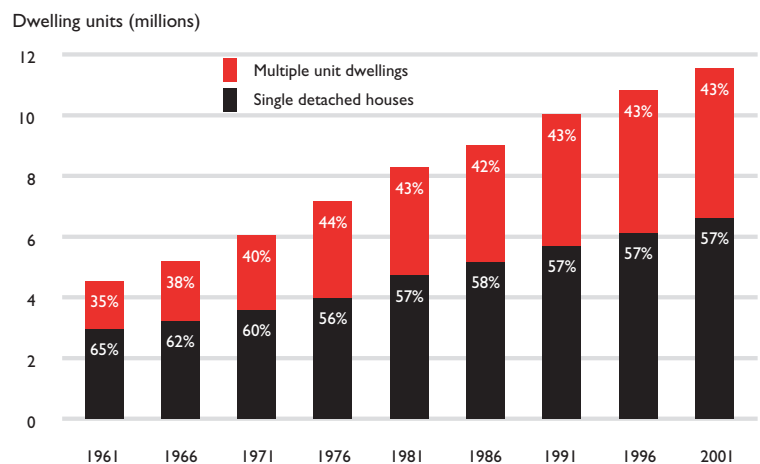
A Portrait of Canada's Housing

Every year, new homes are constructed and existing ones renovated or removed. Canada's housing stock represents the cumulative result of this ongoing process, with only incremental changes year-to-year. The current housing stock thus reflects historical trends in population and economic growth, urbanization, dwelling type and tenure and the design of buildings and communities.

The Census, conducted by Statistics Canada every five years, provides the most comprehensive information on housing. In 2001, there were over 12.5 million residential dwellings in Canada, although almost one million were unoccupied, vacation or collective dwellings (such as hospitals, dwellings on military bases, correctional institutions, school dormitories and residences for senior citizens) with no household to respond to the Census. The discussion that follows focuses on the occupied stock, which corresponds to the number of households.

The number of occupied dwellings in Canada has almost tripled over the last 40 years, reaching 11.6 million units in 2001, but the rate of growth has slowed considerably since 1971. This reflects a similar slowdown in population growth, as well as changes in household formation that have influenced the demand for new housing.

FIGURE 1
OCCUPIED DWELLINGS BY TYPE, CANADA, 1961-2001

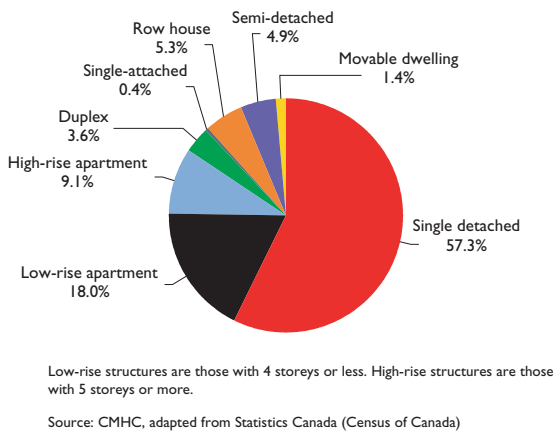


Source: CMHC, adapted from Statistics Canada (Census of Canada)

Canada's housing stock grew by an average rate of 3.7 per cent a year in the 1970s, but the rate of growth slowed to 2.2 per cent in the 1980s, and fell further to 1.5 per cent in the 1990s. This is similar, but not identical to household growth rates.

While new construction, reflected in the number of housing starts and completions, accounts for the majority of new stock, periods where household growth outpaced completions emphasizes the increasing importance of conversions. Growth in the housing stock

FIGURE 2
DISTRIBUTION OF DWELLING TYPES,
CANADA, 2001



reflects the construction of new homes, units added to existing homes and conversions of non-residential buildings to residential use. At the same time, homes are lost through fire, demolition or conversion to non-residential use.

Growing stock and stable singles

The demographics behind household formation may be changing and are examined in greater detail in the next chapter, but one dwelling type has remained dominant (see Figure 1). In 2001, 57 per cent of the 11.6 million occupied dwellings were singles (single-detached dwellings), essentially the same proportion for a quarter of a century.

Only two provinces were below the national average in 2001, with singles accounting for 55 per cent of the housing stock in British Columbia, and only 46 per in Quebec. In contrast, singles accounted for over 75 per cent of all homes in both Saskatchewan and Newfoundland and Labrador.

The declining share of single-detached dwellings prior to 1976, and stable share since then, can partially be attributed to the increasing urbanization of Canada. There is a significant difference between urban and rural areas in regards to dwelling type. Singles comprised over 80 per cent of the housing stock in rural areas and smaller centres with fewer than 10,000 people, but less than 45 per cent of the stock in Vancouver, Toronto and Montréal, the country's three largest cities. Singles

accounted for less than one-third of the stock in Montréal, the only Canadian city where apartments accounted for the majority of dwelling units (55 per cent)—over twice the national average.

After single-detached dwellings, apartments are the most common housing type in Canada, accounting for 27 per cent of all occupied dwellings in 2001. Multiple-unit dwellings, including apartments, row houses, single-attached (a single dwelling attached to another building, such as church or store), semi-detached units and duplexes, comprised just over 40 per cent (see Figure 2). The remainder of the stock, just over one per cent, was made up of movable dwellings, almost all of which are mobile homes. Mobile homes, generally referred to as manufactured homes, encompass an increasing variety of dwelling sizes and designs.

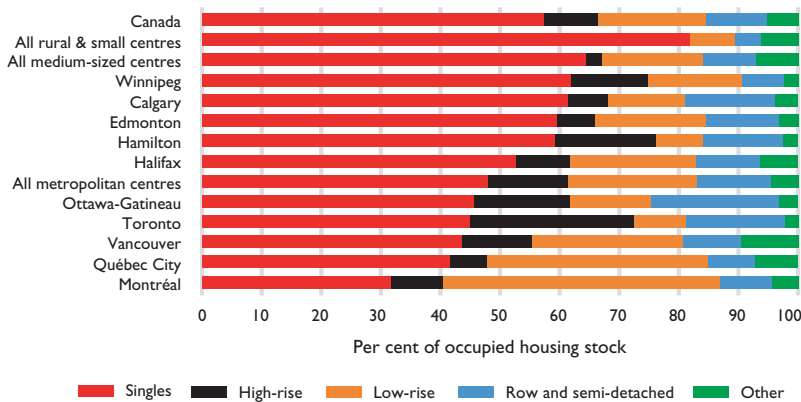
As with singles, the national breakdown of multiples does not truly reflect the geographical differences across the country. While two-thirds (66.5 per cent) of all apartments in Canada were in low-rise buildings (four storeys or less), low-rise units accounted for more than three-quarters of all apartments in every province and territory except Manitoba and Ontario.

Apartments in high-rise buildings (five storeys or more) account for the majority of apartment units in only nine metropolitan cities with urbanized cores of 100,000 or more people (known as Census Metropolitan Areas, or CMAs), all in Ontario. Toronto leads the way, with over 75 per cent of its apartment stock in high-rises (see Figure 3).

While multiple unit dwellings also accounted for the majority of homes in Vancouver and Montréal, the apartment buildings in these cities are predominantly low-rise, with high-rise units comprising only 32 per cent of the apartment stock in Vancouver and 18 per cent in Montréal. In rural areas and smaller centres, apartments comprise only seven per cent of the housing stock, and almost all of these (98 per cent) are in low-rise buildings.

While they account for a relatively nominal share of Canada's total housing stock, mobile homes (also known as manufactured housing) also demonstrate urban-rural differences. Canada's large metropolitan areas have three times the housing stock of rural areas, but less than half as many mobile homes. The latter comprise three per cent of the rural housing stock overall, but in certain

FIGURE 3
HOUSING STOCK BY DWELLING TYPE,
CANADA AND SELECTED URBAN CENTRES, 2001



Low-rise structures are those with 4 storeys or less. High-rise structures are those with 5 storeys or more. "Other" includes movable, single attached and duplex dwellings.

Rural and small centres are those settlements with under 10,000 people. Medium-sized centres are settlements with urbanized cores of between 10,000 and 99,999 people. Metropolitan centres are settlements with urbanized cores of 100,000 people or more.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

larger remote and resource-based communities this proportion exceeds 10 per cent.

Homeownership continues to grow

The majority of Canadian households own their homes, with 66 per cent of the housing stock owner-occupied in 2001. This proportion has been steadily increasing over the last 30 years. Singles are by far the most prevalent owned dwelling type, accounting for 78 per cent of all owner-occupied housing stock. As a result, many of the geographic differences in terms of singles are echoed in tenure patterns, where provinces with a high share of singles also having a high level of homeownership. In Newfoundland and Labrador, 78 per cent of homes are owner-occupied, while the rest of the Atlantic provinces, Alberta and Saskatchewan all have ownership rates of 70 per cent or higher. In contrast, only 58 per cent of homes in Quebec are owner-occupied, the lowest of all the provinces.

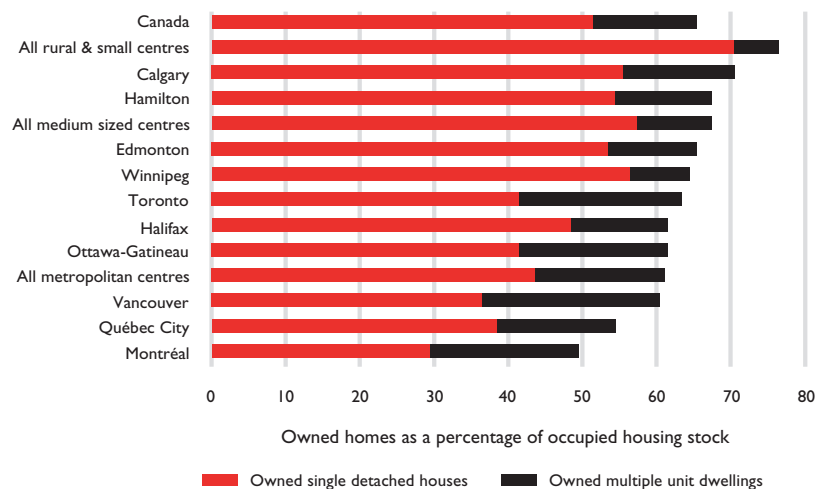
The lowest ownership rates in the country were found in Nunavut (24 per cent), although this is due to the fact that almost half of the stock in Nunavut is

public housing, as small and extremely remote northern communities face unique challenges in supporting affordable private markets. A lack of economic activity and steady income for households contributes to the high proportion of public housing in Nunavut.

Ownership rates in the Northwest Territories and Yukon were lower in the rural and small centres (centres with an urbanized core of fewer than 10,000 people) than in Yellowknife or Whitehorse, unlike the situation in the provinces where ownership rates in rural and small centres were significantly higher. Even in Quebec, with the lowest ownership rate of all the provinces, 76 per cent of homes in rural and small centres are owner-occupied, compared to only 50 per cent in Montréal.

Homeownership is far less common in all the large metropolitan centres than in rural and small centres, or in medium-sized centres with urbanized cores of 10,000 to 99,999 people (known as Census Agglomerations or CAs) (see Figure 4) with the exception of Calgary and Hamilton.

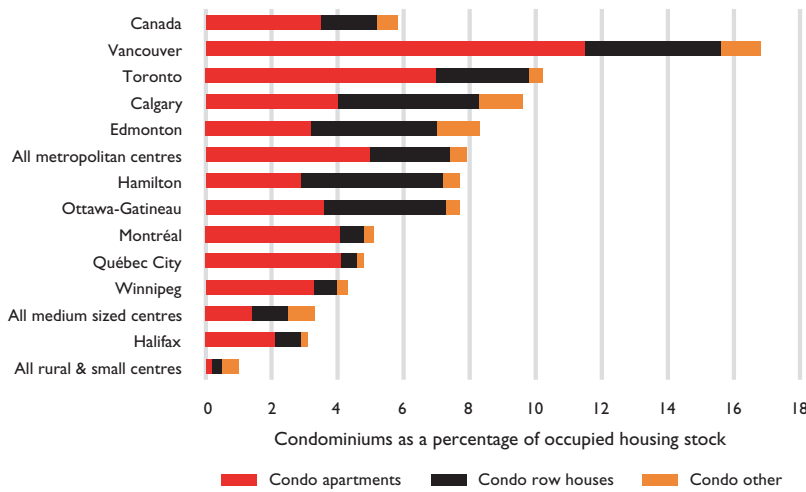
FIGURE 4
OWNERSHIP RATES BY DWELLING TYPE,
CANADA AND SELECTED URBAN CENTRES, 2001



Rural and small centres are those settlements with under 10,000 people. Medium-sized centres are settlements with urbanized cores of between 10,000 and 99,999 people. Metropolitan centres are settlements with urbanized cores of 100,000 people or more.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

FIGURE 5
PREVALENCE OF OWNER-OCCUPIED CONDOMINIUMS,
CANADA AND SELECTED URBAN CENTRES, 2001



Rural and small centres are those settlements with under 10,000 people. Medium-sized centres are settlements with urbanized cores of between 10,000 and 99,999 people. Metropolitan centres are settlements with urbanized cores of 100,000 people or more.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

miniums, from five per cent in 1971 to 19 per cent in 2001. Two-thirds (66.9 per cent) of owner-occupied apartments were part of a condominium in 2001.

The market share and dwelling type distribution of condominiums varies greatly across the country. Condominiums comprise less than one per cent of the stock in rural and small centres, but almost eight per cent in metropolitan centres (see Figure 5). In Vancouver, condominiums account for 17 per cent of all homes, the highest proportion in the country. Just under 70 per cent of these are apartments. This compares to over 80 per cent in Montréal and Québec City, but less than 50 per cent in Calgary, Edmonton, and Ottawa-Gatineau, where row houses are the dominant condominium dwelling type.

The growing presence of condominiums

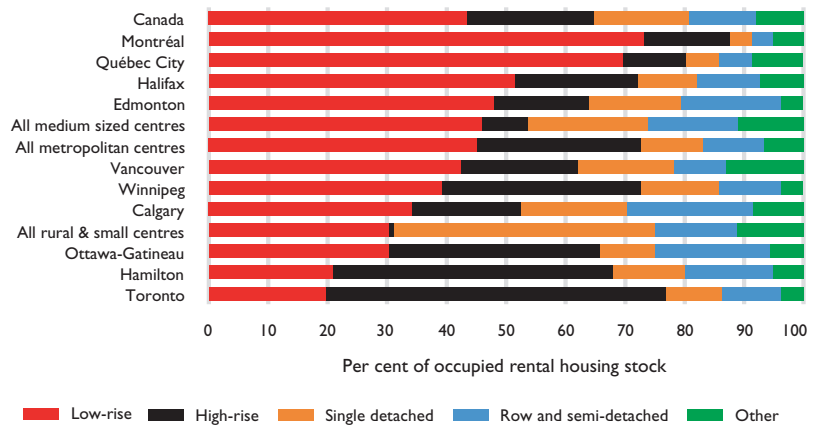
Condominiums, called strata in British Columbia, first emerged in Canada in the mid-1960s and represent a small but growing share of the ownership market. In a condominium, the dwelling structures are owned individually while land is held in joint ownership. Many provide an affordable ownership alternative with lower maintenance requirements, while others emphasize amenities and cater to the luxury market.

In 2001, there were 670,000 owner-occupied condominiums, comprising six per cent of the national housing stock, although this understates the true size of the condominium market as it excludes those occupied by tenants. Apartment units account for 60 per cent of owner-occupied condominiums, row houses for 30 per cent, with the remaining 10 per cent including single-detached houses and mobile homes. While apartments are a building form traditionally associated with the rental tenure, the share that are owner-occupied has increased considerably since the emergence of condo-

Diverse rental stock

Rentals comprised 34 per cent of the housing stock in 2001. While apartments account for the majority of rental units, there is a great diversity of dwelling types across the country. High-rise apartments account for

FIGURE 6
RENTAL HOUSING STOCK BY DWELLING TYPE
CANADA AND SELECTED URBAN CENTRES, 2001

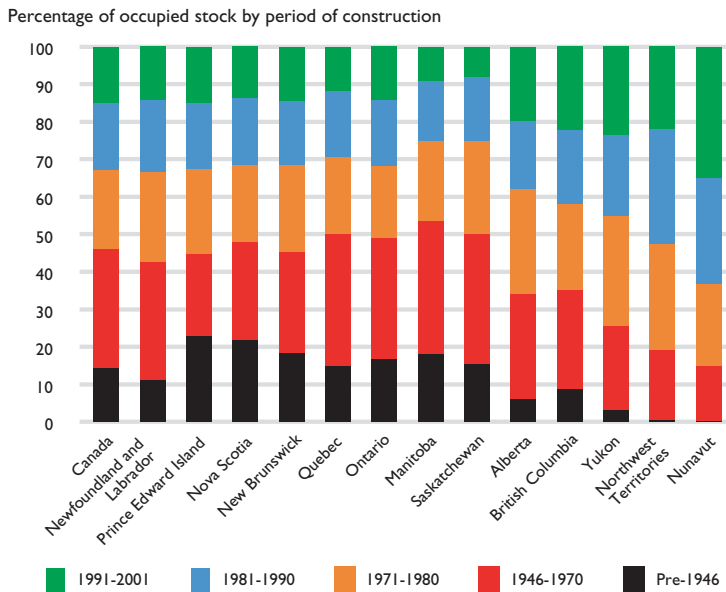


Low-rise structures are those with 4 storeys or less. High-rise structures are those with 5 storeys or more. "Other" includes movable, single attached and duplex dwellings.

Rural and small centres are those settlements with under 10,000 people. Medium-sized centres are settlements with urbanized cores of between 10,000 and 99,999 people. Metropolitan centres are settlements with urbanized cores of 100,000 people or more.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

FIGURE 7
AGE OF HOUSING STOCK, CANADA,
PROVINCES AND TERRITORIES, 2001



occupied homes were more than 30 years old, compared to 35 per cent in 1991.

The age of the housing stock in different parts of the country reflects the history of permanent settlements and periods of population and household growth. Over 20 per cent of homes in Prince Edward Island and Nova Scotia were built prior to 1946, compared to nine per cent in British Columbia, and six per cent in Alberta (*see Figure 7*). In contrast, approximately 20 per cent of the homes in these two western provinces were constructed after 1991, compared to less than 10 per cent in Saskatchewan and Manitoba.

Few homes need major repairs

Not surprisingly, there is a direct connection between the age of a dwelling and its physical condition. In 2001, 65 per cent of Canadian homes required only regular maintenance, 27 per cent needed minor repairs, while eight per cent were in need of major repairs (*see Figure 8*).

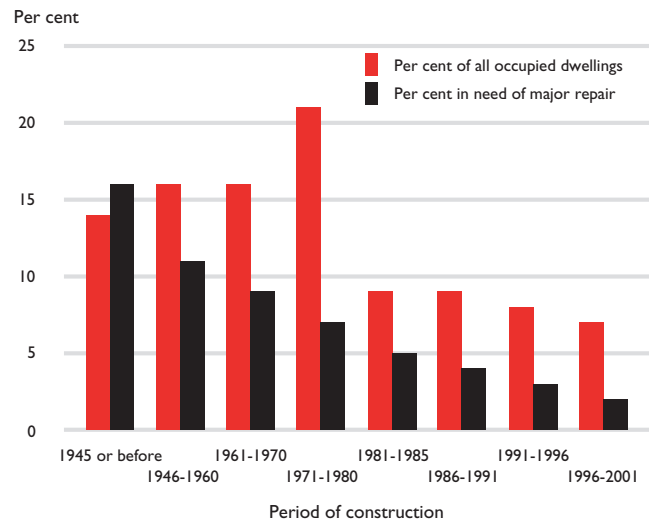
57 per cent of the rental stock in Toronto, but only 11 per cent in Québec City, where low-rise apartments are more prevalent (*see Figure 6*). In rural and small centres, 44 per cent of rental dwellings are singles, compared to only 10 per cent in metropolitan centres.

Stock older in the East

With new completions accounting for a smaller fraction of the total housing stock every year, the average age of homes in Canada is on the rise. In 2001, 46 per cent of

However, newer stock does not guarantee a low need for repair. In 2001, less than half of all dwellings in the Northwest Territories and Nunavut were more than 20 years old, yet these two territories had the highest

FIGURE 8
AGE OF HOUSING STOCK AND NEED FOR MAJOR REPAIR,
CANADA, 2001



Dwelling condition definitions (as identified by the respondent)

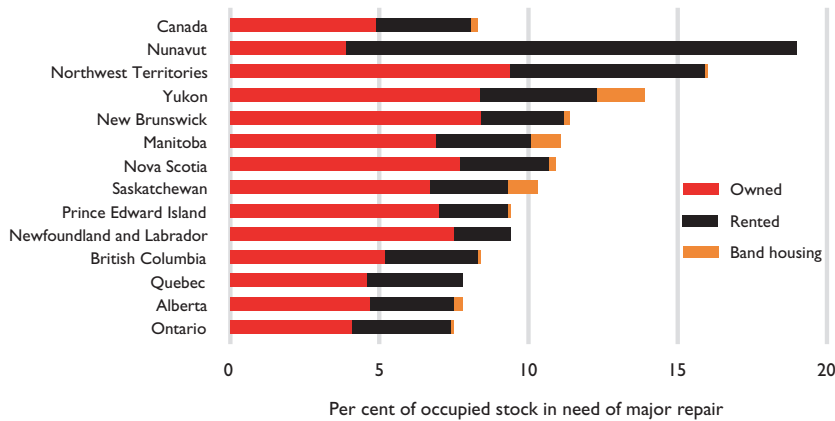
Regular maintenance refers to painting, furnace cleaning, etc.

Minor repairs refer to the repair of missing or loose floor tiles, bricks, or shingles, defective steps, railing or siding, etc.

Major repairs refer to the repair of defective plumbing or electrical wiring, structural repairs to walls, floors or ceilings, etc.

Source: Statistics Canada, 2001 Census Dictionary

FIGURE 9
DWELLINGS IN NEED OF MAJOR REPAIR BY TENURE,
CANADA, PROVINCES AND TERRITORIES, 2001



Major repair refers to defective plumbing, wiring, or structure.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

proportion of stock in need of major repair in the country (see Figure 9). Even for newer homes less than five years old, the need for major repair in all three territories was two to three times higher compared to the provinces. The environmental conditions associated with the North may provide a partial explanation.

Northern and remote communities face unique challenges in building and maintaining their homes, due to the climate, lower average incomes and lack of access to maintenance services available in larger centres. This is particularly evident with Band housing, the majority of which is located on Indian reserves or settlements outside of urban centres. In 2001, the percentage of Band housing units in need of major repair was almost five times the national average.

Homes increasing in size and features

With ongoing innovations in building design, materials, and construction, Canadian homes continue to improve in quality. New products and techniques enhance a

building's durability by strengthening the frame, helping to prevent water damage at the foundation and roof and increasing the weather resistance of windows. Rising consumer expectations and stricter building codes have also changed the stock over time. Prefabricated components, specialization within the building trades and advances in construction mean that homes are now built in one-third the time required 60 years ago, despite the fact that homes are now larger.¹

In 2001, the average Canadian home had 6.3 rooms (excluding bathrooms, hallways and rooms used for business purposes), up from 5.3 in 1961. The increase in actual size has been even more significant. New singles built in the 1990s were on average almost 50 per cent larger than those built between 1946 and 1960,² and up to twice the size of homes built before 1945. Even in the decade from 1990 to 2000, the average square footage of Canadian homes increased by four per cent.³

While homes have been getting larger, the average number of people living in each home has been decreasing. Average household size has dropped from 3.9 people in 1961 to 2.6 in 2001, and over 90 per cent of Canadian households live in uncrowded dwellings with enough bedrooms for the number of occupants.⁴ Space and special features once considered luxurious have become increasingly common, such as two-car garages, multiple bathrooms, central air conditioning and fully finished basements. Standards continually evolve, reflecting changing demands on the housing stock. The vast increase in the number of appliances and electrical devices now common to most households has changed both the design and energy needs of homes.

1 Canada Mortgage and Housing Corporation, *50 Years of Innovation: 1943-1993, The Canadian Housing Industry*, (Ottawa: CMHC). The construction time and dwelling size are indicative of era statistics and do not reflect definitive samples from specific years.

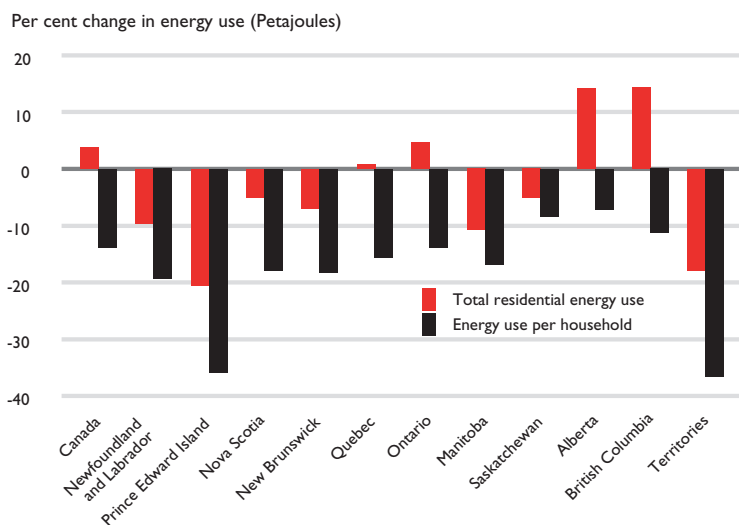
2 Environment Canada, 2001 *Canada's Third National Report on Climate Change*, (Ottawa: Environment Canada) p 66.

3 Natural Resources Canada, *Energy Use Data Handbook*, 1990 and 1995 to 2001, (Ottawa: Natural Resources Canada), p 26-27.

4 According to the National Occupancy Standard (NOS), enough bedrooms means one bedroom for each cohabiting adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex siblings under 5 years of age, in which case they are expected to share a bedroom. A household of one individual can occupy a bachelor unit (i.e., a unit with no bedroom).

FIGURE 10

PER CENT CHANGE IN RESIDENTIAL ENERGY USE, (TOTAL AND PER HOUSEHOLD) CANADA, PROVINCES AND TERRITORIES, 1990-2001



Source: CMHC, adapted from Natural Resources Canada "Energy Use Data Handbook, 1995 to 2001", www.oee.nrcan.gc.ca/neud/dpa/data_e/databases.cfm

Improved energy efficiency slows growth in residential energy use

Growth in the number, size and electrical needs of homes would suggest a substantial increase in the energy use, but this has been offset by improved efficiency in windows, heating systems, building envelopes and appliances. Although total residential energy use increased by 3.7 per cent from 1990 to 2001, without improvements in energy efficiency and conservation the increase would have been six times higher.⁵

In fact, average energy use per household decreased in every province and territory, while the total energy use (of all households) declined in all provinces except Quebec, Ontario, Alberta, and British Columbia (see Figure 10). The increased residential energy use in these provinces was not surprising, given that they accounted for over 90 per cent of the increase in households from 1991 to 2001. The number of households in British Columbia and Alberta grew by over 20 per cent in this period.

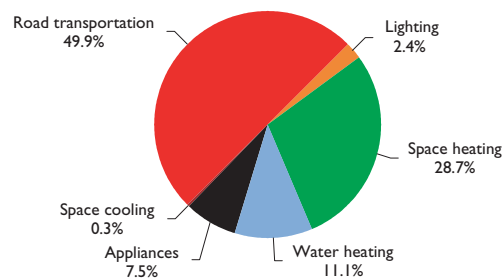
Improving the energy efficiency of new homes and the retrofit of existing housing is gaining attention for financial and environmental reasons. Financially, as energy costs rise, individual households are increasingly interested in improving residential energy efficiency to save money. Environmentally, in the context of potential Kyoto commitments and general ecological concern, reducing energy consumption and greenhouse gas emissions is becoming a key national concern.

Canada accounts for approximately 0.5 per cent of the world's population but produces over two per cent of total global greenhouse gas emissions, resulting in the ninth-highest per capita carbon dioxide emissions in the world, and the second highest among G-8 countries.⁶ Households are responsible for almost 20 per cent of the national total.⁷

Housing, commuting patterns and sustainable communities

Almost half of Canadians' greenhouse gas emissions stem from passenger road transportation, almost five times the share of household appliances and lighting combined (see Figure 11). This means that a 20 per cent drop in

FIGURE 11
SOURCE OF PERSONAL GREENHOUSE GAS EMISSIONS, CANADA, 2000



Source: Climate Change Plan for Canada, Government of Canada, p.45

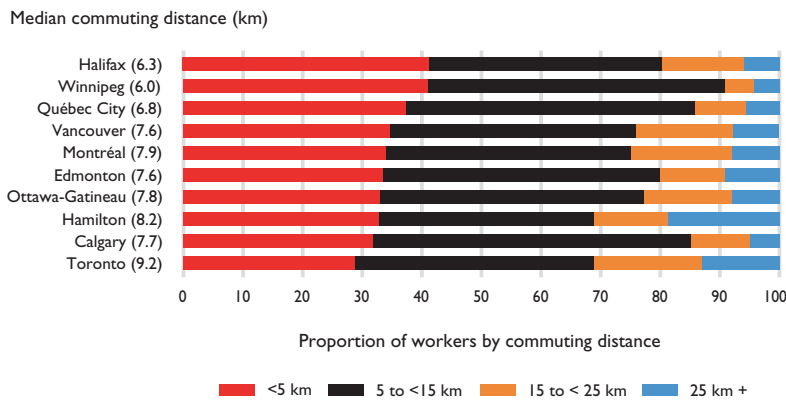
5 Natural Resources Canada, *Energy Efficiency Trends in Canada, 1990 to 2001*, (Ottawa: Natural Resources Canada), p 11.

6 The international rankings reflect carbon dioxide emissions from fuel combustion in 1998, the latest international data available. Environment Canada, 2001 *Canada's Third National Report on Climate Change*, (Ottawa: Environment Canada) p 9.

7 Statistics Canada, *Greenhouse gas emissions in the Canadian economy, 1981-2000*, Statistics Canada Catalogue no. 11-624-MIE (Ottawa: Statistics Canada) p 4.

FIGURE 12

COMMUTING DISTANCES, SELECTED URBAN CENTRES, 2001



Source: CMHC, adapted from Statistics Canada (Census of Canada)

passenger road transportation would have a greater impact on personal greenhouse gas emissions than completely eliminating the emissions from all appliances and lighting.

Passenger road transportation includes commuting between home and work, school, and general errands. By extension, community design that reduces the need for road travel through increased densities, mixed commercial and residential neighbourhoods and alternate commuting options would translate into reduced greenhouse gas emissions.

While more Canadians walked or used public transit to commute to work in 2001 than in 1996, there were also more drivers. The share for each mode of transportation remained essentially unchanged as the population increased, resulting in an additional million drivers on the road. Commuting distances in 2001 varied across the country (see Figure 12). The national median in 2001 was 7.2 km, a three per cent increase from 1996, while one in eight workers travelled over 25 km to their job.⁸

As the commute increased for some workers, for others it disappeared as more chose to work at home. The number of at-home workers (excluding farmers) doubled from 1981 to 2001. This was facilitated by the increased connectivity of Canadian households to Internet. Almost half (49 per cent) of Canadian households were connected to the Internet (second in the world only to Denmark's 52 per cent), and one-quarter of these households used the Internet for work-related business.⁹ As Canadians increasingly work, shop and bank from home via the Internet, the traditional transportation patterns linking housing and commercial needs will also change.

8 Statistics Canada, *2001 Census: analysis series*. "Where Canadians work and how they get there", Statistics Canada Catalogue no. 96F0030XIE2001010 (Ottawa: Statistics Canada), p 6 and 28.

9 Statistics Canada, *Canada's Journey to an Information Society*, Statistics Canada Catalogue no. 56-508-XIE, (Ottawa: Statistics Canada), p 104; Statistics Canada, *The Daily- Households Internet Use Survey*, (Ottawa: Statistics Canada).

Demographic and Socio-economic Influences on Housing Demand

The substantial rise in the number of homes built in Canada in recent years took place despite a relatively stable demographic backdrop. Construction gains came after the period of improved employment and income growth that began in the late 1990s. Such growth provides the financial means that enables people to act on their preferences. Individuals and families are more likely to be able to live independently than during less prosperous times, when they may have to share accommodation.

While financial considerations determine the housing choices that people are able to make, demographic factors, such as age, family, and ethnic makeup of the population, help shape their basic housing preferences.

Immigration down, population growth slows

In 2003, population growth slowed in Canada, mainly as a result of reduced immigration.¹⁰ After topping 250,000 in each of the previous two years, immigration dropped to just under 200,000. Population growth, which had risen moderately in the previous three years, slipped back below one per cent in 2003.

Over the last decade and a half, population growth fluctuated from year to year but slowed overall. Both the

aging baby boom generation and low and declining fertility contributed to the slowdown.¹¹ Even the youngest of the baby boomers—the large generation of Canadians born in the 20 years following World War II—are now approaching 40. Between 1990 and 2003, deaths rose and births fell as more and more baby boomers moved into middle age. Natural increase—the difference between births and deaths—dropped by more than half.

In the course of the steady decline in natural increase, immigration took over as the dominant source of population growth in Canada. In 2001, 2002 and 2003, net international migration accounted for more than 60 per cent of population growth (*see Figure 13*). Before the mid-1990s, natural increase contributed the lion's share. With natural increase set to decline further as Canada's baby boomers age, population growth and immigration will become even more closely linked.

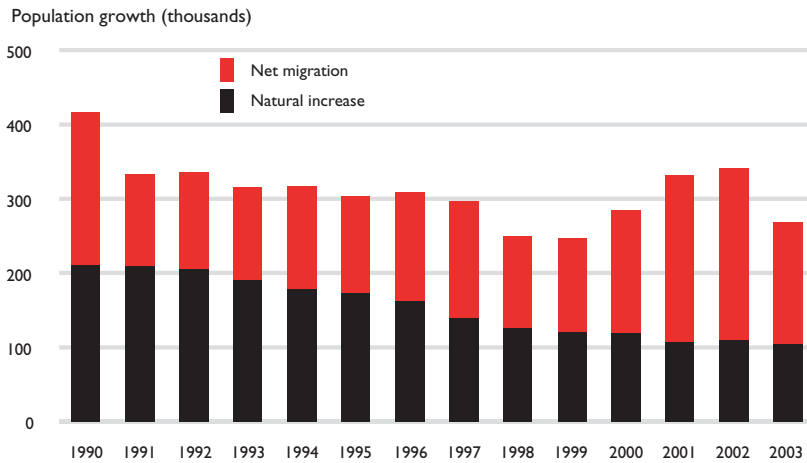
Alberta and Ontario continue as population growth leaders

The dip in the national growth rate in 2003 mainly reflected slowdowns in Alberta and Ontario. All the same, Alberta retained the distinction of being the fastest-growing province in Canada, with Ontario just

10 All data on population growth, natural increase and migration pertain to the 12 months preceding July 1 of the year under discussion.

11 In 1999, Canada's total fertility rate was below the rates of the United States, United Kingdom, Australia and France. See Statistics Canada, *Report on the Demographic Situation in Canada 2001*, Catalogue no. 91-209-XPE (Ottawa: Statistics Canada, 2002), p. 1.

FIGURE 13
NET MIGRATION AND NATURAL INCREASE, CANADA, 1990-2003



Data are for 12-month period ending on June 30 of stated year.
Net migration is the difference between population growth and natural increase.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

behind. These two have been the provincial growth leaders since the mid-1990s. They are the only provinces in which population growth has accelerated since the mid-1990s. Alberta has been the top destination for interprovincial migrants since 1997, while Ontario is the top destination for immigrants from outside Canada.

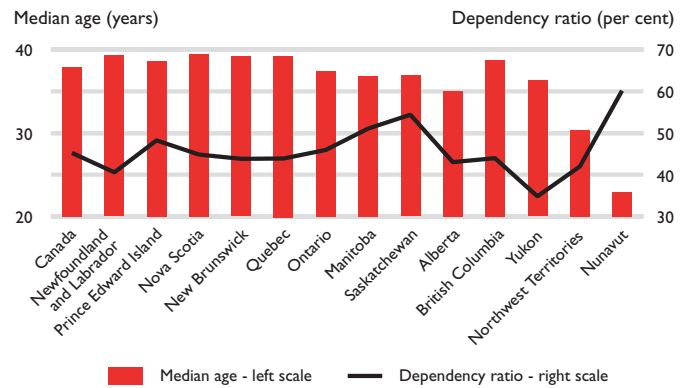
In the other provinces, growth in 2003 either rose or maintained the pace of the previous year. In all of them, the rate of increase remained below the national average, a situation that has persisted by and large in all but British Columbia for decades. One reason for the slow growth of these provinces is that they typically lose population through out-migration to other provinces. In B.C., current growth, though only a shade below the national rate, is down by more than two-thirds from the early 1990s, when the province grew over twice as fast as Alberta and Ontario. During that period, B.C. was the favourite destination for migrants from other provinces. Net interprovincial migration turned negative in 1998 and has remained so ever since.

B.C., Alberta and Ontario are the only provinces to have increased their shares of the national population since 1971. By contrast, the populations of Saskatchewan, Newfoundland and New Brunswick have decreased in recent years. The total population of the four Atlantic Canada provinces was 25 per cent larger than that of Alberta in 1971, but 25 per cent smaller in 2003.

In 2003, each of the territories grew faster than Canada as a whole. From 1991 to 2003, growth in Nunavut surpassed the national rate, while growth in the other territories was more variable and somewhat slower than average.

Natural increase accounts for a very high proportion of population growth in the territories. Nunavut and the Northwest Territories have the highest fertility rates in Canada and by far the youngest median ages of any province or territory. Nunavut also has the lowest proportion of working-age population in Canada.¹² By comparison, the median age in the province with the youngest population, Alberta, is more than 10 years

FIGURE 14
POPULATION AGE STRUCTURE - CANADA, PROVINCES, AND TERRITORIES, 2003

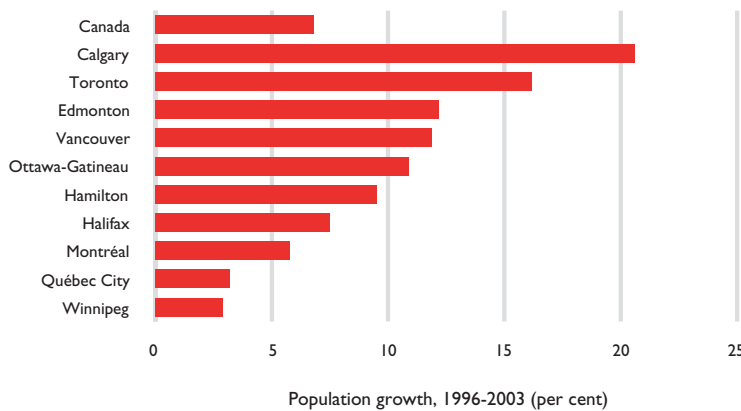


Dependency ratio = population of children and seniors/population aged 15 to 64.

Source: CMHC, adapted from Statistics Canada (Annual Demographic Statistics)

¹² The proportion of working-age population (dependency ratio) is defined as the population of children and seniors divided by the population aged 15 to 64 years.

FIGURE 15
POPULATION GROWTH, CANADA AND SELECTED URBAN CENTRES,
1996-2003



Source: CMHC, adapted from Statistics Canada (CANSIM II)

higher than that of Nunavut. Populations in the remaining slower-growing provinces are even older (see Figure 14).

Sources of urban growth differ

Within provinces, growth is uneven. In 2001, nearly four in five Canadians lived in urban centres with populations of 10,000 or more. Between 1996 and 2001, the population of these urban areas grew by 5.3 per cent, while the population living outside them dropped by 0.4 per cent.

Since the mid-1990s, Calgary has grown faster than any other metropolitan area in Canada (see Figure 15). Toronto ranked second. The other growth leaders were all in Alberta or southern Ontario, with the exception of Vancouver, where population growth was only slightly more than half the pace of the first half of the 1990s. These growth centres attract migrants, from elsewhere in Canada and from outside Canada, and have active housing markets as a result. They account for a disproportionate share of homes constructed in Canada.

Sources of growth differ considerably from centre to centre (see Figure 16). Although interprovincial migration is the biggest contributor to growth in

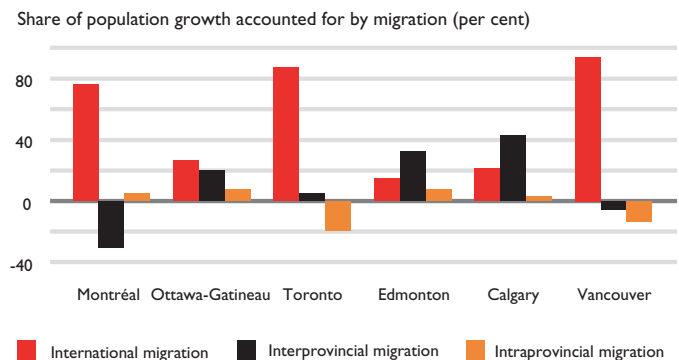
Calgary and Edmonton, these cities also gain population from abroad and from other parts of Alberta. Ottawa-Gatineau also attracts migrant inflows from the surrounding provinces (Ontario and Quebec), other provinces and abroad. By contrast, immigration is the dominant source of growth in Toronto, Vancouver, and Montréal; in fact, all three of these centres actually lose population through out-migration to other parts of Canada.¹³

Immigrant, senior and Aboriginal populations increase

The number of immigrants in Canada is increasing at more than double the rate of the general population. In 2001, immigrants comprised 18 per cent of the population of Canada, the highest proportion in 70 years. Proportions in Toronto and in Vancouver were much higher—44 and 38 per cent, respectively. In recent years, more than seven out of ten newly arriving immigrants have settled in Toronto, Vancouver or Montréal. In 2003, 74.1 per cent of new immigrants settled in these three urban centres, with almost half (44.6 per cent) choosing Toronto.

Social factors—the presence of family or friends—are at least as important as economic considerations in

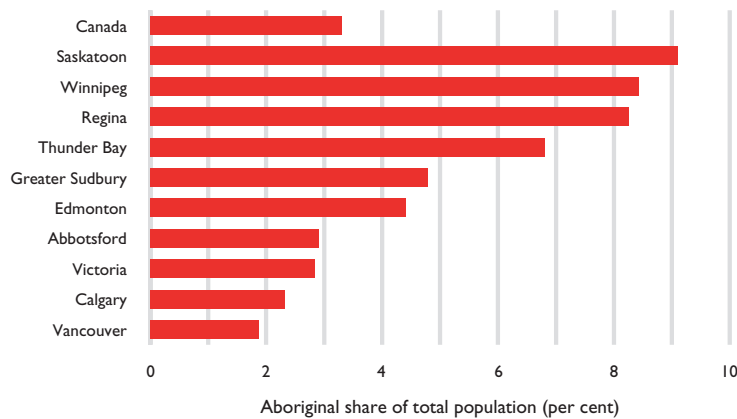
FIGURE 16
CONTRIBUTION OF MIGRATION TO GROWTH,
SELECTED URBAN CENTRES, 1996-2003



Source: CMHC, adapted from Statistics Canada (CANSIM II)

13 The sum of net interprovincial and net intraprovincial (within province) migration is negative for all three cities.

FIGURE 17
 ABORIGINAL POPULATIONS, CANADA AND SELECTED URBAN CENTRES, 2001



Source: CMHC, adapted from Statistics Canada (Census of Canada)

influencing the destinations chosen by immigrants.¹⁴ One reason, then, for the long-held dominance of favoured destinations is that the presence of immigrants in these locations tends to beget further immigration. The migration patterns of immigrants once they are in Canada only reinforce this dominance. Between 1980 and 1995, Ontario and British Columbia were the only provinces to gain immigrants from other provinces in the years following arrival in Canada.¹⁵

Seniors and Aboriginal people are two other rapidly growing sub-populations in Canada. With life expectancy increasing, the proportion of seniors (those 65 years old or older) is rising in most parts of Canada. The number of seniors is growing at roughly twice the rate of the general population. Growth will accelerate during the approach to 2011, when the first baby boomers turn 65. In 2003, around 13 per cent of Canadians were 65 or older. The proportion of seniors is higher in slow-growing or declining communities and in retirement destinations. Among metropolitan areas, Victoria had the highest proportion in 2001, followed by St. Catharines-Niagara, Trois-Rivières and Thunder Bay. Calgary had the lowest proportion.

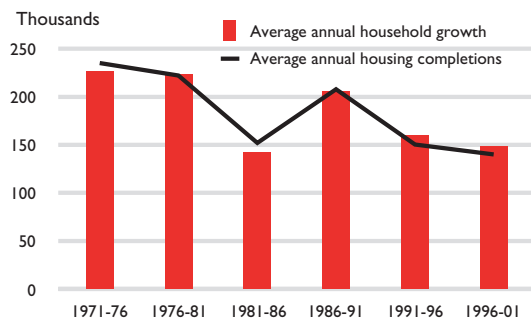
From 1996 to 2001, the number of people in Canada identifying themselves as Aboriginal people rose 22 per cent—more than three times faster than the Canadian population overall—reaching 976,000. Demographic factors are thought to have accounted for about half this growth and increased awareness of Aboriginal roots and more complete enumeration of reserves for the other half.¹⁶

In 2001, Aboriginal people made up 85 per cent of the population of Nunavut, 51 per cent of the Northwest Territories, 23 per cent of Yukon and 14 per cent of both Manitoba and Saskatchewan. They accounted for nine per cent of the population of Saskatoon and eight per cent of the populations of Winnipeg and Regina (see Figure 17).

Household formation slows as baby boomers age

Over the past three decades, household formation traced a path shaped broadly by the growth and aging of the

FIGURE 18
 HOUSEHOLD GROWTH AND HOUSING COMPLETIONS, CANADA, 1971-2001



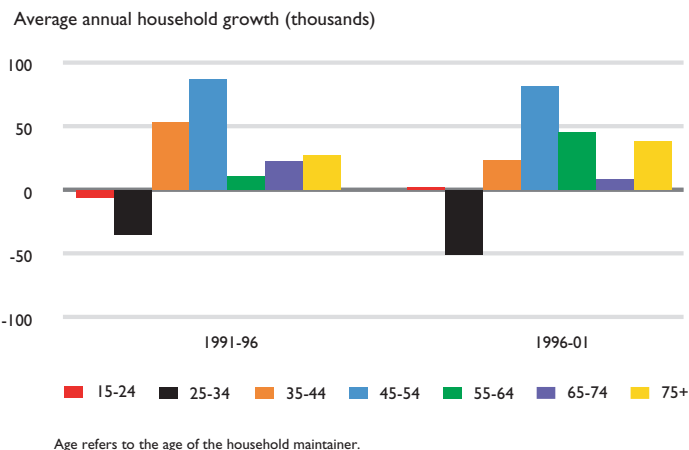
Completions based on totals for 3rd quarter through 2nd quarter.
 Source: CMHC (Starts and Completions Survey) and adapted from Statistics Canada (Census of Canada)

14 Statistics Canada, *Longitudinal Survey of Immigrants to Canada: Process, progress and prospects*, Catalogue no. 89-611-XIE (Ottawa: Statistics Canada, 2003), pp. 13-15.

15 Citizenship and Immigration Canada, *The Interprovincial Migration of Immigrants to Canada*, IMDB Profile Series January 2000 (Ottawa: Citizenship and Immigration Canada, 2000), p. 7.

16 Statistics Canada, *2001 Census: analysis series Aboriginal Peoples of Canada: A demographic profile*, Catalogue no. 96F0030XIE2001007 (Ottawa: Statistics Canada, 2003), p. 6.

FIGURE 19
HOUSEHOLD GROWTH BY AGE GROUP, CANADA, 1991-2001



Age refers to the age of the household maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

population. In the 1970s, when baby boomers began leaving home, the number of households in Canada increased by an average of just under 225,000 annually. In the 1990s—when a smaller generation of young adults was entering the housing market—annual growth in households averaged only 160,400 from 1991 to 1996 and 148,600 from 1996 to 2001.¹⁷ In the last 30 years, the volume of new homes completed roughly paralleled changes in household formation (see Figure 18).

Regional differences in household growth mirror underlying differences in population growth. Alberta recorded the highest rate of household formation between 1996 and 2001. British Columbia and Ontario had rates above the Canadian average. In contrast, Newfoundland and Saskatchewan, the provinces with the slowest-growing populations, also had the lowest rates of household formation. Most of the cities with the highest rates of household growth, led by Calgary, were in Alberta or Ontario.

Maturing baby boom influences composition of household growth

The age makeup of this household growth reflects the influence of baby boomers and the growing seniors population. Between 1996 and 2001, the biggest absolute increase in households occurred for those maintained by the 45–54 age group, the group at the leading edge of the baby boom (see Figure 19). In contrast, the number of households maintained by people under 35 decreased as the youngest baby boomers moved into their late 30s. Households led by seniors consistently grew at above-average rates in the last three decades, more than doubling their numbers.

Household composition is changing in other ways as well, in part because of the increasing age of the population. In 1971, half (50.2 per cent) of all households were couples with children, a fraction that had fallen to one third (33.4 per cent) by 2001.¹⁸ During this period, one-person households grew faster than all other types, followed by lone-parent households and couples without children. In contrast to the general trend towards smaller households, growth of multiple-family households accelerated in the last 15 years. In concert with these changes in household composition, average household size declined from 3.9 persons in 1961 to 2.6 in 2001.

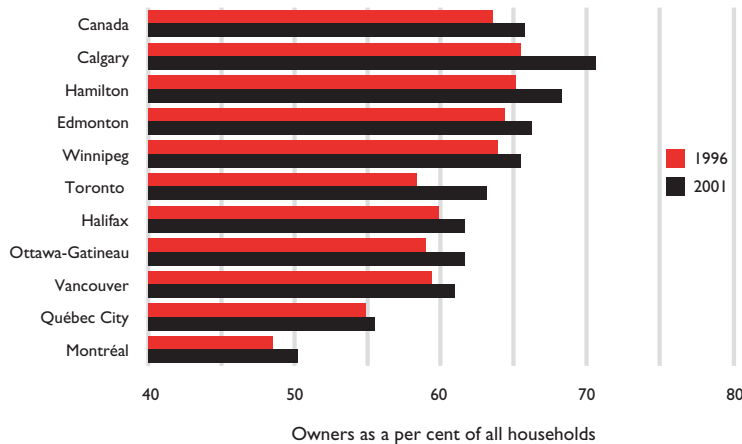
Demographic and economic factors boost ownership rates in the late 1990s

Rising ownership rates are one consequence of the aging of the population, as the probability of owning a home increases with age. In the 1970s, when the first baby boomers were leaving home, most rented. By the turn of the century, most boomers—now middle-aged—had bought homes. As a result, ownership rates climbed steadily from 1971 to 2001.

17 Coverage studies for the 2001 Census of Canada indicate that 2.99 per cent of the population (excluding Indian reserves) was missed in 2001, compared to 2.45 per cent in 1996. Although the precise impact of the rise in undercoverage on the number of households enumerated cannot be determined, it seems likely that census data understate the household growth in 1996–2001 relative to 1991–96.

18 Because of changes to the definition of a census family, household type data from 2001, with the exception of data on one-person households, are not strictly comparable to data from earlier censuses.

FIGURE 20
OWNERSHIP RATES, CANADA AND SELECTED URBAN CENTRES,
1996 AND 2001



Source: CMHC, adapted from Statistics Canada (Census of Canada)

The pace of change picked up markedly in the late 1990s. Between 1996 and 2001, growth in owner households accelerated, but the number of renter households scarcely increased at all. As a result, the ownership rate in Canada rose to 65.8 per cent from 63.6 per cent, the largest increase for any five-year period dating back to 1971. Ownership rates rose in virtually every major urban centre, with Calgary and Toronto recording the largest increases (see Figure 20).

The strength of the rise in the ownership rate between 1996 and 2001 in comparison to previous periods suggests that the increase was not solely attributable to the ongoing maturation of baby boomers. It is estimated that the aging of the population accounted for slightly under half of the increase. In other words, if only the age makeup of household maintainers had changed during the period, the national ownership rate would have risen by less than half the actual increase. This proportion varied considerably from market to market; for example, aging accounted for less than one-fifth of the increase in the ownership rate in Calgary and about a quarter in Toronto, but virtually 100 per cent in Vancouver (see

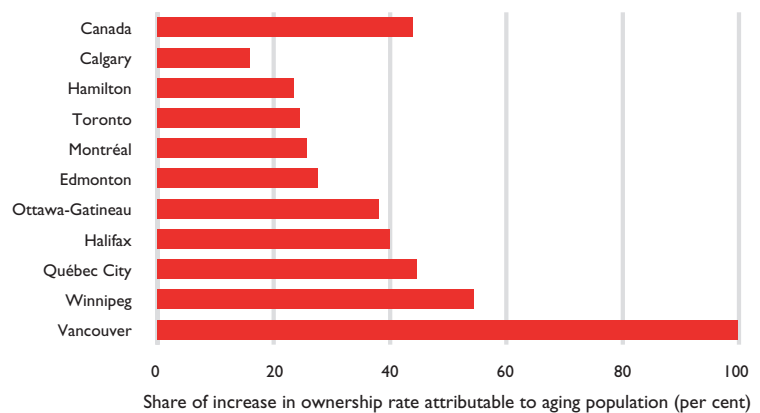
Figure 21). In most metropolitan areas, the contribution of aging to the total increase in the ownership rate was less than half.

The rise in the total ownership rate was larger than the change expected on the basis of aging alone because ownership rates rose in every age group. In Canada as a whole, households at every stage of life were more likely to own their homes in 2001 than in 1996. Ownership rates increased most for households maintained by seniors and those maintained by people under the age of 30.

Widespread increases from 1996 to 2001 in age-specific ownership rates occurred at a time when a range of conditions favoured ownership. Low

mortgage rates, strong employment growth and rising disposable incomes brought homeownership within reach of many renters. So, too, did mortgage insurance changes during the 1990s that reduced minimum down payments to as little as five per cent—initially for first-time homebuyers and subsequently for all buyers. In addition, the Home Buyers' Plan introduced in 1992 allowed households to make tax-free withdrawals from their RRSPs to purchase homes.

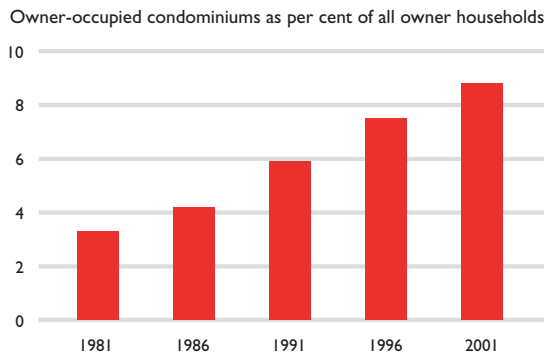
FIGURE 21
EFFECT OF AGING POPULATION ON OWNERSHIP RATES,
CANADA AND SELECTED URBAN CENTRES, 1996-2001



Data are not adjusted for changes to CMA boundaries. Boundaries changed in Halifax and Ottawa-Gatineau between 1996 and 2001.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

FIGURE 22
CONDOMINIUM MARKET SHARE, CANADA, 1981-2001



Source: CMHC, adapted from Statistics Canada (Census of Canada)

Those who either could not or did not wish to buy homes had increasing difficulty finding vacant apartments. Vacancy rates in many rental markets dropped markedly during the late 1990s. The proportion of young adults aged 20 to 29 living with their parents rose to 41 per cent in 2001, from 39 per cent in 1996 and 33 per cent in 1991. While factors such as increasing pursuit of higher education and labour market conditions likely influenced the decision to stay with parents, tight rental markets may have played a role as well.

Demographic changes support growth of condominiums

As Canadians age, many are choosing to live in condominiums. The number of owner-occupied condominiums in Canada almost quadrupled between 1981 and 2001.¹⁹ Growth from 1996 to 2001 was 30 per cent, nearly three times faster than the growth in owner households overall. From just over three per cent of owner-occupied dwellings in 1981, the market share of condominiums rose to nearly nine per cent in 2001 (see Figure 22).

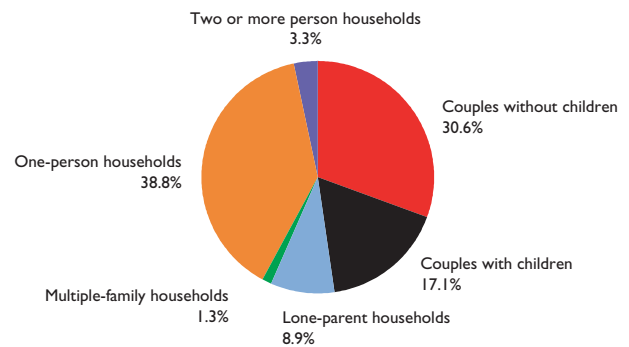
Two of the fastest-growing household types in recent years—one-person households and couples without

children—account for the great majority of the owner-occupants of these condominiums. In 2001, almost four out of 10 condominium owners were people living alone. Three out of 10 were couples without children. By comparison, couples with children were under-represented, accounting for less than two out of 10 condominium owner-occupants (see Figure 23).

Continued aging of the population bodes well for the condominium market. In 2001, almost a third of condominium owners were households led by seniors (those 65 or older). Nearly half were households maintained by people 55 or older. Because the oldest baby boomers are just beginning to pass age 55, the 55-plus group is growing rapidly and will continue to do so.

Compared to other seniors, those living in condominiums are relatively well off. Although condominium residents generally have lower incomes than other owner households, the reverse is true for senior households. In 2001, the average incomes of senior-led owner households living in condominiums were five per cent higher than those of seniors who owned homes that were not condominiums—and 19 per cent higher than the average incomes of all senior households.

FIGURE 23
RESIDENTS OF OWNER-OCCUPIED CONDOMINIUMS, CANADA, 2001

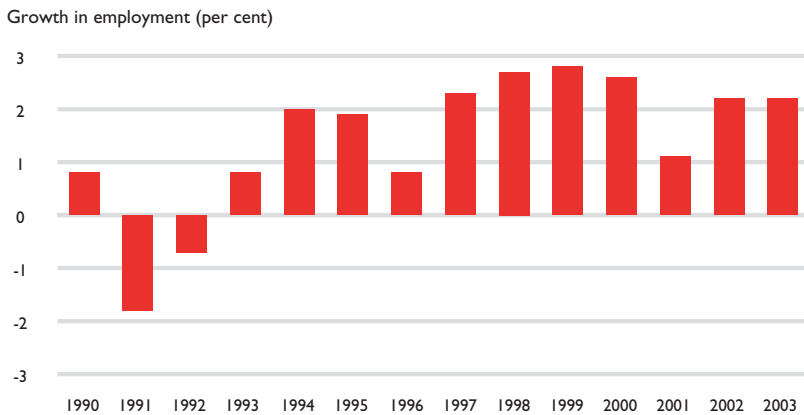


The category "two or more person households" describes non-family households of more than one person.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

19 The Census of Canada does not identify condominium units occupied by renters.

FIGURE 24
GROWTH IN TOTAL EMPLOYMENT, CANADA, 1990-2003



Growth calculated from average monthly employment during the year.
Source: CMHC, adapted from Statistics Canada (CANSIM II)

Job gains bolster housing markets

Since the late 1990s, prolonged employment and income growth have helped sustain housing demand. Steady employment provides people with the incomes and, eventually, the savings to allow them to act on their housing preferences, for example, to opt to live independently instead of sharing accommodation.

Despite retreating slightly in the last three years from the highs of the late 1990s, job creation remains strong in comparison to the first half of the 1990s (see Figure 24). Following a marked recovery in 2002, employment growth slackened noticeably in the first eight months of 2003. The year then ended on a strong note as job creation accelerated in the last four months.²⁰

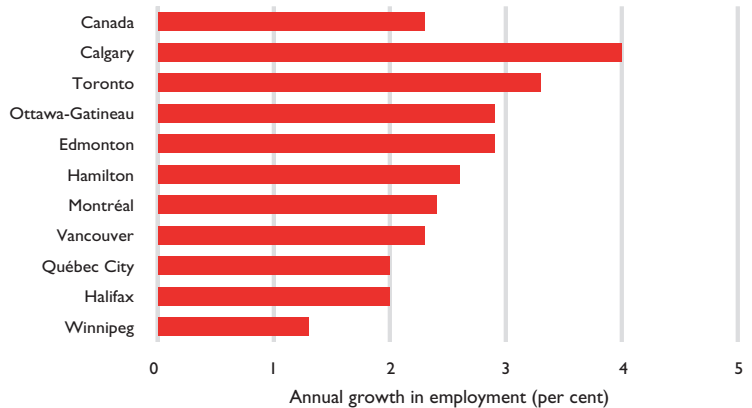
Since the upturn in job creation began in 1997, the two provinces with the highest

rates of employment growth, Alberta and Ontario, also had the most rapidly growing populations. These provinces attracted labour from outside their borders and saw large increases in new home construction in the late 1990s. The metropolitan areas with the highest rates of job creation since the mid-1990s were concentrated in Alberta and southern Ontario (see Figure 25).

Incomes grow faster than shelter costs from 1996 to 2001

The stronger economy and improved job creation of the late 1990s had a positive effect on household incomes. Whereas increases in shelter costs outstripped growth in incomes in the early 1990s, the reverse was true later in the decade (see Figure 26). Shelter costs rose 11.1 per cent in Canada from 1991 to 1996, but before-tax household incomes increased only

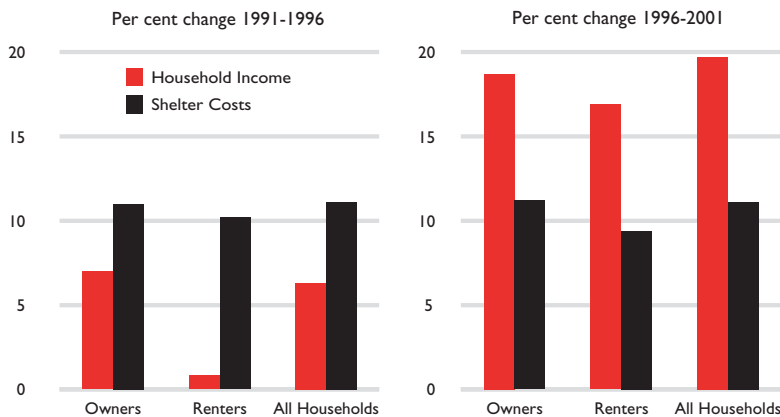
FIGURE 25
EMPLOYMENT GROWTH, CANADA AND SELECTED URBAN CENTRES, 1996-2003



Compound annual growth calculated from average monthly employment during the year.
Source: CMHC, adapted from Statistics Canada (CANSIM II)

20 Job creation in 2003 stacks up differently relative to 2002 depending on the method of calculation. When calculated from average monthly employment during the year, annual growth in employment in 2003 almost equaled the growth in 2002, whereas the December-to-December change in employment was weaker in 2003 than in 2002.

FIGURE 26
GROWTH IN HOUSEHOLD INCOME AND
SHELTER COSTS BY TENURE, CANADA, 1991-2001



Cost and income data are not adjusted for inflation. Income data refer to the calendar year preceding the census. Data exclude farm, band, and reserve households, households with incomes of zero or less, and households whose shelter costs equal or exceed their incomes.

Source: CMHC, census-based housing indicators and data

up-to-date picture of income changes since 2000. From the 1990s through the turn of the century, growth in real disposable income broadly mirrored changes in employment, accelerating from 1997 through 2000, and slowing thereafter. In 2003, real disposable income continued to grow but at a slower rate than in 2002.

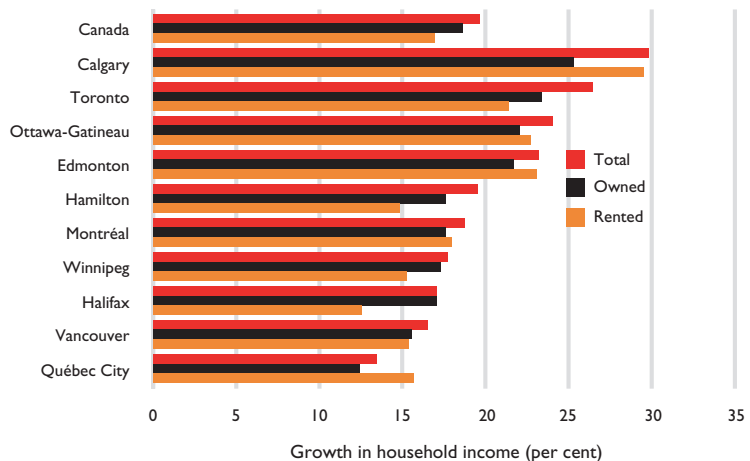
Although incomes increased for all income groups over the past decade, gains benefited high-income earners disproportionately. The real average after-tax incomes of the bottom fifth of families increased by 8.6 per cent between 1992 and 2001, less than half the 22.0 per cent increase enjoyed by the top quintile. As a result, the ratio of average after-tax income in the top quintile to that of the bottom quintile rose from 4.9 to 5.5, including an increase of two-tenths in 2001 alone.

6.3 per cent from 1990 to 1995.²¹ In contrast, household incomes rose 19.7 per cent from 1995 to 2000, outstripping shelter cost increases of 11.1 per cent between 1996 and 2001. This acceleration of incomes in relation to shelter costs was a major reason for the improvement in the housing conditions of Canadian households described later in the chapter on housing affordability.

The largest income gains occurred in urban centres in Alberta and southern Ontario, the regions with the strongest employment growth during the period. The incomes of owner and renter households each rose by more than 20 per cent in Calgary, Toronto, Ottawa-Gatineau and Edmonton, all of them centres with active housing markets in recent years (see Figure 27).

Disposable (after-tax) income data from the national accounts provide the most

FIGURE 27
HOUSEHOLD INCOME GROWTH, CANADA AND
SELECTED URBAN CENTRES, 1995-2000

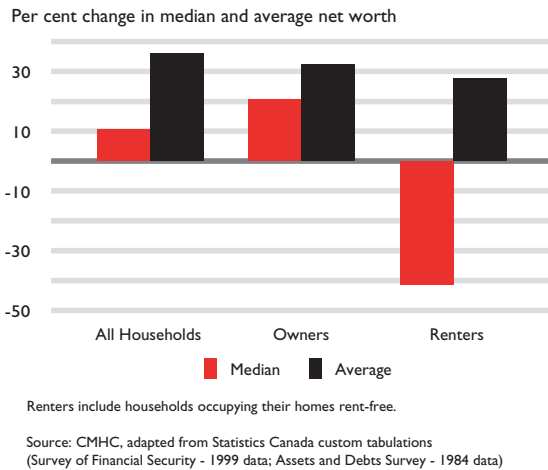


CMAAs ranked by total household income growth. Data are not adjusted for inflation. Data exclude farm, band, and reserve households; households with incomes of zero or less; and households whose shelter costs equal or exceed their incomes.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

21 Data are unadjusted for inflation. Reference dates for income and shelter cost data collected by the Census of Canada differ. Income data refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Data exclude farm, Band, and reserve households; households with incomes of zero or less; and households whose shelter costs equal or exceed their incomes. For renters, shelter costs include rent and any payments for electricity, fuel, water and municipal service that are not included in the rent. For owners, shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and municipal service.

FIGURE 28
CHANGE IN REAL HOUSEHOLD NET WORTH
BY TENURE, CANADA, 1984-1999



Home equity is an important component of wealth

The current income of a household is one indication of its ability to pay for housing. Wealth is another. Cash savings or other forms of wealth that are convertible to cash can be used to purchase housing or to fund renovations. While wealth can be used to purchase or upgrade housing, buying a house is, in turn, a way to build wealth. For many homeowners, equity in their homes is a very significant component of their net worth.

Household net worth has grown. Between 1984 and 1999, the real median net worth of Canadian households rose 10.7 per cent. Average net worth increased far more than the median—by 36.0 per cent. The difference in growth rates suggests that the distribution of wealth became more unequal during the period.

The net worth of owner households increased more rapidly than that of renter households. From 1984 to 1999, the real median net worth of owners grew over 20 per cent, while that of renters dropped more than 40 per cent (*see Figure 28*). In contrast to the decline in their median net worth, renter households saw their average net worth increase by 28 per cent, almost as much as the 32 per cent increase for owner households. The divergence in the median and average net worth of renter households indicates that a higher proportion of renters had relatively low wealth in 1999 than in 1984.

In 1999, the median net worth of owner households was nearly 17 times higher than that of renters. One reason for this disparity is that owners have higher incomes than renters of the same age. These higher incomes allow them to accumulate assets, including equity in their homes. In 1999, the median incomes of owner households were roughly double those of similarly aged renter households.²²

Home equity is a major component of the wealth of these owner households. In 1999, equity in the principal residence accounted for about 36 per cent of the average net worth of homeowners. The share of net worth comprised of home equity was almost identical for owners with and without mortgages: 36 per cent for the former and 35 for the latter.

Although mortgage status made little difference to the proportion of net worth made up of home equity, the net worth of those with and without mortgages differed markedly. The 54 per cent of owners with mortgages had a median net worth (\$113,000) less than half that of owners without mortgages (\$259,311). While some of this difference reflected the fact that the latter group were older on average and had therefore had more time to accumulate assets, differences were significant even for owners of the same age. Within age groups, the median net worth of owners without mortgages was in most cases close to double that of owners with mortgages, even though incomes were very similar.

Since 1999, when the last comprehensive survey of wealth in Canada was conducted, domestic and foreign equity markets have been turbulent, in many instances declining overall despite recent gains. Changes in house prices followed a different course, accelerating during this period. These developments suggest that both the rate of growth of wealth and its composition may have changed since 1999.

This impression is furthered by national accounts data, which indicate that the real net worth of persons and unincorporated businesses continued to rise from 1999 to 2002 but at a slower rate than between 1984 and 1999. Data also show that residential structures increased as a proportion of total assets between 1999 and 2002, while the proportion comprised of financial assets fell. The opposite was the case during the 1990s when stock markets were buoyant. Accordingly, the share of total net worth made up of home equity may have risen since 1999.

22 In this context, age refers to the major income earner in the household. Note that it is not just current income but income over the lifetime—so-called permanent income—that is used to build net worth.

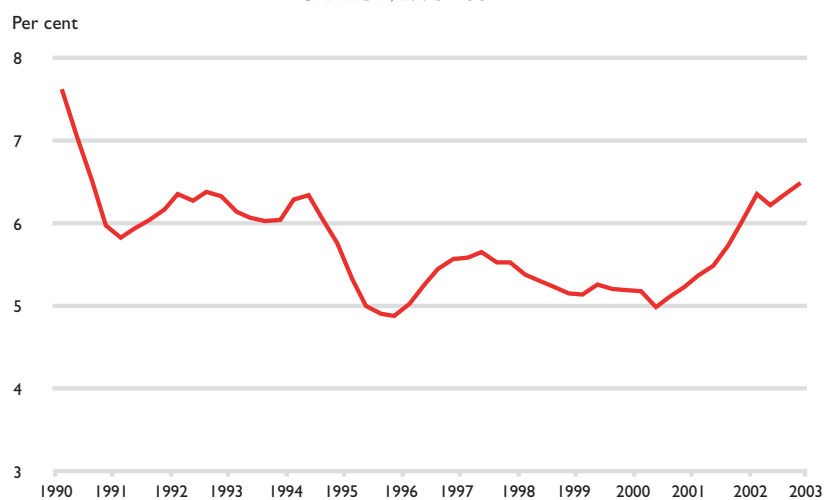
Current Housing Market Developments

It was another strong year in the Canadian housing market in 2003. Favourable economic conditions that included continued low mortgage rates and increased disposable income, helped to maintain high levels of consumer confidence. While employment was virtually flat for most of the year, job creation resumed in the last four months of the year, also helping to buoy consumer sentiment. Housing starts reached 218,400, a 15-year high; sales of existing homes moved past the 2002 record by 4.2 per cent; and renovation spending continued to expand at a vigorous pace. The average rental vacancy rate of the 28 largest urban centres rose to 2.2 per cent from the 2002 level of 1.7 per cent.

Housing helps sustain economic growth in 2003

While GDP growth was a lacklustre 1.7 per cent in 2003, final domestic demand (a measure of aggregate output that excludes the impacts of changes in business inventories and foreign trade) was quite robust, growing by 3.6 per cent. The sudden and rapid appreciation of the Canadian dollar last year contributed to the slow pace of GDP growth by both weakening demand for Canadian exports abroad, particularly in the United States, and making imported goods less expensive here at home. Weak economic growth and the absence of inflationary

FIGURE 29
RESIDENTIAL INVESTMENT AND REPAIRS AS A PORTION OF GDP,
CANADA, 1990-2002

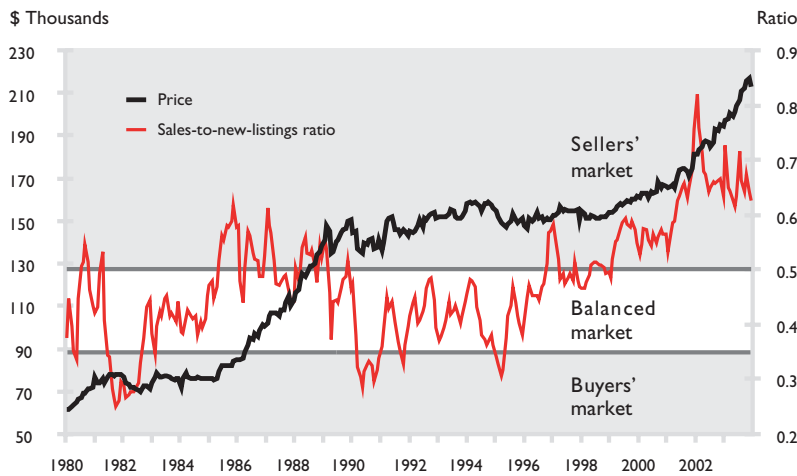


Source: CMHC, adapted from Statistics Canada (National Accounts)

pressures helped keep interest rates low. More specifically, in June, the five-year mortgage rate fell to its lowest level since August 1951. The low mortgage rates and strong growth in personal income due to the robust employment growth in 2002 combined to make housing one of the faster-growing sectors of the economy during 2003.

Spending on residential investment and home repairs contributed \$73.3 billion to the Canadian economy in 2002, up from \$62.5 billion the previous year. New

FIGURE 30
AVERAGE MLS® PRICE AND SALES-TO-NEW-LISTINGS RATIO,
CANADA, 1980-2003



Source: CMHC, adapted from the Canadian Real Estate Association (MLS®)

construction, together with the associated acquisition costs²³ accounted for nearly half (45.0 per cent) of this total. The remainder was split between alterations and improvements (30.1 per cent), transfer costs²⁴ (14.3 per cent), and repairs (10.6 per cent).

The share of residential investment and home repairs in nominal GDP decreased through most of the 1990s, from about 7.5 per cent at the beginning of the decade to just over five per cent in 1999 (see Figure 29). Since then, however, growth in new home construction and spending on alterations, improvements and repairs has outpaced growth in the rest of the economy, driving the share of residential investment and home repairs back up to 6.5 per cent at the end of 2002. At that time, residential investment alone represented 5.8 per cent of GDP, a share that increased to 6.3 per cent by the end of 2003.

Indirectly, housing has a much broader impact on the economy. When the housing sector is growing faster than the rest of the economy, activity will shift towards sectors that are linked to housing, such as the manufacture, importation, distribution and retailing of building

materials, furniture or appliances. A number of studies, cited in the footnote,²⁵ assess the impact on employment and the broader economy of growth in the various aspects of the housing market—new construction, existing-home market and renovation.

Exports are another way in which housing has an impact on the economy. Exports of value-added, housing-related products totalled \$8.7 billion in 2003, down 1.4 per cent from 2002, when they had grown 6.5 per cent. This was a relatively strong performance, since total exports were down 1.7 per cent in 2002 and 3.2 per cent in 2003. Processed wood products, the only product category to grow in 2003, accounted for about 63 per cent of these exports, up from about 57

per cent in 2002. Following two years of relatively strong growth, the Prairie provinces, Nunavut and the Northwest Territories were the source of over 13 per cent of housing-related exports, while the share coming from Ontario and Quebec declined to 64 per cent in 2003 from 67 per cent in 2001. Despite fairly strong growth in exports to some other markets, notably Poland and the U.K., the share of value-added, housing-related exports that went to the U.S. increased to 94 per cent.

Existing home sales set new record

A record 439,000 dwellings were sold through the Multiple Listing Service (MLS®) of the Canadian Real Estate Association in 2003, a 4.2 per cent increase in activity over the previous year. With a 12.5 per cent increase in British Columbia, sales nearly regained the record level set in 1992, while in most other provinces, records were set. A few areas—Saskatchewan, Prince Edward Island, Nova Scotia and the Northwest Territories—experienced sales declines.

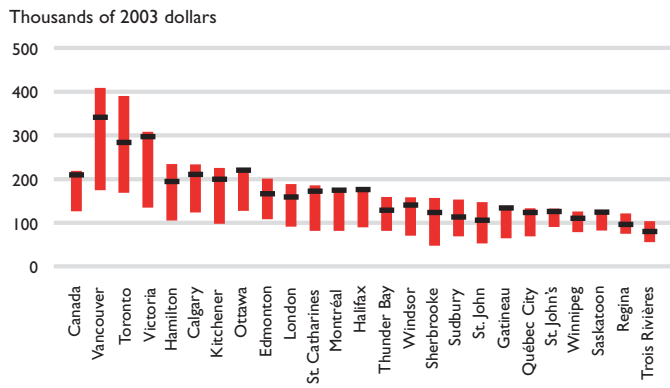
23 These associated costs include land development charges, legal fees, permits etc.

24 Transfer costs include spending on services associated with changes in ownership, such as real estate commissions, appraisals, legal fees and land transfer taxes.

25 CMHC, *Economic Impacts of Residential Construction*, Research Highlights, Socio-economic series, No. 69, 2000. Canadian Real Estate Association, *Economic Impacts of MLS® Home Sales and Purchases*, 2003.

FIGURE 31

HIGHEST AND LOWEST AND CURRENT HOUSING PRICES, CANADA AND SELECTED URBAN CENTRES, 1980-2003



The red bars represent the range between the highest and lowest monthly average prices recorded between 1980 and 2003. The black bars represent the average sales price recorded in December 2003.

Source: CMHC, adapted from CREA (MLS®) and Statistics Canada (CANSIM II)

New listings surge

Sales in the existing home market are an important signal of the strength of housing demand, while new listings are an indicator of supply. Dividing the number of sales by the number of new listings yields the sales-to-new-listings ratio, a common measure of the relative balance between demand and supply in the existing home market. As shown in *Figure 30*, when this ratio falls between 0.35 and 0.5, average prices for housing are relatively flat, a situation known as a balanced market. Prices tend to rise once the ratio exceeds 0.5, a situation known as a seller's market, since dwellings tend to sell relatively quickly at their asking price in these conditions.

Nationally, the number of existing home sales has been growing for several years, but the pace quickened in 2002 and in the second half of 2003 due to rising employment and declines in mortgage rates. However, until 2003, the number of new listings was relatively flat or declining. The combination of rising sales and flat new listings led to rising prices, which eventually encouraged people to list their homes. In 2003, new listings were up 8.5 per cent. With sales still growing, there was only a small decline in the national sales-to-new-listings ratio and Canada's existing home market taken as a whole remained in seller's market territory, where it has been for several years. As a result, the average MLS® price climbed 9.7 per cent in 2003, slightly

more than the previous year and double the rate just two years ago. The increase was due to both price appreciation and a shift in sales activity to more expensive segments of the market and to relatively high-priced markets, such as Toronto and Vancouver.

Prices rising in all large urban centres

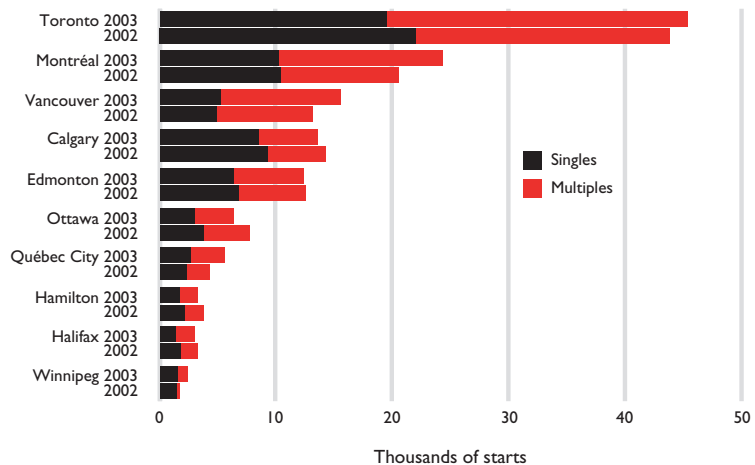
In 2003, the increase in the average MLS® price in Canada's larger urban centres ranged from 16.3 per cent in Montréal to 1.3 per cent in Windsor. The cyclical nature of housing prices is more apparent after they have been adjusted for inflation. After such adjustment, housing prices at the end of 2003 were near or at a record in eight of these markets (*see Figure 31*). In Vancouver and Toronto, where prices fell significantly in the early 1990s, inflation-adjusted housing prices remained well below their previous peaks. For Canada as a whole, the average seasonally adjusted MLS® price reached \$216,300 in November, surpassing the record of \$215,200 (in 2003 dollars) set in February 1989.

Starts concentrated in urban areas

Total housing starts reached 218,400 units in 2003, a 15-year high, although growth slowed to 6.5 per cent from 26 per cent the previous year. Most parts of the country shared in the increase, but activity was concentrated in urban areas, particularly in Toronto, Montréal and Vancouver (*see Figure 32*). Starts in these three centres totalled 85,400, nearly 40 per cent of all starts. Rural starts were up only 2.3 per cent, to 26,500.

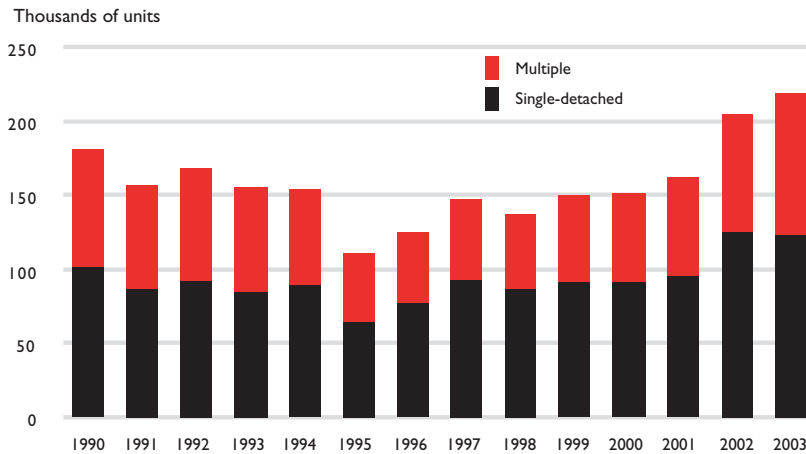
FIGURE 32

HOUSING STARTS, SELECTED URBAN CENTRES, 2002-2003



Source: CMHC (Starts and Completions Survey)

FIGURE 33
HOUSING STARTS, SINGLE-DETACHED AND MULTIPLE
UNIT HOMES, CANADA, 1990-2003



Source: CMHC (Starts and Completions Survey)

British Columbia led the way among the provinces, recording an increase of 21 per cent. Only Alberta experienced a decline in new home construction although, on a per capita basis, starts remained the highest in the country.

New construction activity shifts to multiples

Starts of single-detached homes declined 1.7 per cent in 2003, while starts of semi-detached, row houses and apartments were up 0.4 per cent, 10.1 per cent and 28.6 per cent, respectively. The latter three are referred to collectively as multiple-dwelling structures or multiples.

In general, prices for multiples are lower than those for single-detached houses. There is a strong relationship between housing prices and the popularity of multiples. As prices rise, it becomes more likely that prospective buyers will search for a home in the less-expensive multiples market. With prices rising significantly in 2003, the proportion of total starts that were multiples moved up to about 44 per cent from about 39 per cent the previous year (see Figure 33). This shift occurred in almost all of the largest urban centres, with only Abbotsford, Saguenay,

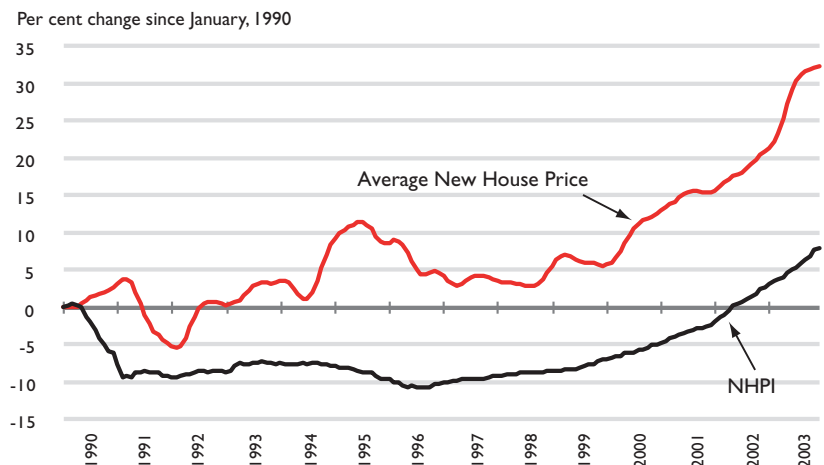
St. Catharines-Niagara, Saskatoon, Trois Rivières and Windsor bucking the trend.

More sales of higher-priced new houses pull up the average price

Figure 34 tracks changes in two indicators of new housing prices over the period since 1990. The New Housing Price Index (NHPI) prepared by Statistics Canada is a measure of market appreciation. It tracks the prices at which developers sell houses with a constant quality over time. Home quality is defined in terms of location, size and set of features. The NHPI was up 4.8 per cent in 2003.

Another indicator of new house prices is the average price calculated from sales data. This indicator increased 8.2 per cent in 2003, well above the 4.8 per cent increase of the NHPI. The difference reflects the fact that consumers have been purchasing houses of higher quality and that a greater proportion of sales have occurred in relatively high-priced markets. By contrast, in 2002, market appreciation accounted for a much larger proportion of the increase observed in the average new home price.

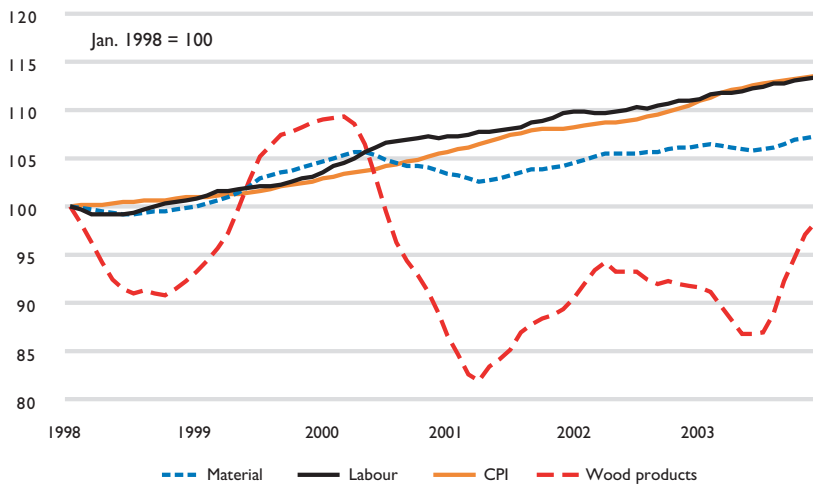
FIGURE 34
TREND IN NHPI AND AVERAGE NEW HOUSE PRICE,
CANADA, 1990-2003



The New Housing Price Index (NHPI) measures prices of houses of constant quality. The Average New House Price measures actual sales prices of new houses. The difference between these two measures reflects changes in the size and quality of new houses currently being sold.

Source: CMHC, (Market Absorption Survey) and adapted from Statistics Canada, (CANSIM II)

FIGURE 35
CONSTRUCTION COST INDICES, 12-MONTH MOVING AVERAGE,
CANADA, 1998-2003



Source: CMHC, adapted from *Madison's Canadian Lumber Reporter* and Statistics Canada (Labour Force Survey, Consumer Price Index and custom tabulation).

Building costs rise moderately while wood prices fluctuate

As shown in *Figure 35*, both building materials costs and construction labour costs increased at a modest pace in 2003, somewhat slower than the increase in 2002. Although the construction labour market was relatively tight in many centres throughout 2003, with the unemployment rate only marginally above the historic lows hit in 2000, the basic union wage rate for construction workers increased at a rate of about 2.5 per cent, slightly slower than the 2.8 per cent inflation rate during the year. Average wages for all workers in the construction industry, including those who are self-employed, increased at the same rate as unionized wages over the course of the year.

The overall cost of building materials was up only about 1.2 per cent on average in 2003, however, prices of semi-processed wood products (two-by-fours, plywood and oriented strand board) showed considerable variation over the course of the year, increasing on average a little over seven per cent from 2002. For most building materials, Canadian

and U.S. markets compete for supply, therefore prices in Canada are strongly influenced by trends in the U.S.. The appreciation of the Canadian dollar likely was a factor minimizing increases in the cost of building materials.

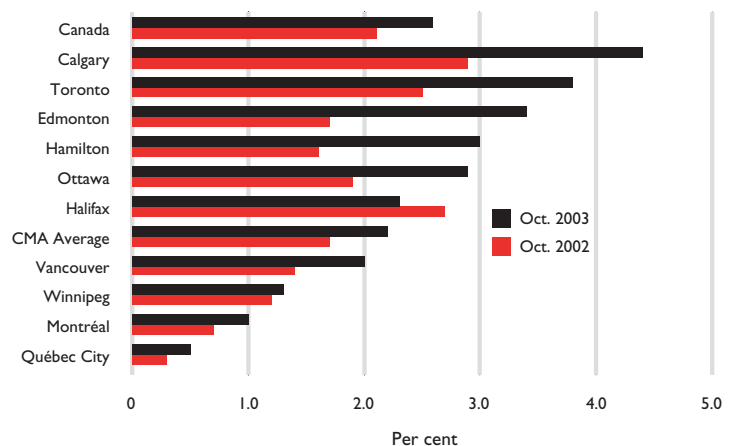
Vacancy rates moved up

The average vacancy rate for rental apartments in Canada's 28 largest urban centres moved up to 2.2 per cent in 2003 from 1.7 per cent in 2002.

Although this was the second consecutive annual increase, it remains below the 3.4 per cent average in the decade ending 2002. Vacancy rates in these larger centres ranged from 5.2 per cent in Saint John to 0.5 per cent in Québec City. Vacancy rates moved up modestly in Québec and Montréal, but these remained among the tightest markets in the country (*see Figure 36*).

The largest increases occurred in Edmonton, Calgary, Hamilton and Toronto. The Canadian vacancy rate, which reflects the situation in all urban centres with a population of 10,000 or more, moved up from 2.1 per cent to 2.6 per cent.

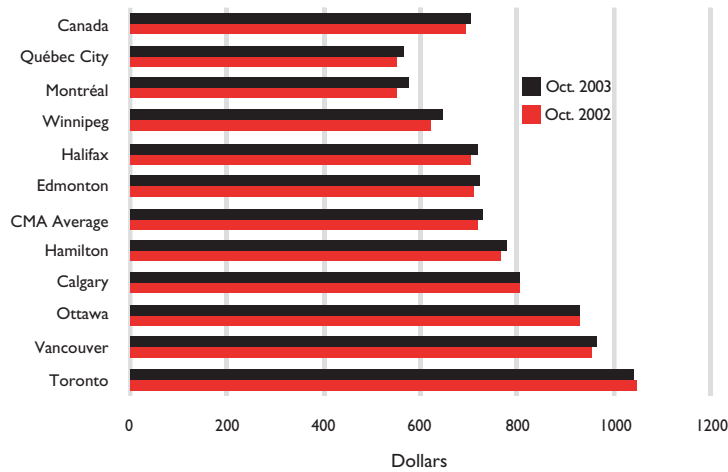
FIGURE 36
VACANCY RATES, CANADA AND SELECTED URBAN CENTRES, 2002-2003



Vacancy rates are for privately initiated apartment structures of three units and over. The Canada average represents the average vacancy rate in urban centres with populations of 10,000 or more. The CMA average represents the weighted average vacancy rate in Census Metropolitan Areas (urban areas with core populations of 100,000 or more).

Source: CMHC (Rental Market Survey)

FIGURE 37
AVERAGE RENT, TWO-BEDROOM APARTMENT,
CANADA AND SELECTED URBAN CENTRES, 2002-2003



Average rents are for privately initiated apartment structures of three units and over. The Canada average represents the average two-bedroom rent in urban centres with populations of 10,000 or more. The CMA average represents the weighted average two-bedroom rent in Census Metropolitan Areas (urban areas with core populations of 100,000 or more).

Source: CMHC (Rental Market Survey)

Rate of rent increases slowed

With vacancy rates rising, the rate of rent increases slowed. The average monthly rent for a two-bedroom apartment in the largest urban centres was \$728, up only 1.1 per cent from 2002 when it rose 3.6 per cent (*see Figure 37*). Across the largest urban centres, the average monthly rent for a two-bedroom apartment ranged from a high of \$1,040 in Toronto to \$436 in Trois Rivières.

In most centres, rents were flat or rose modestly. The key exceptions were Toronto, where rents for most apartment types declined modestly while in Gatineau, Kingston and Montréal rents were up more than four per cent for almost all apartment types. In contrast to the situation in the largest urban centres, rents in smaller centres were lower and the increases higher, resulting in a Canadian average rent for a two-bedroom apartment of \$704, up 1.4 per cent from 2002.

Easing in the rental market was due to both demand and supply factors

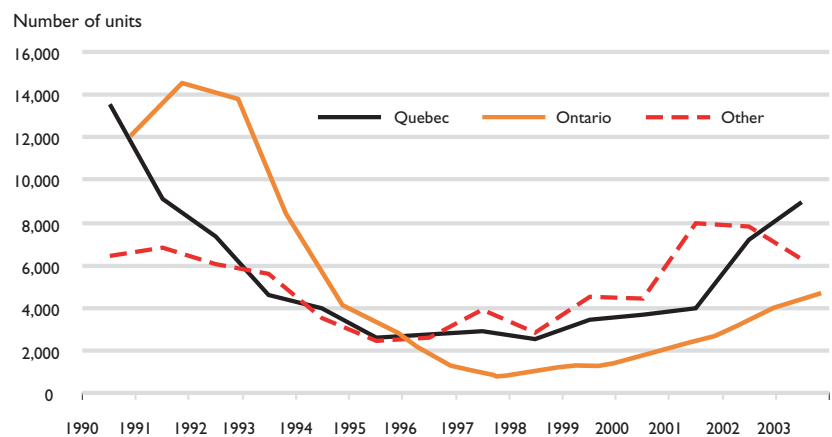
Demand for rental accommodation reflects the balance between the move-

ment of households in and out of the rental market. The main factors influencing the movement into the rental market are youth employment, immigration and decisions by senior citizens to move from owned into rented accommodation. The transition to homeownership by renters is the main factor affecting movement out of the rental market. During 2003, a decline in interest rates encouraged the latter while a drop in immigration and slowing growth in youth employment reduced the former, resulting in an easing of demand for rental housing.

New construction added to supply in the rental market in centres with populations of 10,000 or more (*see Figure 38*). About 19,000 new rental units were completed during 2003, up 21 per cent from 2002. More than two-fifths of these units were located in Quebec. Rental starts were up

5.8 per cent in 2003 after an 86 per cent surge between 2000 and 2002. The deceleration in growth was due mainly to declines of 35 per cent in Alberta and 22 per cent in British Columbia. The most pronounced increase in rental starts (24 per cent) was in Quebec. In Montréal, projects targeted to the growing market of people over 55 accounted for much of the growth in rental starts in 2003.

FIGURE 38
RENTAL STARTS, PROVINCES, 1990-2003



Source: CMHC (Starts and Completions Survey)

Rents increased most at the low end of the market

The modest increase in the average rent for a two-bedroom apartment in the largest urban centres as well as the rise in vacancy rates provide only a general indication of conditions in the rental market. A more disaggregated approach can provide additional insights into trends taking place within different segments of the market. For example, in each major urban centre, the rental market can be divided into five equal segments, referred to as quintiles, based on the monthly cost of the rent. Taking the first rent quintile (the least expensive quintile) for each of these centres and aggregating them together yields a first quintile for Canada's major urban markets. The same exercise can be done to aggregate the remaining quintiles. This analysis reveals that rents for apartments in the lowest quintile (the least expensive) increased, on average, by 2.7 per cent in 2003. By contrast, the rents for apartments in the fifth quintile (the most expensive) decreased by 0.5 per cent. The pattern of higher average-rent increases in the least-expensive component of the rental apartment stock was observed in 19 of the 28 largest urban centres, and in all regions of the country.

Rental market includes a wide variety of accommodation

In addition to the conventional units tracked by CMHC in the *Rental Market Survey* and the *Starts and Completions Survey*, the rental market includes a wide variety of living arrangements, at times referred to collectively as the secondary rental market. Some examples of these arrangements are rented single and semi-detached houses, rented condominiums, duplexes or triplexes operated by landlords living in one of the units, apartments above stores and basement suites. The diversity and informal nature of many of these arrangements have made it impossible to track trends in this part of the rental market or even measure its size, but a special survey²⁶ conducted for CMHC in late 2002 provides some insight. The survey confirms that this part of the rental market is diverse and extensive. About

17 per cent of the households that responded to the survey said they rented out part of their residence. While they were not asked about all of the possible types of rental arrangements, which could range from renting out a room in an apartment to renting out an apartment in a duplex, 50 per cent of the households that reported renting out part of their residence said they rented out a basement unit. While additional research is required to quantify its size and to understand the dynamics of this part of the market, the survey results suggest that the secondary rental market makes a significant contribution to rental housing supply.

It has been assumed that this part of the market is quite fluid—that, for a variety of reasons, units are regularly added or withdrawn from the market. While the survey does not provide sufficient information to reject or accept this hypothesis, it shows that about a third of the units rented out have their own civic address, which suggests some degree of permanence. The survey also confirms that most households renting out a part of their residence did so for financial reasons, and hence may withdraw from the rental market when their financial situation improves. This would influence the availability of rental housing in those local markets where the secondary market is a significant component of total rental supply.

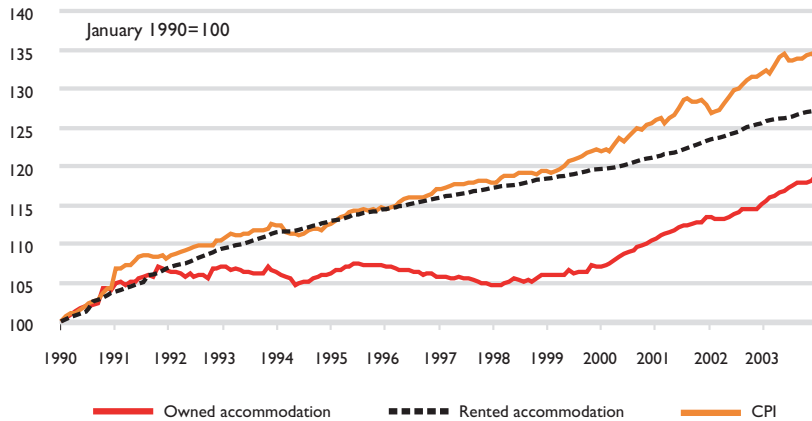
Rental costs lagged behind inflation and ownership costs

As shown in *Figure 39*, rental accommodation costs increased at a rate that was virtually equal to inflation for most of the 1990s, while increases in owned accommodation costs were substantially lower.

Since about 2000, owned accommodation costs have been increasing at a rate similar to inflation in most years, while rented accommodation cost increases have lagged behind both. In 2003, owned accommodation cost increases, at 3.0 per cent, exceeded the inflation rate of 2.8 per cent, while the cost of rented accommodation was up 1.5 per cent.

26 CMHC, adapted from PMB 2002 Fall RTS

FIGURE 39
OWNERSHIP AND RENTAL COST INDICES,
CANADA, 1990-2003



Source: Statistics Canada (Consumer Price Index)

Overall, shelter costs reflect the costs related to utilities as well as owned accommodation and rented accommodation costs (see Figure 40). Shelter costs were up 3.3 per cent in 2003, pulled up by the cost of utilities, which increased 9.0 per cent. Costs of the different types of utilities have proven to be quite volatile. The 30 per cent jump in piped gas costs in 2003 followed an 18 per cent decline the previous year, while electricity costs, which fell in 2003, had led to cost increases in 2002 with a jump of 7.6 per cent. Insurance premiums showed the greatest increase among specific costs in owned and rented accommodation. They are, however, a relatively small part of these costs. Interest costs, the largest component of owned accommodation costs, showed a small decline. Rising house prices contributed to making replacement cost the main factor pulling up owned accommodation costs in 2003.

Condominiums a popular tenure choice

Condominiums are a popular tenure choice, particularly in urban centres where house prices are high and land available for new construction is scarce and costly. Nationally, growth in condominium starts accelerated to 33.7 per cent in 2003 from 15 per cent the previous year. As a result, condominium starts reached a record level of about 49,200 units.

This growth spurt raised the share of condominiums in total urban housing starts to 25.6 per cent, well over the average share of about 22 per cent over the last 14 years. The relative popularity of condominiums varied across the country. Figure 41 shows that in many urban centres across Canada, the share of condominiums in total starts fluctuates widely and while this share was near record levels in a majority of these centres in 2003, in a few others, it had declined to a record low.

There are a number of factors that make this form of tenure attractive. Condominiums are generally an affordable option for people who prefer to own their home since they are normally less expensive than other dwelling types. This explains the presence of condominiums throughout higher-priced markets like Toronto, Victoria and Vancouver. The latter is also an example of the close connection between condominium construction and land availability. Condominiums are prevalent in areas, such as the

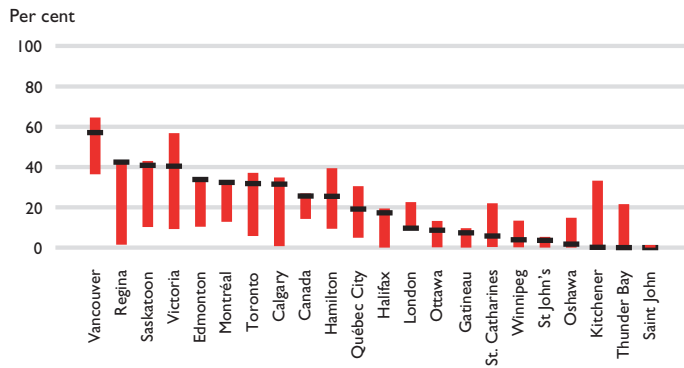
FIGURE 40
SHELTER COSTS, CANADA, 2003

	Per cent change	Share
Owned accommodation	3.0	64.8
Insurance	11.3	3.5
Maintenance	3.4	6.3
Interest	-0.2	29.6
Replacement	6.4	10.6
Property taxes	2.3	10.9
Other	4.5	3.9
Rented accommodation	1.5	21.5
Rent	1.4	20.7
Insurance	4.4	0.4
Maintenance	-0.3	0.4
Utilities	9.0	13.7
Electricity	-1.9	7.4
Water	4.3	1.8
Piped gas	30.1	3.2
Fuel oil	14.9	1.4
Total shelter costs	3.3	100.0

Share indicates the relative importance of the item in total shelter costs

Source: CMHC, adapted from Statistics Canada (Consumer Price Index)

FIGURE 41
HIGHEST, LOWEST AND CURRENT PERCENTAGE
OF CONDO STARTS IN TOTAL STARTS,
SELECTED URBAN CENTRES, 1989-2003



The red bars represent the range between the highest and lowest shares of total starts accounted for by condominiums during the 1989-2003 period. The black bars represent the condominium share of total starts in 2003.

Source: CMHC (Starts and Completions Survey)

downtown cores of cities, where, because of lifestyle choices, demand for accommodation is strong and land for building is scarce. Another aspect of condominiums is that they are an accessible option for small investors who wish to include rental real estate in their investment portfolio. Finally, they can also allow people, especially senior citizens, to reduce their responsibility for home maintenance while continuing to remain homeowners. St. Catharines and Victoria, cities in which the average age is relatively high, are examples of centres where condominiums are a relatively popular tenure choice.

Condominiums owned by investors who rent them out account for about 20 per cent of the condominium stock in Toronto. In Vancouver, about 30 per cent of the condominium apartments developed between 1990 and 2000 are owned by investors. In downtown Vancouver the proportion rises to 47 per cent. According to a survey conducted for CMHC of the Vancouver condominium market, the majority of condominium investors own only one condominium and they intend to hold it for five or more years. Data for Toronto indicate that the prospect of capital gains is important to investors. *Figure 42* shows the number of condominiums rented out and the average resale price since 1992 for Toronto. As condominium prices in Toronto rose in the late 1990s, the number of condominiums

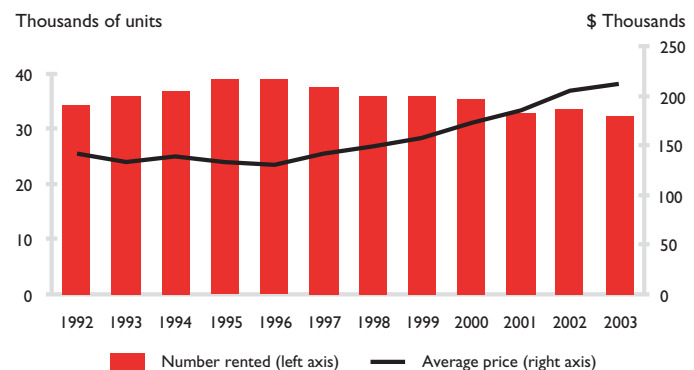
rented declined significantly as the capital gain from the condominium sale became more attractive than the continuing rental income. During 2003, investors' decisions added to the supply of condominium apartments available for sale in Toronto's existing home market and reduced the supply of rental condo apartments in a rental market where the vacancy rate had increased significantly.

Growth in renovation spending accelerated in 2003

Total renovations are composed of alterations and improvements that raise the value of a residence and repairs that maintain its value. Spending on alterations and improvements grew at a rate of 9.3 per cent in 2003, up from 7.1 per cent the previous year. The contribution of the alterations and improvements to GDP in 2002 was \$22.1 billion, while repairs added another \$7.8 billion, bringing the spending that maintained or improved the housing stock to \$29.9 billion in that year, or equivalent to 2.6 per cent of nominal GDP.

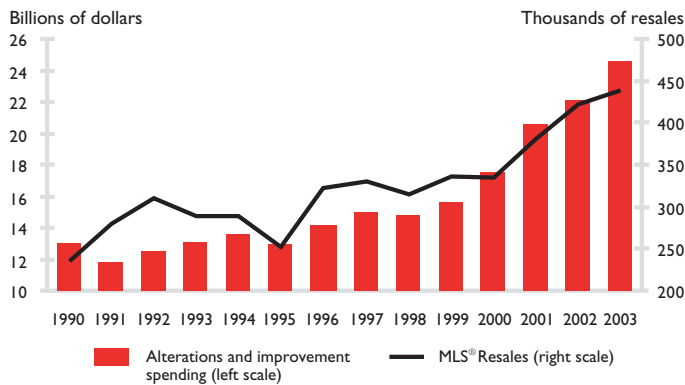
Sales of existing homes are a leading indicator for renovation spending, since households generally undertake renovations within the first three years after buying a house. Thus, the strong growth in sales in the existing home market in recent years provided a solid foundation

FIGURE 42
CONDOMINIUMS, NUMBER RENTED AND AVERAGE PRICE,
TORONTO, 1992-2003



Source: CMHC (Condominium Report)

FIGURE 43
ALTERATIONS AND IMPROVEMENTS, MLS® SALES,
CANADA, 1990-2003



Source: CMHC, adapted from Canadian Real Estate Association (MLS®), Statistics Canada (National Accounts)

for renovation activity (see Figure 43). The drop in interest rates over the past year facilitated mortgage refinancing, allowing homeowners to access some of the equity from their homes without selling. Close to half of the proceeds from refinancing were used for renovation-related activity, adding further stimulus to this segment of the housing market.²⁷

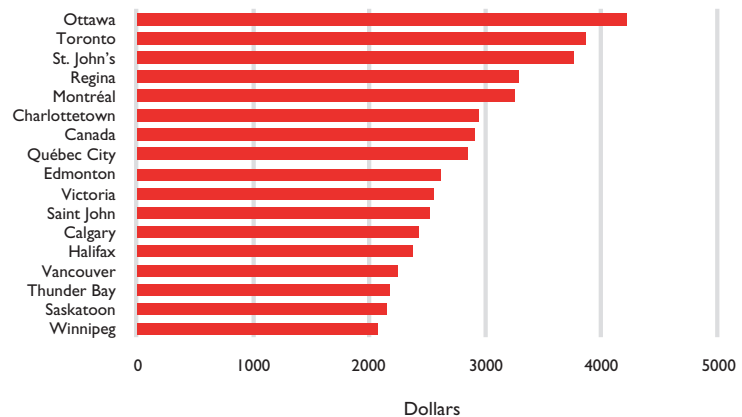
Another measure of repair and renovation activity can be derived from Statistics Canada's *Homeowner Repair and Renovation Expenditure Survey*. This survey focuses on the spending on renovations and repairs done only by owner-occupiers.²⁸ About three-quarters of homeowner households in Canada reported at least one repair or renovation expenditure in 2002, for a total expenditure of \$23.4 billion. After adjusting for increases in construction materials and wages, this was an increase of about 10.4 per cent from 2001, when total expenditures were \$21.2 billion.

The average amount (based on all owner-occupiers, including those who didn't undertake a renovation project during 2002) spent on repairs and renovations across Canada was \$2,910, which is 8.6 per cent higher than in 2001 after price and wage adjustments.

On average, two-thirds of the amount spent on repairs and renovations was dedicated to work contracted out, while the remaining one-third was spent on materials purchased separately by the homeowner. These proportions remain consistent with past years.

Across Canada, the highest average spending on repairs and renovations was in Ontario at \$3,480 per household, followed by Quebec and Newfoundland. The lowest average spending on repairs and renovations was in Manitoba, with only \$2,130. This pattern was reflected at the city level as well. With the exception of Thunder Bay, spending in Ontario urban centres was above average, while the lowest average expenditure occurred in Winnipeg (see Figure 44). Prince

FIGURE 44
AVERAGE HOMEOWNER RENOVATION AND REPAIR
EXPENDITURE, CANADA AND SELECTED URBAN CENTRES, 2002

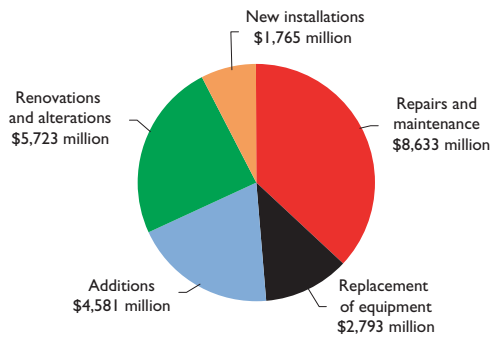


Source: Statistics Canada (Homeowner Repair and Renovation Expenditure, custom tabulation)

27 Clayton Research/Ipsos-Reid, FIRM Residential Mortgage Survey.

28 Data from this survey are not strictly comparable to data from the National Accounts.

FIGURE 45
HOMEOWNERS' EXPENDITURE ON HOUSING
REPAIRS AND RENOVATIONS BY TYPE,
CANADA, 2002



Source: Statistics Canada (Homeowner Repair and Renovation Expenditure Catalogue 62-201)

Edward Island had the largest percentage of homeowners (84 per cent) claiming to have made at least one repair and renovation expenditure in 2002, while only 67 per cent of homeowners in Alberta claimed to have taken on at least one repair or renovation in 2002.

The survey results also show that households with larger incomes tend to spend more on repairs and renovations than households with lower incomes. What is observed is that households with incomes over \$80,000, which make up 21 per cent of the total homeowner-household population in Canada, account for 33.1 per cent of the total amount spent on repairs and renovations, while households with incomes of \$20,000 to \$39,999, with a comparable 21 per cent of the homeowner population, account for only 15.6 per cent of the total amount spent.

As illustrated in *Figure 45*, repair and maintenance activities such as painting, complete re-roofing and outdoor patio, fence and driveway repairs, accounted for the largest amount of aggregate expenditure in 2002 with \$8.6 billion spent. Renovations and alterations, which could include the construction of a patio or a driveway as well as significant changes to either the interior or exterior of a dwelling, came in second with \$5.7 billion.

Items covered under both new installations and replacement of equipment include heating or air conditioning equipment, plumbing or electrical fixtures, hard surface flooring or carpeting and built-in appliances.

Trends in Housing Finance

Borrowers in 2003 continued to enjoy low interest rates, a plentiful supply of mortgage funds and a wide variety of payment options. As a result, more Canadians were able to get into homeownership for the first time. Mortgage funding through securitization under the provisions of the *National Housing Act* grew considerably last year, an indication of the significance of the secondary mortgage market.

Affordability of homeownership improves as mortgage rates decline

Posted five-year mortgage rates declined overall in 2003, fluctuating within a narrow band of 5.80 per cent to 6.85 per cent (see Figure 46). For the year as a whole, posted five-year mortgage rates averaged 6.39 per cent, compared to 7.02 per cent in 2002. From a financing point of view, homeownership in 2003 was as affordable as it once was in the early 1950s.

Lower mortgage rates have benefited housing consumers by reducing the cost of mortgage financing. In 2000, posted five-year mortgage rates averaged 8.35 per cent. This meant that the interest payments for a \$100,000 mortgage would amount to about \$39,600 over five years. For the same mortgage taken out in 2003, at the average posted five-year mortgage rate of 6.39 per cent,

FIGURE 46
POSTED 5-YEAR MORTGAGE RATES, 2000-2003

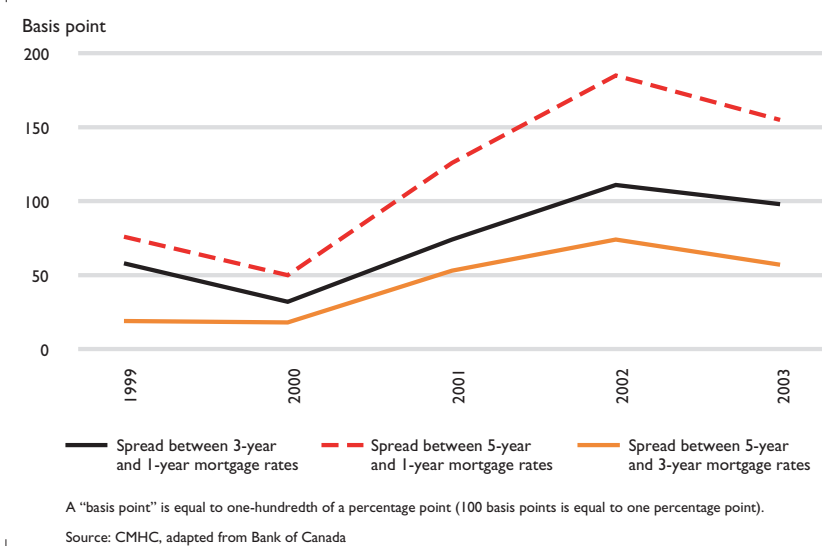


Source: Bank of Canada

interest charges over five years would be 24 per cent lower, about \$30,100 in total. About \$7,500 of the \$100,000 mortgage taken out in 2000 would be repaid after five years. By comparison, for the same mortgage taken out in 2003, the amount that would be repaid after five years would be 29 per cent higher, about \$9,700 in total.

By reducing monthly interest charges, lower interest rates have also made it possible for more borrowers to qualify for a mortgage of a given size. Borrowers are typically allowed to borrow at a level such that the combined mortgage and property tax payments do not exceed

FIGURE 47
SPREADS IN POSTED MORTGAGE RATES, 1999-2003



32 per cent of their gross monthly income. The decline in the average posted five-year mortgage rates from 8.35 per cent in 2000 to 6.39 per cent in 2003 has had an effect equivalent to lowering, by \$4,900, the gross annual income that would be required for a borrower to qualify for a \$100,000 mortgage, thereby increasing the number of borrowers able to qualify for a mortgage of this size.

The decline in mortgage rates has also made it possible for housing consumers to qualify for larger mortgages than would otherwise have been the case. For example, a borrower who would have qualified for a five-year mortgage of \$100,000 in 2000, at the posted rate of 8.35 per cent, would have been able to qualify for an additional \$18,472 in mortgage financing in 2003, at the posted rate of 6.39 per cent, for a total mortgage amount of \$118,472.

Borrowers who were able to take advantage of shorter-term mortgages in 2003 also benefited from declining mortgage rates, even though the spread between posted five-year mortgage rates and posted three-year mortgage rates narrowed from 74 basis points²⁹ in 2002 to 57 basis points in 2003, and the spread between posted five-year mortgage rates and posted one-year mortgage rates fell from 185 to 155 basis points (see Figure 47).

Posted one-year mortgage rates, which averaged 4.84 per cent in 2003, were as low as 4.55 per cent between July and October. By contrast, posted three-year and five-year mortgage rates in the same period averaged 5.69 per cent and 6.31 per cent, respectively.

Shorter-term mortgages have yielded significant savings to those consumers who have taken advantage of this option. For example, posted five-year mortgage rates averaged 7.56 per cent in 1999. However, those who decided in 1999 to finance with a series of one-year term mortgages, because they were not risk-averse, benefited from posted mortgage rates averaging 140 basis points lower, at 6.16 per cent, than the posted five-year mortgage rates in 1999. For a \$100,000

mortgage, the reduction in monthly payments over five years would have totalled \$6,200. After five years, these short-term borrowers would also have paid \$6,500 less in interest and lowered their mortgage by an additional \$244. Alternatively, borrowers who applied the savings in monthly interest charges toward the repayment of the mortgage principal would have seen their mortgage outstanding decline by an additional \$6,012 after five years.

Choice, choice, choice

Mortgage credit is generally accessible in all parts of the country at similar terms and conditions. There is intense competition among lenders for a slice of the mortgage origination and renewal business, resulting in customized services, flexible loan terms and conditions, and discounts off posted mortgage rates.

Borrowers typically have access to a variety of terms, including open, convertible and closed mortgages at fixed or variable rates, with or without rate caps. An informal survey in late November 2003 of major lenders who engage in e-commerce revealed that all advertised closed mortgages from one year to five years. Eight of nine advertised seven-year closed and 10-year closed mortgages. One lender advertised 18-year closed mortgages, while another advertised 25-year closed mortgages.

²⁹ A *basis point* is equal to one-hundredth of a percentage point (100 basis points is equal to one percentage point).

The informal survey also revealed that all major lenders advertised penalty-free principal prepayments ranging from as low as 10 per cent of the original mortgage balance to as high as 25 per cent, as well as penalty-free mortgage payment increases ranging from as low as 10 per cent from the current level to as high as 100 per cent. Skip-a-payment, early mortgage renewal and assumption of the existing mortgage were advertised by four of nine lenders surveyed. And advertised flexible payment frequency included monthly, twice-a-month, once every two weeks as well as 13 monthly payments and 52 weekly payments during a calendar year.

Competition in mortgage lending has meant that discounts off posted mortgage rates have become increasingly common. Four of nine leading lenders surveyed advertised their lowest mortgage rates as a matter of practice. The typical posted five-year mortgage rate in late November 2003 was 6.50 per cent. With discounts, the mortgage rate was reduced by around 100 basis points.

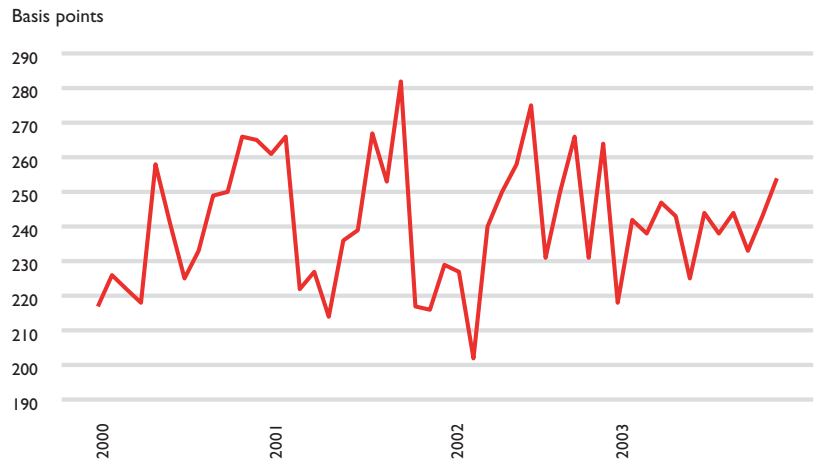
Competitiveness of mortgages improves

Mortgages are priced off Government of Canada bond yields. Thus, holding the term constant, the differential between mortgage rates and Government of Canada bond yields is one of the indicators of the competitiveness of mortgages as an investment. As a rule, the interest-rate spread decreases as the competitiveness of mortgages increases. This spread has been declining steadily over time.

The spread between posted five-year mortgage rates and five-year Government of Canada bond yields averaged 239 basis points in 2003 (see Figure 48), compared to 224 basis points 10 years ago in 1993 and 251 basis points 20 years ago in 1983. Nevertheless, after deducting the typical discount of 100 basis points off posted five-year mortgage rates, the spread last year was 139 basis points.

The spread between these two rates will exist, as mortgages are amortizing investments while bonds are not. With mortgage amortization, the investor requires a premium to offset the risks and costs arising from having to reinvest the principal repayments received each month.

FIGURE 48
POSTED 5-YEAR MORTGAGE RATES
MINUS 5-YEAR GOVERNMENT OF CANADA BOND YIELDS, 2000-2003



A "basis point" is equal to one-hundredth of a percentage point (100 basis points is equal to one percentage point).

Source: CMHC, adapted from Bank of Canada

According to a 2003 Canadian Institute of Mortgage Brokers and Lenders survey sponsored and managed by CMHC:

Who lenders serve:

- mortgage renewers account for 43 per cent
- repeat buyers account for 24 per cent
- first-time buyers account for 21 per cent
- mortgage refiners account for 12 per cent

What do borrowers want:

- interest rates are the most important factor
- mortgage features are second

At the time of refinancing:

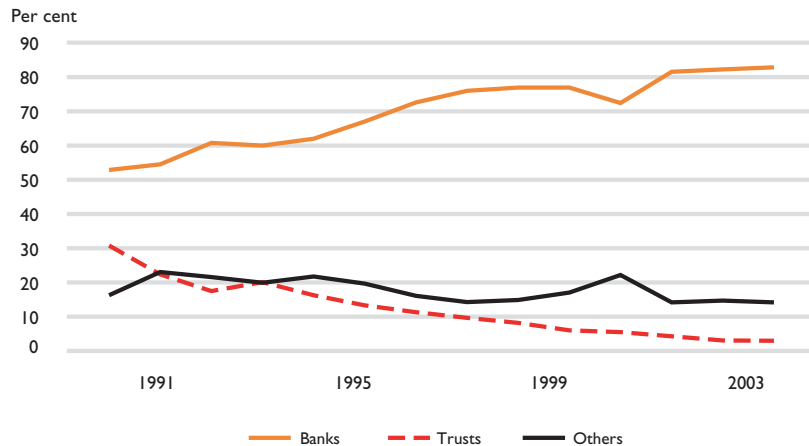
- 84 per cent of refiners had an existing mortgage on their home
- 42 per cent refinanced when the mortgage was up for renewal

Reasons for refinancing:

- 32 per cent for renovation
- 23 per cent for debt consolidation
- 6 per cent for investing in the house
- 4 per cent for other consumer purchase
- 4 per cent for giving to family
- 3 per cent for buying a cottage

Brokers have increased their share of the mortgage market from 14 per cent to 26 per cent of the purchasers' market in the last five years and from 5 per cent to 9 per cent of the renewers' market.

FIGURE 49
SHARE OF MORTGAGE APPROVALS, 1990-2003



Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.
 "Others" includes life insurance companies, mortgage investment brokers, loan companies, credit unions and caisse populaires, pension funds and other lending institutions.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

What we heard from borrowers

According to a 2003 Canadian Institute of Mortgage Brokers and Lenders survey sponsored and managed by CMHC, 69 per cent of borrowers had their mortgage pre-approved before buying a home. Fully 75 per cent of those who had their mortgage pre-approved did so through a financial institution, compared with 22 per cent who went through mortgage brokers and three per cent who obtained pre-approval online. While the majority obtained pre-approval from one lender, 16 per cent of borrowers obtained pre-approvals from two lenders and 14 per cent obtained three or more.

In tandem with the growth of e-commerce, 58 per cent of first-time homebuyers relied on the Internet for mortgage-related information in 2003, compared to 42 per cent in 2002. Despite the popularity of comparison shopping on the Internet, more than 60 per cent of homebuyers and nearly 90 per cent of those renewing their mortgage chose to stay with their current lenders. And 50 per cent of borrowers acquired other financial products, including credit lines, credit cards and life insurance, from their mortgage lender.

The survey also confirmed the role of mortgage brokers in 2003, as 26 per cent of all home purchasers, broken down as 30 per cent of first-time homebuyers and 22 per cent of repeat buyers, used their services. In addition, nine per cent of existing homeowners renewing their mortgages and 15 per cent of consumers refinancing their home in 2003 used a mortgage broker. More than 80 per cent of consumers agree, when asked, that mortgage professionals in Canada should be nationally certified and registered.

Ample supply of low-cost funds

In 2003, \$138.0 billion worth of NHA and conventional mortgages was approved to finance nearly 1,110,000 units of new and existing housing across the country.³⁰

Thus, the average combined mortgage amount for new and existing housing was \$124,400 per unit. Around 74 per cent of the financing was taken up by owners of single-detached homes. Owners of multiple-unit housing received the remaining 26 per cent.

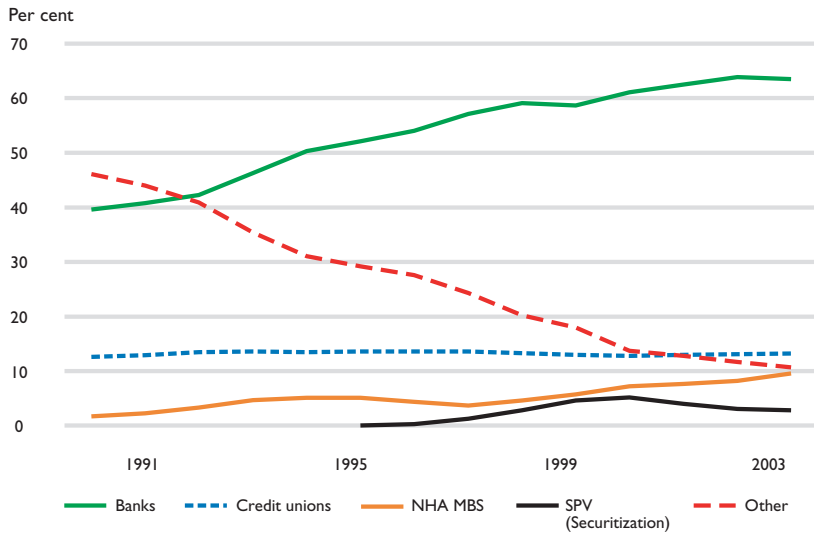
The average mortgage amount of \$124,400 is an increase of 54.7 per cent from the 1993 average of \$80,400. In contrast, in the 10 years from 1993 to 2003, inflation was 20 per cent and the MLS® average residential price went up 35 per cent. This suggests that Canadians have increased the use of housing finance beyond adjustments for higher prices.

The use of housing finance is sensitive to age. According to Statistics Canada's 1999 *Survey of Financial Security*, 90.2 per cent of senior homeowner families were mortgage-free, compared with 34.5 per cent for those under 65 years of age.

Mortgages made by deposit-taking institutions, such as banks and trust companies, are typically funded by selling guaranteed investment certificates or other similar interest-bearing term instruments to savers. Life

³⁰ Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.

FIGURE 50
SHARE OF MORTGAGE BALANCES, 1990-2003



"Other" includes trust, loan and life insurance companies, pension funds and other lending institutions.

Source: CMHC (MBS), Statistics Canada (CANSIM)

insurance companies and pension funds are the exceptions, because their funding sources for mortgages are the premiums they collect from their clients.

Securitization is also a way to fund mortgages, albeit in an indirect fashion. Mortgage-backed securities (MBS) are an investment in an undivided interest in a pool of insured or uninsured residential mortgages. MBS may or may not involve an unconditional CMHC guarantee of timely payments. Mortgage securitization in a competitive system of housing finance helps increase downward pressure on mortgage rates.

In 2003, the mortgage market supplied \$138.0 billion worth of NHA and conventional financing for the building of new houses and the acquisition of existing homes. Banks led the market with 82.8 per cent of the total mortgage approvals (see Figure 49). As a group, life insurance companies, mortgage investment brokers, loan companies, credit unions and caisses populaires, pension funds and other lending institutions were a distant second, capturing a combined share of 14.2 per cent of the new mortgage business. The market share of trust companies was three per cent.

On a portfolio basis, banks accounted for 63.5 per cent of the \$518.9 billion residential mortgage credit outstanding in 2003 (see Figure 50). This was followed by a share of 13.2 per cent for credit unions and caisses populaires and

12.4 per cent from various mortgage securitization vehicles. The remaining 10.9 per cent of the outstanding mortgage balances were held by trust, loan and life insurance companies, pension funds and other lending institutions.

Mortgage funding through securitization has grown significantly in the past several years to become the third most important source of mortgage funds. Between 1998 and 2003, outstanding NHA MBS balances more than doubled from \$17.9 billion to \$49.8 billion in 2003. Reflecting the increased popularity of Canada Mortgage Bonds, outstanding NHA MBS balances grew 26.7 per cent, from \$39.3 billion in 2002 to \$49.8 billion in 2003.

Housing Affordability

Canadian households spend more on shelter than they do on any other household expenditure. Even Canadian households with incomes in the top 20 per cent spend more on average on shelter than on anything else other than personal taxes. Housing affordability is thus considered to be of consequence by all, and of paramount importance by Canada's lowest income households.

Assessing housing affordability and defining when housing is acceptable

Apart from being affordable, Canadians expect their housing to meet at least minimum standards for condition and size. CMHC therefore defines a dwelling as acceptable only if it is:

- adequate in condition, with residents reporting that no major repairs are required;

- suitable in size, with enough bedrooms for the size and make-up of the household, to meet the norms of the National Occupancy Standard (NOS);³¹ and
- affordable, defined as costing less than 30 per cent of total before-tax household income.³²

A household is said to be living in housing below acceptable standards if its dwelling falls below at least one of the adequacy, suitability or affordability standards, and to be in core housing need if it would have to spend 30 per cent or more of its before-tax income to pay the median rent of alternative local housing that is acceptable (i.e., above all three standards).

This chapter draws on information from the Census to examine the housing conditions of Canadian households. Several components of the population are not covered in this analysis, due to the absence of household income and shelter cost information. These include farm

31 According to the National Occupancy Standard (see *Core Housing Need in Canada*, CMHC, 1991, p. 4) enough bedrooms means one bedroom for each cohabiting adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex siblings under 5 years of age, in which case they are expected to share a bedroom. A household of one individual can occupy a bachelor unit (i.e. a unit with no bedroom).

32 Shelter costs include the following:

- for renters, rent and any payments for electricity, fuel, water and other municipal services; and
- for owners, mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

Household income constitutes the total of all incomes reported by persons 15 years of age and older living in the household.

FIGURE 51
HOUSING CONDITIONS AT A GLANCE, CANADA, 1991-2001

		All households		Living in acceptable housing		Living in housing below one or more standards			
		Total (thousands)	Per cent	Total (thousands)	Per cent	Able to access acceptable housing		In core housing need	
						Total (thousands)	Per cent	Total (thousands)	Per cent
Canada	2001	10,806	100.0	7,557	69.9	1,539	14.2	1,710	15.8
	1996	10,028	100.0	6,799	67.8	1,434	14.3	1,795	17.9
	1991	9,372	100.0	6,533	69.7	1,569	16.7	1,270	13.6
CMAs	2001	7,049	100.0	4,811	68.3	1,069	15.2	1,168	16.6
	1996	6,461	100.0	4,247	65.7	987	15.3	1,226	19.0
	1991	6,014	100.0	4,088	68.0	1,063	17.7	862	14.3

Census Metropolitan Areas (CMAs) comprise the 27 Canadian urban areas that have a core population of 100,000 or more.

Source: CMHC (census-based housing indicators and data)

households, households living on-reserve, and persons living in collective dwellings, for which shelter cost data are not collected by the Census, and the homeless.³³

Most Canadians live in housing that is affordable, uncrowded and in a good state of repair

A review of the latest Census results suggests that the majority (just under 7 out of every 10) of Canadian households lived in acceptable housing in 2001, namely, housing which was affordable, uncrowded and in a good state of repair (see Figure 51). An additional 14.2 per cent of Canadian households could have obtained acceptable housing without spending 30 per cent or more of their before-tax income. Taken together, 84.1 per cent of Canadian households were either living in or able to access acceptable housing in 2001.

While the majority of Canadians are able to obtain acceptable housing, just over one in every six Canadian households (15.8 per cent) lived in core housing need in 2001, a level above the 13.6 per cent of Canadian households estimated to be in core housing need in 1991, but below its 1996 peak of 17.9 per cent.

For fully three-quarters of those Canadian households falling in core need in 2001, housing affordability was the lone contributing factor. Housing adequacy and housing suitability were much less prominent factors on their own (involving just under 7 per cent and slightly over 2 per cent of households in need, respectively). For just under 16 per cent of households in need, at least two of the three factors contributed to the problem.

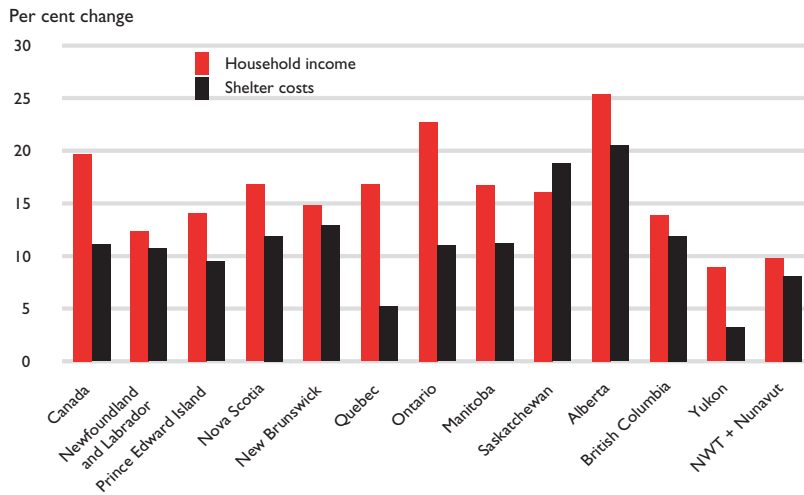
The majority of households in core housing need were renters, accounting for just under two-thirds of all households in need in 2001. Residents of Canada's 27 largest urban centres also accounted for a significant proportion (68 per cent) of those in need. Just over one-third (38 per cent) of those in core housing need in 2001 resided in the three largest cities: Toronto, Montréal and Vancouver. Just under one-third (32 per cent) of those in core housing need lived in non-metropolitan settings.

Housing conditions improved between 1996 and 2001

The 2003 *Canadian Housing Observer* presented 1997 – 2000 survey data to indicate that many households had benefited from improvements in both incomes and housing affordability in the late 1990s. This year's

33 Also excluded from the analysis are households reporting shelter expenditures in excess of household incomes.

FIGURE 52
GROWTH IN HOUSEHOLD INCOMES AND SHELTER COSTS,
CANADA, PROVINCES AND TERRITORIES, 1996-2001



Source: CMHC (census-based housing indicators and data)

Observer confirms these findings and draws on CMHC's 2001 Census-based indicators and data to reveal just how much housing conditions did improve and who benefited and who did not between 1996 and 2001.

In contrast to the period from 1991 to 1996, when shelter cost increases outpaced income growth, between 1996 and 2001 growth in household incomes outpaced shelter cost increases in all provinces and territories with the exception of Saskatchewan (see Figure 52). As a result, housing affordability improved significantly across the country.

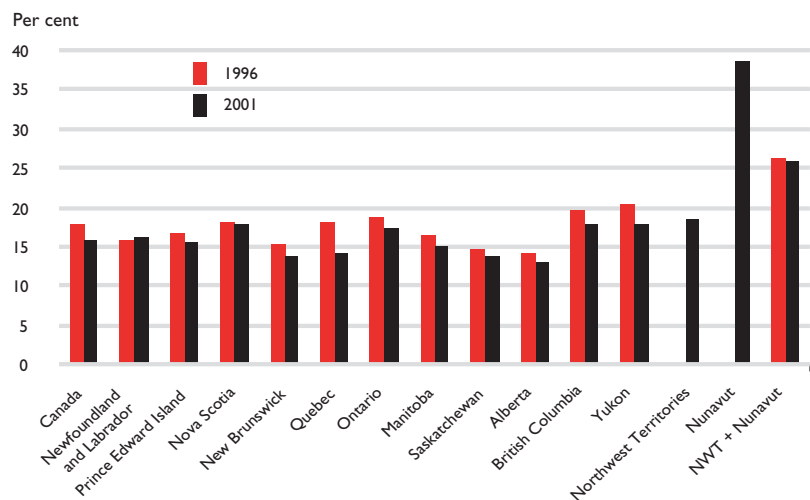
Against a backdrop of 7.8 per cent growth in the number of Canadian households between 1996 and 2001,³⁴ the number of households unable to access acceptable housing and therefore considered to be in core housing need shrank by 4.7 per cent, or almost 85,000 households, to 1.7 million (see Figure 51). Looking at the change from a relative perspective, between 1996 and 2001 the percentage of

Canadian households in housing need dropped from 17.9 per cent to 15.8 per cent.

Improvements in housing conditions observed across the country

Between 1996 and 2001, housing conditions improved across the country. The incidence of households in need declined in all but Newfoundland and Labrador, where it remained essentially unchanged (see Figure 53). Moreover, the number of households in core housing need actually shrank in all but Newfoundland and Labrador, Nova Scotia, Ontario, and Alberta. In Nova Scotia, Ontario and Alberta, declines in the incidence of need were not large enough to offset the growth that occurred in their total households, resulting in small increases in the numbers of households in need, of 3.7 per cent, 0.7 per cent, and 3.6 per cent, respectively.

FIGURE 53
INCIDENCE OF CORE HOUSING NEED AMONG HOUSEHOLDS,
CANADA, PROVINCES AND TERRITORIES, 1996 AND 2001

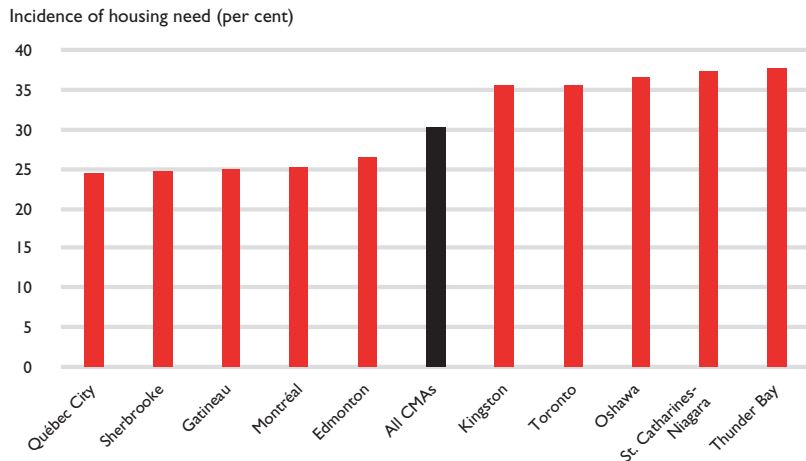


Source: CMHC (census-based housing indicators and data)

34 The 2001 Census identified 11.6 million total households in Canada, a 6.9 per cent increase from 1996. However, not all households can be assessed for affordability (for more details, see *2001 Census Housing Series: Issue 1*, CMHC Research Highlights, Socio-economic Series, No. 03-107, 2003). CMHC regards shelter cost-to-income ratios of 100 per cent or more as not interpretable. Therefore, households with such ratios, along with households reporting zero or negative incomes, are excluded from this analysis.

FIGURE 54

URBAN CENTRES WITH THE HIGHEST AND LOWEST LEVELS OF RENTER HOUSING NEED IN 2001



Urban centres selected are Census Metropolitan Areas (i.e. consisting of one or more adjacent municipalities situated around a major urban core with a core population of 100,000 or more).

Source: CMHC (census-based housing indicators and data)

The incidence of core housing need in Alberta (12.9 per cent) remained the lowest in the country, despite a provincial household growth rate 76.9 per cent higher than the national average and an overall increase in the number of households in core housing need. The highest incidence of core housing need was in Nunavut (38.7 per cent), while Quebec experienced the greatest change, with the incidence of core housing need dropping from 18.2 to 14.0 per cent.

The story for the two-thirds of Canadian households residing in Canada's higher cost housing markets — the growing number of large urban centres — mirrors the generally positive developments observed in Canada overall. While the incidence of core housing need in Canada's urban centres as a group was slightly higher than the national average (at 16.6 per cent versus 15.8 per cent, respectively), both the incidence and absolute numbers of urban households in core housing need declined between 1996 and 2001.

Incidence of housing need declines among renters, remains stable for owners

While owner households accounted for almost all (94.6 per cent) of the growth in the number of households between 1996 and 2001, renter households as a group exhibited the largest improvements in relative housing conditions.

While the number of renter households grew only marginally, by 1.2 per cent, between 1996 and 2001, the number in core housing need fell by 11.5 per cent. This brought the incidence of core housing need amongst renter households down from 34.7 per cent in 1996 to 30.4 per cent in 2001. The percentage of renter households in need decreased everywhere but the Yukon. The number of renter households in core housing need dropped in every province and territory.

By comparison, the number of owner households in core housing need declined only in Quebec and the Yukon, while the incidence of core housing need among owner households increased slightly in six provinces. Only in Quebec, the Yukon, Prince Edward Island, New

Brunswick and Manitoba did the incidence of core housing need decline for owner households.

These trends have likely been influenced by the movement of households from rental housing to homeownership. Canada's homeownership rate increased significantly between 1996 and 2001. As lower interest rates and income growth improved ownership affordability, many renter households made the transition to homeownership. The influx of new homeowners with more moderate incomes relative to existing homeowners may have played a role in contributing to the observed patterns in housing need.

Despite much greater improvements experienced by renters as a group, renter households still remained 3.5 times more susceptible to being in core housing need in 2001 than were owner households. For large numbers of renters, finding acceptable housing still remains a significant challenge. Nowhere was this more apparent than in Ontario urban centres in 2001. *Figure 54* contrasts percentages of renter households in housing need in the five urban centres (CMAs) with the highest levels of need, to the five CMAs with the lowest levels of need.

FIGURE 55
CHANGE IN THE NUMBER OF HOUSEHOLDS AND INCIDENCE OF CORE HOUSING NEED,
ABORIGINAL AND NON-ABORIGINAL HOUSEHOLDS, CANADA, 1996-2001

		Number of households 2001	Growth in households 1996-2001	Incidence of core housing need (per cent of households)		Change in incidence 1996-2001
				Thousands	Per cent change	
All Households	Total	10,806	7.8	17.9	15.8	-2.1
	Owners	7,230	11.3	8.7	8.6	-0.1
	Renters	3,576	1.2	34.7	30.4	-4.3
Aboriginal Households	Total	297	36.2	31.6	24.8	-6.8
	Owners	148	57.9	14.2	11.8	-2.4
	Renters	149	19.8	44.7	37.8	-6.9
Non-Aboriginal Households	Total	10,508	7.1	17.9	15.5	-2.4
	Owners	7,081	10.6	8.7	8.5	-0.2
	Renters	3,427	1.6	34.7	30	-4.7
Lone Parent Households	Total	1,031	13.2	34.6	28.1	-6.5
	Owners	547	27.3	17.3	15.7	-1.6
	Renters	483	0.5	50.2	42.3	-7.9

Estimates of core housing need for Aboriginal households do not include those living on-reserve.

Source: CMHC (census-based housing indicators and data)

Recent improvements in housing conditions have benefited Aboriginal households and lone parents

In addition to renters, Aboriginal households and lone-parent families have also traditionally been among the most susceptible to falling in core housing need. Encouragingly, data from the most recent Census suggest that the most significant improvements in housing conditions between 1996 and 2001 were experienced by these groups (see Figure 55).

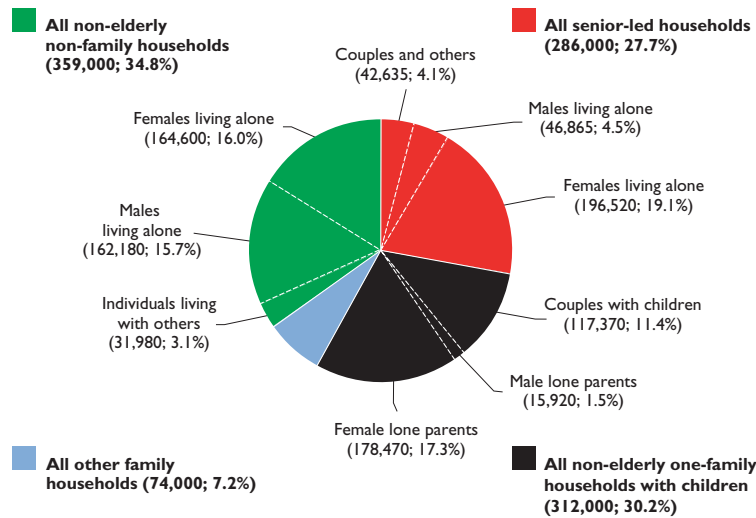
The data suggest that greater improvements in Aboriginal housing conditions between 1996 and 2001 resulted in a narrowing of the housing conditions gap between Aboriginal and non-Aboriginal households. Increased Aboriginal homeownership and improved housing conditions in 2001 are to be welcomed but interpreted with caution, however. Some of the apparent improvements in Aboriginal housing conditions between 1996 and 2001 may be attributable to new households with generally better housing conditions identifying

themselves as Aboriginal for the first time in the 2001 Census.³⁵ Conditions may not have improved to the same degree for those households that identified themselves as Aboriginal in both censuses. Moreover, the absence of comprehensive housing affordability data for on-reserve communities means that estimates of core housing need are not available for this component of the Aboriginal population.

Despite recent improvements, Aboriginal households still remained 1.6 times more likely to be in need than non-Aboriginal households. Indeed, despite a drop in the incidence of need of 6.9 percentage points amongst Aboriginal renter households, 37.8 per cent remained in need in 2001, flagging them as still among the most susceptible to housing need. In Regina, Saskatoon, Vancouver and Winnipeg, two-fifths or more of Aboriginal households renting their accommodation were in housing need. Regina had the highest percentage of Aboriginal renter households in need (45.5 per cent). Winnipeg had the greatest number (about 5,600).

35 As the demographic analysis chapter indicated, under the subsection titled "Immigrant, Senior and Aboriginal populations increase", close to half of the growth of the non-reserve Aboriginal population may be attributed to people identifying as themselves as Aboriginal in the 2001 Census who did not formerly identify themselves as Aboriginal in the 1996 Census. It can be assumed that this translated into similar household growth.

FIGURE 56
TYPES OF RENTING HOUSEHOLDS IN CORE HOUSING NEED,
CANADA, 2001



Number and per cent share of renter households in core housing need shown in brackets. Data are for non-Aboriginal households only.

Source: CMHC (census-based housing indicators and data)

who rent and live alone constitute only 10.2 per cent of all renter households, but account for 19.1 per cent of renter households in core housing need. In contrast, male seniors living alone and renting comprise 3.3 per cent of renter households, and 4.5 per cent of renter households in core housing need.

Almost half (48.8 per cent) of all lone parents with children under the age of 18 living at home who lived in rental housing were in core housing need in 2001. This represents an improvement from 1996, when 57.0 per cent were in core housing need, but remains high. While just 10.1 per cent of all renter households are lone parents with a child under the age of 18 living at home, they make up a disproportionate share of all renter households in core housing need, at 16.4 per cent of the total.

Housing improvements experienced by non-Aboriginal, lone-parent households between 1996 and 2001 were second only to those of Aboriginal households, with the proportion in need dropping by 6.5 percentage points from 34.6 per cent to 28.1 per cent. Though renting lone parents were the biggest beneficiaries of the housing improvements, opportunity exists for further amelioration, as in 2001 four in ten still remained in need.

Incidence of core housing need remains high among single parents and seniors living alone in rental housing

While housing conditions improved considerably between 1996 and 2001, many households continue to experience difficulty in obtaining acceptable housing. *Figure 56* identifies the major groups of renter households in core housing need. Two groups of non-Aboriginal renter households continue to have particularly high levels of core housing need: seniors aged 65 years and over living alone and single parents.

Over half (53.3 per cent) of all seniors who live alone in rented accommodation are in core housing need. For elderly female renters living alone the share is even higher (56.3 per cent), the highest of any household type, and higher than the incidence of housing need among elderly male renters living alone (43.6 per cent). Elderly females

Many new immigrants face housing challenges

Canada's population growth in recent years has been fuelled by immigration. Over one-fifth of all Canadian households are maintained by people who were born outside the country. Canada's immigrant population is highly urbanized. Fully 86.3 per cent of Canada's 2.3 million immigrant households lived in one of the country's large urban centres (CMAs) in 2001. This is even more the case among recent immigrants — defined for the purposes of this comparison as those living in Canada for less than five years at the time of the Census — of whom 94.9 per cent lived in large urban centres. Over three-quarters of recent immigrants were settled in just three cities: Toronto, Montréal and Vancouver, with 42 per cent living in Toronto alone. With new immigrants arriving on an ongoing basis, finding acceptable housing upon arrival constitutes a significant challenge in Canada's largest urban centres where housing costs are typically higher.

In 2001, immigrant households had an incidence of core housing need that was, on average, 4.7 percentage points higher than non-immigrant households. This was due partly to higher levels of housing need experienced by two groups of immigrant renters, those in Canada the

FIGURE 57

INCIDENCE OF CORE HOUSING NEED AMONG IMMIGRANT HOUSEHOLDS, CANADA, 2001

	Incidence of Core Housing Need							
	Per cent of all households		Per cent of owners		Per cent of renters		Ownership rate (percentages)	
	1996	2001	1996	2001	1996	2001	1996	2001
Non-immigrants	17.0	14.7	8.0	7.7	33.5	29.0	64.8	67.0
Total - immigrants	21.0	19.5	11.5	11.9	39.1	35.3	65.7	67.4
At time of census, lived in Canada:								
Less than 5 Years	39.0	33.3	25.7	23.0	44.8	38.2	30.3	32.2
5 to 10 years	28.4	24.8	15.9	17.2	38.9	32.5	45.8	50.5
10 to 20 years ¹	21.6	19.1	11.6	11.5	37.2	32.4	61.0	63.9
Over 20 years ²	16.4	16.1	10.0	10.5	36.9	37.5	76.5	79.3
Total - All Households	17.9	15.8	8.7	8.6	34.7	30.4	64.8	66.9

¹ 10 to 25 years for the 2001 Census.

² Over 25 years for the 2001 Census.

Source: CMHC (census-based housing indicators and data)

shortest and longest periods of time, respectively (see Figure 57). Despite much improvement over conditions in 1996, new immigrants were still encountering difficulties finding acceptable rental accommodation in their first five years in Canada. The data also suggest that long-term immigrant renters did not share in the housing improvements experienced by other renters between 1996 and 2001.

Affordability remains the primary determinant of core housing need in Canada

The vast majority of Canadian households lived in dwellings that were adequate in condition and suitable in size in 2001 (92 per cent and 93 per cent, respectively). Dwelling affordability is more often than not the stumbling block for those not able to access acceptable housing.

With affordability being the primary determinant of core housing need, there is a considerable difference in the average household income of households in need relative to those not in need (see Figure 58), particularly for those households most vulnerable to core housing need.

On average, non-Aboriginal households in core housing need in 2001 lived on before-tax incomes of \$18,501, only about one-quarter of the incomes of households not

in core housing need, and paid almost half (47 per cent) of their incomes for housing. Aboriginal households in core housing need had even lower average before-tax incomes (\$17,712) and spent almost half of their income on housing.

It simply is not possible for a household to find shelter of any kind below a certain floor price prevalent in a local housing market. Hence, though households in core housing need in 2001 had incomes that amounted on average to only 26.7 percent of incomes of households not in core housing need, they paid only 13 per cent less for their housing than households not in need. As a result, they reported housing expenditures that took up 47 per cent of their limited incomes.

Though not shown in Figure 58, non-Aboriginal households in core housing need residing in Canada's largest urban centres (CMAs) in 2001 averaged \$19,627 of before-tax household income and paid 48 percent of their income on shelter, leaving about \$10,200 available for all other household expenditures. Furthermore, some 37 per cent of non-Aboriginal households in core housing need residing in CMAs spent 50 per cent or more of their before-tax incomes on housing. In 2001, the over 420,000 households in these straitened circumstances reported an average of \$15,859 in before-tax income, of which 67 per cent was used to pay for

FIGURE 58

AVERAGE INCOME, SHELTER COSTS, AND SHELTER COST-TO-INCOME RATIOS (STIRs),
FOR ALL HOUSEHOLDS AND FOR SELECTED HOUSEHOLDS VULNERABLE
TO CORE HOUSING NEED, CANADA, 2001

		All households			Not in need			In need		
		Income (Dollars)	Shelter cost	STIR (%)	Income (Dollars)	Shelter cost	STIR (%)	Income (Dollars)	Shelter cost	STIR (%)
All Non-Aboriginal households	Total	61,311	766	21	69,204	782	16	18,501	681	47
	Owner	72,119	821	18	76,845	823	15	21,533	792	46
	Renter	38,977	651	28	48,552	666	20	16,721	616	48
Lone Parents with at least one child <18 years	Total	38,093	751	31	49,469	777	21	19,001	709	49
	Owner	50,707	908	27	58,132	904	21	23,766	921	49
	Renter	28,909	636	34	39,813	632	21	17,465	640	48
Lone females (65+ years)	Total	23,063	462	29	28,043	398	20	15,493	559	44
	Owner	25,862	391	23	29,201	343	17	15,942	532	41
	Renter	19,851	545	37	25,767	507	25	15,263	572	46
Most-recent immigrants (last 5 years)	Total	48,774	904	31	62,411	932	21	21,503	846	51
	Owner	66,723	1,227	29	78,342	1,234	22	27,868	1,203	54
	Renter	40,264	748	32	52,998	751	20	19,686	744	50
Aboriginal households	Total	49,123	705	24	59,504	743	17	17,712	588	46
	Owner	63,668	810	19	69,316	828	16	21,518	675	42
	Renter	34,670	598	30	45,686	621	19	16,530	561	47

STIR: Refers to the percentage of total before-tax income spent on shelter (shelter cost-to-income ratio)

Source: CMHC (census-based housing indicators and data)

their housing. When households living outside of Canada's largest urban centres are added to this total, the number of households in core housing need who spent 50 per cent or more of their before-tax incomes on housing rises to almost 600,000. Without improvements in their incomes, these households face serious difficulties in obtaining acceptable housing.

While Canadian household incomes did improve in the latter part of the 1990s, incomes did not rise uniformly, contributing to a growing income gap and little improvement in the proportion of the population living below Statistics Canada's low-income cut-offs.³⁶ A growing income gap contributes to the persistence of core housing need and explains why, even with the improvements of the 1990s, housing need did not fall further. As illustrated in *Figure 59*, households in core housing need

generally experienced income gains that were lower than those of households who were not in need.

The challenge ahead

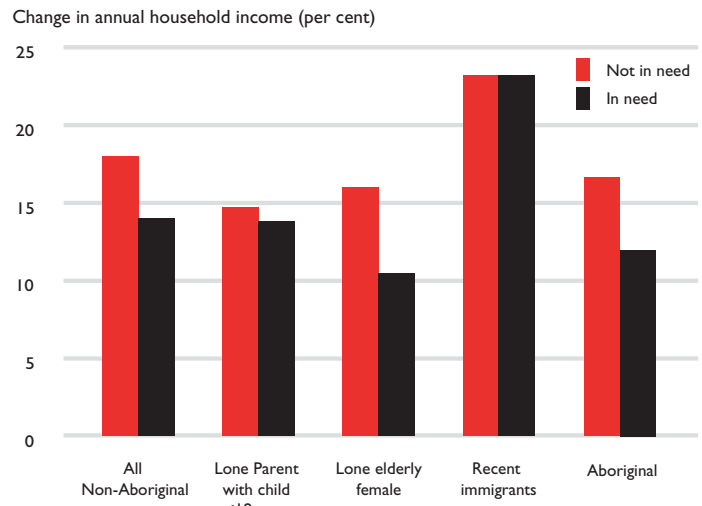
Economic conditions between 1996 and 2001 (lower interest rates favouring lower housing costs, lower unemployment and rising incomes) contributed greatly to improved household housing conditions. Aging baby boomers were also moving through their peak earnings and savings years. By 2001, housing conditions had significantly improved relative to 1996 when core housing need peaked. However, between 1991 and 2001 the relative income situation of Canada's lowest income households did not change, leaving them vulnerable to housing need. And, while 2001 Census data show Aboriginal housing conditions to be improving,

³⁶ Statistics Canada, *2001 Census: Analysis Series - Income of Canadian Families*, Catalogue No. 96F0030XIE2001014 (Ottawa: Statistics Canada, 2003), pgs. 5 and 7-8.

difficulties in clearly measuring the extent of their improvement create a need to continue close monitoring of their situation, particularly in Western Canada's urban centres.

Finally, Canada will likely continue to grow, partly by attracting new immigrants. Yet, apart from specific low-income groups, it is precisely Canada's many new immigrant households each year that find it particularly difficult to obtain acceptable housing. With more than nine in ten of these new immigrant households settling in Canada's large urban centres (CMAs), they end up facing some of Canada's highest-cost housing markets. Finding acceptable housing poses a major challenge in the short term for these new immigrant households as well as for local governments in Canada's largest cities, which currently face a range of affordable housing challenges.

FIGURE 59
CHANGE IN ANNUAL HOUSEHOLD INCOME, 1996-2001
SELECTED HOUSEHOLDS VULNERABLE TO CORE HOUSING NEED



Source: CMHC (census-based housing indicators and data)

Appendix

Key Housing Statistics

<i>Table 1</i>	Housing Market Indicators, Canada, 1990-2003
<i>Table 2</i>	Total Housing Starts, Canada, Provinces and Metropolitan Areas, 1990-2003
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Table I
Housing Market Indicators, Canada, 1990-2003

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Construction														
Starts, total	181,630	156,197	168,271	155,443	154,057	110,933	124,713	147,040	137,439	149,968	151,653	162,733	205,034	218,426
Starts, single	102,315	86,567	92,851	85,099	89,509	64,425	77,996	93,186	86,431	92,190	92,184	96,026	125,374	123,227
Starts, multiple	79,315	69,630	75,420	70,344	64,548	46,508	46,717	53,854	51,008	57,778	59,469	66,707	79,660	95,199
Semi-detached	7,551	9,035	10,314	11,441	12,119	7,536	9,305	11,385	10,043	11,096	11,530	11,883	13,584	13,644
Row	16,240	16,720	20,000	18,849	17,247	11,887	14,350	17,256	15,287	14,895	15,247	15,166	18,482	20,343
Apartment	55,524	43,875	45,106	40,054	35,182	27,085	23,062	25,213	25,678	31,787	32,692	39,658	47,594	61,212
Starts by Intended Market: ¹														
Homeownership	85,025	77,083	84,091	78,220	82,466	56,684	71,553	88,009	82,892	89,189	92,283	95,125	123,106	121,890
Rental	32,201	30,495	27,197	18,193	11,698	7,998	6,643	7,559	6,531	9,276	10,155	14,681	18,841	19,939
Condo	29,359	18,649	23,250	32,017	31,686	24,106	23,076	27,471	27,351	28,434	28,319	31,986	36,798	49,212
Other	4,035	3,867	5,588	1,558	1,496	738	532	182	19	204	295	488	379	870
Total	150,620	130,094	140,126	129,988	127,346	89,526	101,804	123,221	116,793	127,103	131,052	142,280	179,124	191,911
Completions, total	206,163	160,014	173,245	161,794	162,085	119,501	117,834	143,386	133,941	140,986	145,873	151,936	185,626	199,244
Resale Market														
MLS [®] sales (units) ²	235,124	279,753	310,741	288,149	288,157	251,986	321,845	330,265	314,553	335,490	333,970	380,753	421,415	438,968
MLS [®] sales/new listings (per cent) ²	33.0	39.7	43.7	41.5	41.7	38.3	47.5	49.9	49.6	56.3	55.8	62.6	68.2	65.4
Available Supply														
Newly completed and unabsorbed ³ homes	26,090	21,364	19,488	19,895	20,301	19,935	14,278	13,738	15,079	14,230	13,587	10,509	10,251	11,392
Single and semi-detached	9,920	7,577	7,220	8,798	8,971	7,914	6,371	6,443	6,877	6,304	6,319	5,291	4,755	5,092
Row and apartment	16,170	13,787	12,268	11,097	11,330	12,021	7,907	7,295	8,202	7,926	7,268	5,218	5,496	6,300
Housing stock (thousands) ³	10,281	10,471	10,686	10,870	11,072	11,226	11,359	11,499	11,629	11,767	11,908	NA	NA	NA
Rental vacancy rate ⁴ (per cent)	3.5	4.4	4.8	4.9	4.7	4.5	4.5	4.5	4	3.2	2.2	1.7	2.1	2.6
Housing Costs														
MLS [®] average price (\$) ⁵	139,870	146,959	149,572	152,888	157,955	150,328	150,822	154,616	152,366	158,145	164,050	171,858	188,100	206,393
New Housing Price Index (% change) ⁶	1.5	-6.9	0.0	1.3	0.1	-1.2	-1.9	0.8	0.9	0.9	2.2	2.7	4.1	4.8
Consumer Price Index (% change) ⁶	4.8	5.6	1.5	1.9	0.2	2.2	1.6	1.6	1.0	1.7	2.7	2.5	2.2	2.8
Construction materials cost index (% change) ⁶	-0.6	-10.1	1.2	6.6	8.0	5.4	2.2	0.7	-0.3	4.5	-0.5	0.4	1.9	1.2
Construction wage rate index (% change) ⁶	NA	NA	NA	NA	NA	NA	NA	NA	0.6	2.5	3.9	2.3	1.3	2.5
Owned accommodation costs (% change) ⁶	6.6	3.5	0.5	0.2	-0.9	1.5	-0.7	-1.0	0.1	1.1	2.6	2.9	1.7	3.0
Rental accommodation costs (% change) ⁶	4.0	3.5	2.7	2.1	1.7	1.4	1.3	1.2	1.1	1.0	1.1	1.6	2.0	1.5
Average rent ⁴ (\$):														
Bachelor	376	388	389	398	400	409	413	420	432	448	469	490	503	516
One-bedroom	462	483	493	501	506	515	522	527	543	560	582	606	626	637
Two-bedroom	530	554	568	575	579	589	593	597	616	628	647	672	693	703
3+ bedroom	591	616	634	638	645	657	654	662	679	697	720	751	774	788
Demand Influences														
Population on July 1 (thousands) ⁵	27,698	28,031	28,367	28,682	28,999	29,302	29,611	29,907	30,157	30,404	30,689	31,021	31,362	31,630
Labour force participation rate (per cent) ⁵	67.1	66.5	65.7	65.4	65.2	64.9	64.7	64.9	65.1	65.6	65.9	66.0	66.9	67.5
Employment (% change) ⁶	0.8	-1.8	-0.7	0.8	2.0	1.9	0.8	2.3	2.7	2.8	2.6	1.1	2.2	2.2
Unemployment rate (per cent) ⁵	8.1	10.3	11.2	11.4	10.4	9.4	9.6	9.1	8.3	7.6	6.8	7.2	7.7	7.6
Real disposable income (% change) ⁶	1.4	-1.6	0.6	0.1	0.3	2.2	0.0	1.8	2.9	3.0	4.9	2.6	2.7	1.1
1-year mortgage rate (per cent)	13.40	10.08	7.87	6.91	7.83	8.38	6.19	5.54	6.50	6.80	7.85	6.14	5.17	4.84
3-year mortgage rate (per cent)	13.38	10.90	8.95	8.10	8.99	8.82	7.33	6.56	6.77	7.37	8.17	6.88	6.28	5.82
5-year mortgage rate (per cent)	13.35	11.13	9.51	8.78	9.53	9.16	7.93	7.07	6.93	7.56	8.35	7.40	7.02	6.39
Net migration ⁵	180,462	134,719	174,202	142,805	152,213	161,792	166,553	154,022	117,263	158,015	198,753	235,458	195,608	155,728
Residential Investment and Repairs⁵														
New construction including acquisition costs (\$ millions)	23,088	18,787	20,674	19,877	21,786	17,302	18,128	21,503	21,106	22,321	23,581	25,817	32,993	36,005
Alterations and improvements (\$ millions)	13,018	11,836	12,508	13,180	13,621	13,003	14,220	15,009	14,904	15,661	17,549	20,632	22,089	24,151
Transfer costs (\$ millions)	6,141	6,730	7,205	6,913	7,259	6,007	7,409	7,253	6,722	7,375	7,617	8,797	10,461	11,751
Repairs (\$ millions)	3,892	3,714	3,961	4,166	4,401	4,411	4,821	5,384	5,410	5,669	6,374	7,277	7,793	NA
Total (\$ millions)	46,139	41,067	44,348	44,136	47,067	40,723	44,578	49,149	48,142	51,026	55,121	62,523	73,336	NA

1 Housing units in centres 10,000+

2 MLS[®] is a registered trademark of the Canadian Real Estate Association.

3 Housing units in centres 50,000+ for which construction has been completed but which have not been rented or sold

4 In privately initiated apartment structures with at least 3 units

5 Statistics Canada (CANSIM II)

6 CMHC, adapted from Statistics Canada (CANSIM II)

Source: CMHC (*Starts and Completions Survey, Market Absorption Survey, Rental Market Survey*); CREA (MLS[®]); Bank of Canada (mortgage rates); Statistics Canada (CANSIM II and custom tabulation of construction materials cost index)

Table 2
**Total Housing Starts, Canada, Provinces and Metropolitan Areas
 1990-2003 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	181,630	156,197	168,271	155,443	154,057	110,933	124,713	147,040	137,439	149,968	151,653	162,733	205,034	218,426
Provinces														
Newfoundland and Labrador	3,245	2,836	2,271	2,405	2,243	1,712	2,034	1,696	1,450	1,371	1,459	1,788	2,419	2,692
Prince Edward Island	762	553	644	645	669	422	554	470	524	616	710	675	775	814
Nova Scotia	5,560	5,173	4,673	4,282	4,748	4,168	4,059	3,813	3,137	4,250	4,432	4,092	4,970	5,096
New Brunswick	2,683	2,872	3,310	3,693	3,203	2,300	2,722	2,702	2,447	2,776	3,079	3,462	3,862	4,489
Quebec	48,070	44,654	38,228	34,015	34,154	21,885	23,220	25,896	23,138	25,742	24,695	27,682	42,452	50,289
Ontario	62,649	52,794	55,772	45,140	46,645	35,818	43,062	54,072	53,830	67,235	71,521	73,282	83,597	85,180
Manitoba	3,297	1,950	2,310	2,425	3,197	1,963	2,318	2,612	2,895	3,133	2,560	2,963	3,617	4,206
Saskatchewan	1,417	998	1,869	1,880	2,098	1,702	2,438	2,757	2,965	3,089	2,513	2,381	2,963	3,315
Alberta	17,227	12,492	18,573	18,151	17,692	13,906	16,665	23,671	27,122	25,447	26,266	29,174	38,754	36,171
British Columbia	36,720	31,875	40,621	42,807	39,408	27,057	27,641	29,351	19,931	16,309	14,418	17,234	21,625	26,174
Metropolitan Areas														
St. John's	1,434	1,108	1,024	1,137	1,215	745	1,001	932	741	807	935	1,029	1,350	1,604
Halifax	2,647	2,938	2,420	2,127	2,460	2,080	2,022	2,065	1,739	2,356	2,661	2,340	3,310	3,066
Saint John	589	441	493	471	442	267	306	234	278	296	346	374	397	580
Saguenay	1,128	955	737	668	606	311	309	500	502	305	296	336	596	435
Québec	5,972	6,523	6,300	4,699	4,677	2,405	2,208	2,233	1,845	1,814	2,275	2,555	4,282	5,599
Sherbrooke	1,179	1,105	749	778	983	582	797	756	590	645	515	589	857	1,070
Trois-Rivières	1,400	1,133	696	783	938	519	486	520	599	380	337	324	619	635
Montréal	21,101	17,882	14,520	13,729	13,157	7,468	7,556	10,508	10,293	12,366	12,766	13,300	20,554	24,321
Gatineau	3,309	3,346	2,368	2,367	2,128	1,208	1,044	1,262	1,244	1,185	1,224	1,659	2,553	2,801
Ottawa	4,860	4,475	5,830	4,421	3,929	2,190	3,066	3,485	3,615	4,447	5,786	6,251	7,796	6,381
Kingston	1,403	792	761	575	498	323	533	559	486	656	659	707	810	1,131
Oshawa	2,189	2,596	2,188	1,409	1,963	1,330	1,563	2,064	1,759	2,463	2,874	2,561	3,490	3,907
Toronto	18,723	18,814	20,770	15,637	18,443	16,325	18,998	25,574	25,910	34,904	38,982	41,017	43,805	45,475
Hamilton	2,969	2,498	2,632	2,989	2,833	2,001	2,642	3,698	3,627	3,923	3,108	3,365	3,803	3,260
St. Catharines - Niagara	2,506	1,357	1,669	1,015	1,703	898	995	1,462	1,319	1,485	1,230	1,134	1,317	1,444
Kitchener	2,981	2,131	2,240	1,705	1,747	1,105	1,968	2,171	2,549	2,821	3,509	3,537	4,130	3,955
London	2,905	2,222	1,553	2,522	1,972	1,016	1,394	1,807	2,027	1,773	1,713	1,607	2,604	3,027
Windsor	1,588	1,279	1,376	1,222	1,661	1,495	2,300	2,102	1,938	2,387	2,382	2,157	2,490	2,237
Greater Sudbury	1,468	1,758	1,289	715	712	336	346	281	165	199	173	191	298	306
Thunder Bay	629	771	563	573	449	288	296	266	224	232	154	211	197	211
Winnipeg	2,147	1,349	1,620	1,540	1,529	1,104	1,135	1,518	1,575	1,772	1,317	1,473	1,821	2,430
Regina	471	189	666	563	462	371	434	516	537	573	615	626	651	889
Saskatoon	410	305	464	593	682	697	1,208	1,187	1,137	1,273	968	900	1,489	1,455
Calgary	7,004	4,750	7,034	6,629	6,877	5,685	7,111	11,215	12,495	10,600	11,093	11,349	14,339	13,642
Edmonton	5,921	4,285	6,764	6,720	5,006	3,082	3,634	4,962	5,947	6,655	6,228	7,855	12,581	12,380
Abbotsford	1,866	1,847	1,678	2,045	1,600	886	865	871	536	566	405	418	1,038	1,056
Vancouver	17,970	14,769	18,684	21,307	20,473	14,992	15,453	15,950	11,878	8,677	8,203	10,862	13,197	15,626
Victoria	2,588	2,129	2,421	2,633	2,303	1,299	1,142	1,311	964	1,340	872	1,264	1,344	2,008

Source: CMHC (Starts and Completions Survey)

Table 3
**Single Housing Starts, Canada, Provinces and Metropolitan Areas,
 1990-2003 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	102,315	86,567	92,851	85,099	89,509	64,425	77,996	93,186	86,431	92,190	92,184	96,026	125,374	123,227
Provinces														
Newfoundland and Labrador	2,468	2,135	1,611	1,559	1,455	1,165	1,395	1,220	1,086	1,233	1,315	1,598	2,092	2,240
Prince Edward Island	483	376	421	460	454	364	430	374	387	472	614	551	582	613
Nova Scotia	3,639	2,604	3,232	3,126	3,358	3,040	3,278	2,939	2,257	3,345	2,856	2,761	3,363	2,968
New Brunswick	2,137	2,154	2,391	2,535	2,547	1,722	2,173	2,125	1,989	2,201	2,442	2,573	2,769	3,139
Quebec	24,942	22,531	18,564	17,136	18,414	13,428	14,818	16,073	14,685	15,798	15,349	17,193	25,257	27,225
Ontario	32,425	26,290	27,868	26,240	30,036	20,124	27,019	35,401	32,737	39,421	41,087	39,632	51,114	47,610
Manitoba	2,847	1,589	1,683	1,874	2,441	1,564	1,875	2,019	2,368	2,231	2,348	2,460	3,016	3,165
Saskatchewan	1,087	775	1,484	1,342	1,542	1,341	1,612	1,954	2,154	2,070	1,890	1,627	1,931	2,097
Alberta	13,809	9,778	14,125	13,040	12,671	10,096	12,949	18,170	20,077	16,688	16,835	19,769	24,520	21,918
British Columbia	18,478	18,335	21,472	17,787	16,591	11,581	12,447	12,911	8,691	8,731	7,448	7,862	10,730	12,252
Metropolitan Areas														
St. John's	903	653	534	508	587	312	524	522	475	688	825	875	1,093	1,213
Halifax	1,128	798	1,266	1,267	1,412	1,173	1,578	1,385	1,125	1,669	1,373	1,296	1,865	1,483
Saint John	520	304	409	437	379	195	217	175	216	255	309	325	338	405
Saguenay	571	378	288	314	281	166	237	335	331	243	203	228	254	244
Québec	3,025	3,108	2,167	1,748	1,842	1,077	1,006	1,247	1,108	1,165	1,262	1,581	2,327	2,674
Sherbrooke	515	636	437	412	434	332	309	419	329	305	283	283	416	511
Trois-Rivières	556	499	347	339	315	217	229	232	233	205	225	224	250	346
Montréal	10,316	8,689	6,516	5,913	6,138	3,819	3,781	5,203	5,657	6,522	6,800	7,151	10,416	10,360
Gatineau	1,249	909	817	987	987	548	528	638	687	640	768	1,093	1,574	1,507
Ottawa	2,414	1,811	2,463	1,858	1,732	807	1,439	2,053	2,248	2,837	3,494	3,502	3,807	3,055
Kingston	591	337	326	302	272	202	207	386	388	437	500	537	775	718
Oshawa	1,230	1,385	910	1,020	1,485	1,035	1,216	1,736	1,400	2,150	2,152	2,038	2,955	3,074
Toronto	7,067	9,459	9,027	8,037	10,811	6,879	10,152	14,203	12,696	15,535	17,119	16,844	22,115	19,626
Hamilton	1,451	790	1,213	1,510	1,670	1,057	1,472	2,239	1,736	1,906	1,884	1,842	2,259	1,743
St. Catharines - Niagara	1,109	558	646	575	935	565	668	1,007	996	1,026	962	916	1,032	1,154
Kitchener	934	669	1,042	1,049	1,225	759	1,339	1,539	1,759	2,002	2,261	2,197	3,007	2,663
London	1,142	684	822	771	905	579	804	1,309	1,309	1,344	1,198	1,317	1,969	1,893
Windsor	835	804	1,068	1,045	1,340	1,217	1,629	1,574	1,355	1,761	1,748	1,605	1,726	1,632
Greater Sudbury	819	523	563	436	448	257	300	242	161	131	169	191	292	296
Thunder Bay	412	277	353	310	296	196	162	184	161	192	141	163	193	199
Winnipeg	1,905	1,006	1,261	1,210	1,201	840	838	1,192	1,190	1,204	1,210	1,238	1,528	1,641
Regina	320	161	546	423	393	323	362	370	468	403	459	401	504	521
Saskatoon	267	224	312	309	370	479	635	709	692	724	602	542	691	676
Calgary	5,564	4,150	5,982	5,220	5,179	4,387	5,862	8,656	9,219	6,613	6,749	7,559	9,413	8,526
Edmonton	4,759	3,016	4,683	4,202	3,225	2,159	2,944	3,685	4,080	4,075	4,072	4,959	6,860	6,391
Abbotsford	900	923	914	623	727	429	556	527	426	400	381	412	558	634
Vancouver	6,316	6,991	7,603	6,593	6,345	4,526	5,072	4,685	3,373	3,568	3,132	3,512	4,980	5,382
Victoria	1,238	1,160	1,082	811	710	449	586	637	520	531	531	631	879	969

Source: CMHC (Starts and Completions Survey)

Table 4
**Multiple Housing Starts, Canada, Provinces and Metropolitan Areas,
 1990-2003 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	79,315	69,630	75,420	70,344	64,548	46,508	46,717	53,854	51,008	57,778	59,469	66,707	79,660	95,199
Provinces														
Newfoundland and Labrador	777	701	660	846	788	547	639	476	364	138	144	190	327	452
Prince Edward Island	279	177	223	185	215	58	124	96	137	144	96	124	193	201
Nova Scotia	1,921	2,569	1,441	1,156	1,390	1,128	781	874	880	905	1,576	1,331	1,607	2,128
New Brunswick	546	718	919	1,158	656	578	549	577	458	575	637	889	1,093	1,350
Quebec	23,128	22,123	19,664	16,879	15,740	8,457	8,402	9,823	8,453	9,944	9,346	10,489	17,195	23,064
Ontario	30,224	26,504	27,904	18,900	16,609	15,694	16,043	18,671	21,093	27,814	30,434	33,650	32,483	37,570
Manitoba	450	361	627	551	756	399	443	593	527	902	212	503	601	1,041
Saskatchewan	330	223	385	538	556	361	826	803	811	1,019	623	754	1,032	1,218
Alberta	3,418	2,714	4,448	5,111	5,021	3,810	3,716	5,501	7,045	8,759	9,431	9,405	14,234	14,253
British Columbia	18,242	13,540	19,149	25,020	22,817	15,476	15,194	16,440	11,240	7,578	6,970	9,372	10,895	13,922
Metropolitan Areas														
St. John's	531	455	490	629	628	433	477	410	266	119	110	154	257	391
Halifax	1,519	2,140	1,154	860	1,048	907	444	680	614	687	1,288	1,044	1,445	1,583
Saint John	69	137	84	34	63	72	89	59	62	41	37	49	59	175
Saguenay	557	577	449	354	325	145	72	165	171	62	93	108	342	191
Québec	2,947	3,415	4,133	2,951	2,835	1,328	1,202	986	737	649	1,013	974	1,955	2,925
Sherbrooke	664	469	312	366	549	250	488	337	261	340	232	306	441	559
Trois-Rivières	844	634	349	444	623	302	257	288	366	175	112	100	369	289
Montréal	10,785	9,193	8,004	7,816	7,019	3,649	3,775	5,305	4,636	5,844	5,966	6,149	10,138	13,961
Gatineau	2,060	2,437	1,551	1,380	1,141	660	516	624	557	545	456	566	979	1,294
Ottawa	2,446	2,664	3,367	2,563	2,197	1,383	1,627	1,432	1,367	1,610	2,292	2,749	3,989	3,326
Kingston	812	455	435	273	226	121	326	173	98	219	159	170	35	413
Oshawa	959	1,211	1,278	389	478	295	347	328	359	313	722	523	535	833
Toronto	11,656	9,355	11,743	7,600	7,632	9,446	8,846	11,371	13,214	19,369	21,863	24,173	21,690	25,849
Hamilton	1,518	1,708	1,419	1,479	1,163	944	1,170	1,459	1,891	2,017	1,224	1,523	1,544	1,517
St. Catharines - Niagara	1,397	799	1,023	440	768	333	327	455	323	459	268	218	285	290
Kitchener	2,047	1,462	1,198	656	522	346	629	632	790	819	1,248	1,340	1,123	1,292
London	1,763	1,538	731	1,751	1,067	437	590	498	718	429	515	290	635	1,134
Windsor	753	475	308	177	321	278	671	528	583	626	634	552	764	605
Greater Sudbury	649	1,235	726	279	264	79	46	39	4	68	4	0	6	10
Thunder Bay	217	494	210	263	153	92	134	82	63	40	13	48	4	12
Winnipeg	242	343	359	330	328	264	297	326	385	568	107	235	293	789
Regina	151	28	120	140	69	48	72	146	69	170	156	225	147	368
Saskatoon	143	81	152	284	312	218	573	478	445	549	366	358	798	779
Calgary	1,440	600	1,052	1,409	1,698	1,298	1,249	2,559	3,276	3,987	4,344	3,790	4,926	5,116
Edmonton	1,162	1,269	2,081	2,518	1,781	923	690	1,277	1,867	2,580	2,156	2,896	5,721	5,989
Abbotsford	966	924	764	1,422	873	457	309	344	110	166	24	6	480	422
Vancouver	11,654	7,778	11,081	14,714	14,128	10,466	10,381	11,265	8,505	5,109	5,071	7,350	8,217	10,244
Victoria	1,350	969	1,339	1,822	1,593	850	556	674	444	809	341	633	465	1,039

Source: CMHC (Starts and Completions Survey)

Table 5
**MLS® Total Residential Sales, Canada, Provinces and Metropolitan Areas,
 1990-2003 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	235,124	279,753	310,741	288,149	288,157	251,986	321,845	330,265	314,553	335,490	333,970	380,753	421,415	438,968
Provinces														
Newfoundland and Labrador	1,998	1,892	1,829	1,867	1,873	1,655	2,005	2,170	2,288	2,437	2,593	2,808	3,014	3,238
Prince Edward Island	742	764	604	654	599	476	750	806	1,125	1,184	1,206	1,234	1,221	550
Nova Scotia	6,072	5,811	6,958	7,180	7,140	7,019	8,372	7,567	8,052	8,827	8,577	9,441	10,243	9,221
New Brunswick	3,316	3,259	3,550	3,483	3,339	3,496	4,023	3,941	3,908	4,376	4,524	4,779	5,089	5,489
Quebec	28,067	28,005	31,946	31,875	33,539	29,776	39,135	43,463	45,192	49,792	53,755	61,620	71,071	71,880
Ontario	87,888	104,948	114,405	106,803	115,185	104,993	137,921	140,608	138,463	148,659	147,158	162,318	177,406	184,459
Manitoba	9,356	9,521	11,383	10,546	10,825	9,749	10,965	11,180	10,762	10,867	10,612	11,440	11,108	11,523
Saskatchewan	6,405	6,505	7,829	7,375	7,459	7,349	8,689	8,346	8,068	8,053	7,552	7,971	7,933	7,698
Alberta	33,085	34,360	38,545	37,024	32,512	29,098	37,485	43,693	43,383	42,684	43,311	48,989	51,042	51,334
British Columbia	58,027	84,554	93,564	80,919	75,315	58,082	72,182	68,182	52,910	58,084	54,179	69,554	82,737	93,095
Metropolitan Areas¹														
St. John's	1,939	1,799	1,720	1,741	1,783	1,572	1,915	2,080	2,131	2,298	2,453	2,675	2,893	3,119
Halifax	4,004	3,791	4,777	4,637	4,670	4,364	5,442	5,072	5,129	5,853	5,610	6,212	6,687	5,813
Saint John	1,353	1,282	1,403	1,282	1,162	1,078	1,346	1,274	1,353	1,530	1,484	1,510	1,505	1,636
Saguenay	278	454	426	512	603	640	1,033	1,009	933	1,043	1,219	1,362	1,436	1,557
Québec	4,146	3,892	4,791	4,836	5,017	4,679	5,473	6,427	6,363	6,570	7,311	8,204	8,771	7,965
Sherbrooke	906	924	874	1,274	1,616	1,434	1,597	1,663	1,628	1,764	1,971	1,951	2,178	2,304
Trois-Rivières	832	878	885	962	882	864	1,136	956	1,035	1,213	1,279	1,363	1,532	1,492
Montréal	18,776	18,627	21,138	20,213	21,269	19,009	25,165	28,337	29,303	32,736	34,427	39,875	46,931	47,787
Gatineau	1,622	1,358	1,543	1,711	1,634	1,243	1,766	2,071	2,306	2,708	3,177	3,818	3,893	4,133
Ottawa	8,249	8,398	9,089	8,249	7,632	6,484	8,648	9,431	9,552	11,334	12,692	12,240	12,894	12,877
Kingston	1,239	1,562	1,856	1,725	1,818	1,727	2,272	2,400	2,500	2,728	2,838	3,274	3,646	3,651
Oshawa	3,837	5,579	5,507	4,655	4,469	4,310	7,185	7,274	7,073	7,370	7,282	8,085	8,520	9,025
Toronto	26,778	38,144	41,703	38,990	44,237	39,273	55,779	58,014	55,344	58,957	58,349	67,612	74,107	79,366
Hamilton	7,116	7,881	8,608	7,747	8,345	7,737	10,224	9,972	10,017	10,543	10,347	11,334	12,482	12,807
St. Catharines - Niagara	5,040	4,746	4,620	4,372	5,036	4,609	5,457	5,509	5,794	5,863	5,207	5,488	5,951	6,176
Kitchener	3,501	3,590	3,949	3,583	3,689	3,467	4,666	4,307	4,365	4,695	4,569	4,816	5,253	5,310
London	5,739	6,254	6,487	5,966	5,954	5,510	6,906	6,454	6,562	6,864	6,616	7,503	8,290	8,412
Windsor	4,003	4,476	4,943	4,602	4,998	4,326	4,898	4,807	4,676	4,692	4,616	4,741	4,938	5,381
Greater Sudbury	2,016	2,196	2,183	1,896	1,754	1,710	2,198	1,901	1,693	1,744	1,825	1,937	2,031	2,191
Thunder Bay	1,177	1,358	1,594	1,455	1,453	1,395	1,458	1,431	1,311	1,301	1,279	1,354	1,599	1,662
Winnipeg	8,414	8,559	10,386	9,604	9,923	8,868	9,905	10,042	9,748	9,770	9,465	10,215	9,881	10,201
Regina	2,469	2,444	2,910	2,686	2,791	2,588	3,099	2,926	2,886	2,781	2,612	2,792	2,817	2,640
Saskatoon	2,280	2,433	2,828	2,750	2,754	2,814	3,359	3,153	3,010	3,039	2,758	2,987	2,941	2,848
Calgary	16,323	16,280	18,721	18,065	15,462	13,003	17,766	21,559	20,554	20,197	19,828	22,512	24,706	24,359
Edmonton	10,169	11,635	12,771	11,486	9,766	8,904	11,566	13,017	13,727	13,594	14,189	16,079	15,923	16,277
Abbotsford	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	21,094	33,914	38,774	32,482	31,303	22,229	28,555	26,946	19,612	22,944	21,244	28,732	34,909	39,022
Victoria	6,080	8,536	8,142	7,344	6,260	5,142	6,231	5,845	4,981	5,063	4,863	6,410	7,069	7,581

¹ The geographic definitions used by CREA differ from those used by Statistics Canada.

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Source: CREA (MLS®)

Table 6
**MLS® Average Residential Price, Canada, Provinces and Metropolitan Areas,
 1990-2003 (dollars)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	139,870	146,959	149,572	152,888	157,955	150,328	150,822	154,616	152,366	158,145	164,050	171,858	188,100	206,393
Provinces														
Newfoundland and Labrador	88,654	90,822	91,590	91,243	91,698	89,525	93,661	92,226	91,514	94,359	99,525	104,376	113,081	119,822
Prince Edward Island	69,284	71,033	75,570	72,422	78,753	73,803	83,922	86,403	79,577	82,138	82,884	87,696	95,117	95,807
Nova Scotia	84,650	86,462	87,685	88,965	91,109	89,788	93,444	96,693	97,015	102,628	109,839	115,485	126,669	136,292
New Brunswick	77,752	80,897	82,478	84,951	84,149	83,993	84,198	87,204	85,948	88,072	91,624	95,947	100,129	105,858
Quebec	100,811	102,795	102,311	102,447	102,181	98,685	98,435	101,715	103,947	107,501	111,260	115,865	129,508	149,912
Ontario	171,979	171,232	161,493	156,555	160,158	154,606	155,662	164,382	167,115	174,049	183,841	193,357	210,699	226,823
Manitoba	79,961	80,445	80,686	81,746	83,761	81,897	85,318	85,404	86,419	86,423	87,884	93,192	96,531	106,788
Saskatchewan	68,963	67,697	68,406	70,698	72,738	73,796	77,478	83,978	87,577	91,396	94,047	98,310	101,297	104,995
Alberta	108,675	111,482	113,558	117,085	117,336	114,772	117,673	124,865	132,905	139,621	146,258	153,737	170,253	182,845
British Columbia	157,616	168,235	189,999	211,992	228,154	221,860	218,687	220,512	212,046	215,283	221,371	222,822	238,877	259,990
Metropolitan Areas¹														
St. John's	88,939	91,123	91,959	92,319	92,011	89,655	94,142	92,797	92,560	95,606	100,763	105,237	114,626	121,292
Halifax	97,238	99,332	99,975	102,500	103,481	103,011	105,869	109,827	114,025	118,522	128,003	134,106	148,737	162,486
Saint John	78,041	81,713	81,560	85,398	79,148	83,498	82,066	86,171	87,087	88,731	93,697	97,348	103,544	106,473
Saguenay	67,657	66,650	72,491	70,465	72,741	69,038	69,313	71,554	72,619	75,803	77,166	80,213	83,982	87,870
Québec	81,462	84,505	84,095	85,250	86,143	83,800	84,994	84,051	85,883	88,091	90,079	93,354	102,627	117,586
Sherbrooke	83,274	83,161	80,037	83,722	82,486	79,018	81,232	85,711	87,369	89,258	93,269	98,167	105,938	118,348
Trois-Rivières	68,252	66,253	67,429	71,254	69,243	67,034	68,341	69,554	69,384	68,698	69,571	70,144	75,363	81,960
Montréal	111,197	113,512	112,753	113,083	112,492	108,614	107,239	111,440	114,426	118,529	124,064	128,562	143,589	167,047
Gatineau	86,256	92,100	94,172	96,437	97,067	94,074	94,351	90,275	90,353	90,989	89,311	97,676	113,132	129,933
Ottawa	141,562	143,379	143,869	146,405	147,032	143,127	140,513	143,866	143,914	149,626	159,511	175,972	200,711	219,713
Kingston	129,823	129,543	125,826	125,314	126,456	122,791	120,917	124,123	124,787	126,803	129,639	132,048	144,413	159,694
Oshawa	165,375	152,987	145,011	136,377	139,787	155,550	151,985	158,376	163,369	169,568	179,241	186,448	204,103	219,341
Toronto	254,890	234,313	214,971	206,490	208,922	203,028	198,150	211,307	216,815	228,372	243,249	251,508	275,975	293,308
Hamilton	165,742	160,954	151,038	143,433	145,939	141,109	142,267	151,538	153,628	158,162	164,168	172,567	183,442	197,744
St. Catharines - Niagara	125,281	126,673	121,012	116,548	117,406	114,252	114,072	117,778	121,981	126,155	129,390	133,715	144,720	154,548
Kitchener	159,718	154,725	145,015	138,896	141,683	135,452	134,839	141,387	143,104	146,495	157,317	164,548	177,559	188,905
London	134,920	137,278	138,327	135,594	135,597	128,643	129,338	131,382	131,299	131,254	135,857	137,717	142,745	153,637
Windsor	106,327	105,590	109,239	110,078	117,316	118,366	122,250	125,714	132,328	135,839	137,453	140,206	149,656	151,524
Greater Sudbury	108,596	113,262	116,076	114,284	113,278	113,554	108,222	108,521	109,622	105,093	109,262	107,774	110,826	117,359
Thunder Bay	100,697	102,716	108,648	114,964	115,289	110,747	112,723	111,608	110,099	112,315	109,811	110,532	109,930	111,927
Winnipeg	81,740	81,892	81,990	83,058	84,812	82,994	86,142	86,040	86,838	86,614	88,553	94,214	98,054	108,812
Regina	71,054	68,476	72,372	72,897	73,747	76,629	76,781	82,643	85,425	90,181	94,518	96,943	100,751	104,419
Saskatoon	76,008	75,049	74,946	78,993	81,720	82,030	88,132	98,270	104,776	109,822	112,567	116,472	118,999	125,191
Calgary	128,484	128,255	129,506	133,998	133,571	132,114	134,643	143,305	157,353	166,110	176,305	182,090	198,350	211,155
Edmonton	101,040	107,085	109,602	111,823	112,927	110,329	109,042	111,587	114,527	118,871	124,203	133,441	150,165	165,541
Abbotsford	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	226,385	221,874	245,260	279,758	303,535	307,747	288,268	287,094	278,659	281,163	295,978	285,910	301,473	329,447
Victoria	160,743	169,516	194,666	210,650	219,847	210,669	211,602	218,398	217,886	221,126	225,731	225,727	242,503	280,625

¹ The geographic definitions used by CREA differ from those used by Statistics Canada.

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Source: CREA (MLS®)

Table 7
**Residential Mortgage Credit by Lending Institutions, Canada,
 1990-2003 (billions of dollars)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Chartered Banks	96.5	107.7	121.1	142.6	165.0	177.1	191.4	213.5	232.2	241.0	262.3	279.3	306.7	329.7
Trust & Mortgage Loans Companies	70.6	71.5	69.3	57.7	44.9	41.9	39.8	31.5	22.4	20.0	6.2	5.2	5.6	6.0
Life Insurance Companies, Policy Loans	16.0	17.6	19.3	19.8	20.6	21.1	21.7	21.4	20.0	18.1	17.8	17.2	16.8	16.1
Finance Companies, Non-Depository Credit Intermediaries and Other Institutions	18.0	19.0	20.6	23.4	27.9	28.1	28.6	29.8	29.2	27.9	26.2	25.4	24.8	24.9
Pension Funds	7.9	7.9	7.7	8.0	8.2	8.0	7.7	8.0	7.8	7.9	8.7	9.3	9.3	9.4
NHA Mortgage-Backed Securities	4.1	6.2	9.5	14.5	16.8	17.4	15.7	13.9	17.9	23.5	30.8	34.6	39.3	49.8
Credit Unions and Caisse Populaires	30.6	34.0	38.6	41.9	44.4	46.2	48.2	50.8	52.2	53.4	55.0	58.0	62.8	68.4
Special Purpose Corporations (Securitization)	NA	NA	NA	NA	NA	0.1	1.1	4.7	11.0	18.7	22.5	18.1	15.0	14.6
Total Outstanding Balances	243.7	263.9	286.1	307.9	327.8	339.9	354.2	373.6	392.7	410.5	429.5	447.1	480.3	518.9

Annual estimates have been calculated by averaging monthly residential mortgage credit data and therefore will differ from end-of-year estimates.

Source: CMHC (MBS), Statistics Canada (CANSIM)

Table 8

NHA and Conventional Residential Mortgage Loans¹ Approved by Lending Institutions, New and Existing Housing, by Type of Lender, Canada, 1990-2003 (millions of dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Chartered Banks														
New	5,492.7	5,723.2	6,913.0	6,673.4	6,888.2	5,769.5	7,364.3	9,515.0	10,072.6	11,195.3	10,619.5	13,082.2	17,880.6	18,757.8
Existing	23,844.3	32,489.9	43,533.8	35,916.6	33,464.0	29,133.8	43,920.1	47,731.9	45,054.0	49,033.3	43,597.4	64,504.6	79,646.6	95,496.3
Total	29,337.0	38,213.1	50,446.8	42,590.0	40,352.3	34,903.3	51,284.4	57,246.9	55,126.6	60,228.6	54,216.9	77,586.8	97,527.2	114,254.1
Trust Companies														
New	3,969.3	3,024.1	2,077.1	1,857.3	1,518.6	881.8	1,022.7	835.4	746.2	846.8	909.9	816.4	643.1	539.6
Existing	13,082.8	12,667.6	12,477.2	12,413.8	9,074.4	6,020.6	6,997.8	6,466.6	5,135.4	3,815.0	3,183.6	3,274.9	3,196.6	3,647.1
Total	17,052.1	15,691.8	14,554.3	14,271.1	10,592.9	6,902.4	8,020.5	7,302.0	5,881.6	4,661.8	4,093.6	4,091.3	3,839.7	4,186.7
Life Insurance and Other Companies														
New	1,885.8	2,064.4	1,939.4	1,827.2	1,837.5	1,202.7	1,350.6	1,149.6	1,245.5	1,439.1	2,107.4	2,706.9	4,197.1	3,503.2
Existing	7,174.2	14,090.0	15,993.8	12,318.8	12,333.8	9,076.9	10,015.6	9,621.7	9,461.8	11,991.8	14,507.4	10,796.6	14,748.5	16,070.9
Total	9,060.0	16,154.4	17,933.2	14,146.0	14,171.3	10,279.6	11,366.1	10,771.4	10,707.3	13,430.8	16,614.7	13,503.5	18,945.6	19,574.1
Total														
New	11,347.8	10,811.7	10,929.6	10,357.9	10,244.3	7,854.0	9,737.5	11,500.1	12,064.3	13,481.2	13,636.8	16,605.5	22,720.8	22,800.6
Existing	44,101.3	59,247.6	72,004.7	60,649.3	54,872.2	44,231.3	60,933.5	63,820.2	59,651.2	64,840.0	61,288.4	78,576.1	97,591.7	115,214.3
Total	55,449.1	70,059.3	82,934.3	71,007.1	65,116.5	52,085.3	70,671.0	75,320.2	71,715.5	78,321.2	74,925.2	95,181.6	120,312.5	138,014.9

¹ Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

Table 9

**NHA and Conventional Residential Mortgage Loans¹ Approved by Lending Institutions,
New and Existing Housing, by Type of Lender and Type of Dwelling,
Canada, Provinces and Territories, 2003 (millions of dollars)**

	Chartered Banks			Trust Companies			Life Insurance and Other Companies			Total		
	New	Existing	Total	New	Existing	Total	New	Existing	Total	New	Existing	Total
Canada												
Single-detached	12,681.1	75,097.8	87,778.9	213.1	2,554.8	2,767.9	1,717.2	9,817.4	11,534.6	14,611.4	87,470.0	102,081.4
Multiple Dwellings	6,076.6	20,398.4	26,475.0	324.7	1,092.3	1,417.0	1,785.6	6,253.5	8,039.1	8,186.9	27,744.2	35,931.1
Total	18,757.7	95,496.2	114,253.9	537.8	3,647.1	4,184.9	3,502.8	16,070.9	19,573.7	22,798.3	115,214.2	138,012.5
Newfoundland and Labrador												
Single-detached	174.8	1,170.8	1,345.6	13.9	34.9	48.8	16.7	71.3	88.0	205.4	1,277.0	1,482.4
Multiple Dwellings	7.5	66.2	73.7	N/A	1.5	1.5	3.0	8.5	11.5	10.5	76.2	86.7
Total	182.3	1,237.0	1,419.3	13.9	36.4	50.3	19.7	79.8	99.5	215.9	1,353.2	1,569.1
Prince Edward Island												
Single-detached	50.0	229.6	279.6	N/A	39.9	39.9	2.5	20.3	22.8	52.5	289.8	342.3
Multiple Dwellings	7.2	27.4	34.6	N/A	0.5	0.5	0.5	1.0	1.5	7.7	28.9	36.6
Total	57.2	257.0	314.2	-	40.4	40.4	3.0	21.3	24.3	60.2	318.7	378.9
Nova Scotia												
Single-detached	297.5	2,098.0	2,395.5	3.0	67.4	70.4	24.9	191.5	216.4	325.4	2,356.9	2,682.3
Multiple Dwellings	95.4	320.3	415.7	21.6	37.2	58.8	106.0	94.5	200.5	223.0	452.0	675.0
Total	392.9	2,418.3	2,811.2	24.6	104.6	129.2	130.9	286.0	416.9	548.4	2,808.9	3,357.3
New Brunswick												
Single-detached	200.3	1,225.8	1,426.1	4.4	50.0	54.4	34.1	199.0	233.1	238.8	1,474.8	1,713.6
Multiple Dwellings	36.3	123.2	159.5	0.5	3.3	3.8	7.8	25.5	33.3	44.6	152.0	196.6
Total	236.6	1,349.0	1,585.6	4.9	53.3	58.2	41.9	224.5	266.4	283.4	1,626.8	1,910.2
Quebec												
Single-detached	1,354.2	7,601.6	8,955.8	3.5	401.7	405.2	390.7	1,879.4	2,270.1	1,748.4	9,882.7	11,631.1
Multiple Dwellings	689.9	3,939.7	4,629.6	17.9	198.2	216.1	375.0	1,630.3	2,005.3	1,082.8	5,768.2	6,851.0
Total	2,044.1	11,541.3	13,585.4	21.4	599.9	621.3	765.7	3,509.7	4,275.4	2,831.2	15,650.9	18,482.1
Ontario												
Single-detached	6,610.6	38,028.9	44,639.5	82.4	997.5	1,079.9	564.3	3,740.9	4,305.2	7,257.3	42,767.3	50,024.6
Multiple Dwellings	3,337.1	9,843.8	13,180.9	90.9	432.4	523.3	514.8	2,513.5	3,028.3	3,942.8	12,789.7	16,732.5
Total	9,947.7	47,872.7	57,820.4	173.3	1,429.9	1,603.2	1,079.1	6,254.4	7,333.5	11,200.1	55,557.0	66,757.1
Manitoba												
Single-detached	193.3	1,574.3	1,767.6	1.4	136.6	138.0	28.3	389.3	417.6	223.0	2,100.2	2,323.2
Multiple Dwellings	20.6	130.9	151.5	-	5.7	5.7	4.0	35.1	39.1	24.6	171.7	196.3
Total	213.9	1,705.2	1,919.1	1.4	142.3	143.7	32.3	424.4	456.7	247.6	2,271.9	2,519.5
Saskatchewan												
Single-detached	155.2	1,161.8	1,317.0	7.9	101.2	109.1	32.3	247.6	279.9	195.4	1,510.6	1,706.0
Multiple Dwellings	31.8	107.1	138.9	1.7	8.9	10.6	11.6	21.7	33.3	45.1	137.7	182.8
Total	187.0	1,268.9	1,455.9	9.6	110.1	119.7	43.9	269.3	313.2	240.5	1,648.3	1,888.8
Alberta												
Single-detached	2,391.1	8,976.2	11,367.3	87.7	478.5	566.2	494.5	1,567.1	2,061.6	2,973.3	11,021.8	13,995.1
Multiple Dwellings	794.6	1,934.2	2,728.8	109.4	213.2	322.6	350.3	751.2	1,101.5	1,254.3	2,898.6	4,152.9
Total	3,185.7	10,910.4	14,096.1	197.1	691.7	888.8	844.8	2,318.3	3,163.1	4,227.6	13,920.4	18,148.0
British Columbia												
Single-detached	1,228.9	12,854.5	14,083.4	8.9	239.8	248.7	128.9	1,510.1	1,639.0	1,366.7	14,604.4	15,971.1
Multiple Dwellings	1,045.2	3,840.2	4,885.4	82.7	190.8	273.5	412.6	1,122.4	1,535.0	1,540.5	5,153.4	6,693.9
Total	2,274.1	16,694.7	18,968.8	91.6	430.6	522.2	541.5	2,632.5	3,174.0	2,907.2	19,757.8	22,665.0
Yukon and N.W.T.												
Single-detached	25.2	176.3	201.5	N/A	7.3	7.3	N/A	0.9	0.9	25.2	184.5	209.7
Multiple Dwellings	11.0	65.4	76.4	N/A	0.6	0.6	N/A	49.8	49.8	11.0	115.8	126.8
Total	36.2	241.7	277.9	-	7.9	7.9	-	50.7	50.7	36.2	300.3	336.5

¹ Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisses populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

Table 10

Ownership Rates,¹ Canada, Provinces, Territories and Metropolitan Areas 1971-2001 (per cent)

	1971	1976	1981	1986	1991	1996	2001
Canada	60.3	61.8	62.1	62.1	62.6	63.6	65.8
Provinces and Territories							
Newfoundland and Labrador	80.0	80.6	80.6	80.1	78.6	77.1	78.2
Prince Edward Island	74.3	76.6	75.7	74.0	73.6	72.1	73.1
Nova Scotia	71.2	72.4	71.5	71.6	70.6	70.4	70.8
New Brunswick	69.4	71.8	73.4	74.2	74.1	73.8	74.5
Quebec	47.4	50.4	53.3	54.7	55.5	56.5	57.9
Ontario	62.9	63.6	63.3	63.6	63.7	64.3	67.8
Manitoba	66.1	66.4	65.8	65.5	65.8	66.4	67.8
Saskatchewan	72.7	75.5	72.9	70.1	69.9	68.8	70.8
Alberta	63.9	64.8	63.1	61.7	63.9	67.8	70.4
British Columbia	63.3	65.3	64.4	62.2	63.8	65.2	66.3
Yukon	50.2	49.3	52.7	55.7	57.6	58.5	63.0
Northwest Territories ²	24.7	25.0	22.6	27.6	31.5	38.6	53.1
Nunavut ²	NA	NA	NA	NA	NA	NA	24.2
Metropolitan Areas							
St. John's	66.6	68.9	69.5	68.3	67.1	67.5	69.5
Halifax	53.2	55.7	55.6	58.3	58.0	59.9	61.7
Saint John	52.0	56.8	59.6	61.6	63.4	65.6	67.4
Saguenay	55.5	60.3	62.0	61.5	60.9	60.8	62.3
Québec	43.8	46.6	50.9	52.9	53.6	54.9	55.5
Sherbrooke	43.9	48.0	49.4	50.1	49.2	50.2	51.9
Trois-Rivières	50.3	53.0	55.6	55.4	54.5	55.5	57.3
Montréal	35.5	38.4	41.9	44.7	46.7	48.5	50.2
Gatineau	58.6	59.7	59.1	59.2	59.8	61.5	62.4
Ottawa	50.1	50.1	51.4	50.0	54.4	58.2	61.4
Kingston	55.1	57.7	59.3	59.7	59.4	61.2	63.9
Oshawa	69.0	70.0	68.8	70.2	70.1	71.4	75.6
Toronto	55.4	56.7	57.3	58.3	57.9	58.4	63.2
Hamilton	63.9	63.8	63.4	64.6	64.6	65.2	68.3
St. Catharines - Niagara	72.2	72.9	71.6	72.0	71.4	70.7	73.2
Kitchener	60.8	60.4	60.8	61.9	61.5	62.4	66.7
London	60.1	59.5	58.0	57.8	57.6	60.0	62.8
Windsor	70.4	69.9	68.0	67.2	68.4	68.6	71.8
Greater Sudbury	57.6	62.2	64.3	64.4	63.8	62.6	65.8
Thunder Bay	73.6	72.0	69.4	69.0	68.4	69.7	71.9
Winnipeg	59.6	59.2	59.1	60.8	62.0	63.9	65.5
Regina	60.9	66.2	65.4	65.7	66.2	66.0	68.2
Saskatoon	61.3	65.7	61.8	59.9	61.0	61.4	65.0
Calgary	56.5	59.2	58.4	57.9	60.6	65.5	70.6
Edmonton	57.1	58.1	57.9	57.1	59.2	64.4	66.3
Abbotsford	74.7	75.5	72.2	70.4	72.6	71.5	71.1
Vancouver	58.8	59.4	58.5	56.3	57.5	59.4	61.0
Victoria	61.5	61.2	59.8	59.2	61.1	62.1	63.1

¹ Ownership rates are computed as owners divided by total of all tenure types. Census Metropolitan Area data for 1971-1986 are based on 1986 CMA boundaries. All other data for Census Metropolitan Areas have not been adjusted for boundary changes.

² In 1996 and prior years, the Northwest Territories included Nunavut.

Source: CMHC, adapted from Statistics Canada (Census of Canada)

Table 11
**Rental Vacancy Rate,¹ Canada, Provinces and Metropolitan Areas
 1992-2003 (per cent)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	4.8	4.9	4.7	4.5	4.5	4.5	4.0	3.2	2.2	1.7	2.1	2.6
Provinces												
Newfoundland and Labrador	6.1	9.2	7.4	10.0	13.8	15.4	14.9	10.8	5.7	3.2	3.0	3.3
Prince Edward Island	6.2	5.1	6.8	7.6	4.9	4.9	7.0	5.4	3.3	2.7	2.8	3.7
Nova Scotia	5.7	6.0	6.7	7.6	8.6	8.3	5.9	4.2	4.2	3.3	3.0	2.6
New Brunswick	4.7	5.3	6.8	6.7	6.7	6.6	6.1	4.3	3.1	4.1	4.2	4.3
Quebec	7.5	7.3	6.9	6.3	6.0	6.3	5.3	3.8	2.2	1.3	1.2	1.3
Ontario	2.6	2.7	2.4	2.3	3.0	2.8	2.6	2.1	1.6	1.7	2.7	3.5
Manitoba	5.8	5.6	5.5	5.2	5.6	5.5	3.9	3.2	2.2	1.4	1.4	1.6
Saskatchewan	4.7	3.9	2.7	2.2	1.9	1.6	1.6	1.7	2.2	3.5	3.9	4.1
Alberta	4.9	6.0	7.1	7.2	4.8	2.7	1.4	2.4	1.3	1.1	2.3	3.7
British Columbia	1.8	1.4	1.4	2.3	2.8	3.4	5.0	5.0	3.6	2.6	3.1	3.1
Metropolitan Areas												
St. John's	5.6	8.8	7.1	10.8	15.4	16.6	15.4	9.2	3.8	2.5	2.7	2.0
Halifax	5.7	6.3	7.2	7.7	8.7	7.7	5.5	3.6	3.6	2.8	2.7	2.3
Saint John	6.0	6.3	8.0	8.6	9.1	8.2	7.3	5.2	3.4	5.6	6.3	5.2
Saguenay	7.1	6.3	6.3	6.0	5.4	4.1	4.8	4.9	4.4	4.4	4.9	5.2
Québec	6.3	6.0	6.9	6.0	6.5	6.6	5.2	3.3	1.6	0.8	0.3	0.5
Sherbrooke	9.3	7.6	8.0	6.2	6.6	7.5	7.3	7.6	4.7	2.3	1.8	0.7
Trois-Rivières	7.0	6.5	7.4	7.2	8.0	8.6	8.5	7.9	6.8	4.7	3.0	1.5
Montréal	7.7	7.7	6.8	6.2	5.7	5.9	4.7	3.0	1.5	0.6	0.7	1.0
Gatineau	3.7	4.5	6.6	8.3	7.7	9.4	6.7	4.4	1.4	0.6	0.5	1.2
Ottawa	1.3	1.8	2.6	3.8	4.9	4.2	2.1	0.7	0.2	0.8	1.9	2.9
Kingston	1.9	2.5	2.9	3.2	4.2	5.3	5.4	3.4	1.8	1.5	0.9	1.9
Oshawa	6.1	4.6	3.4	2.7	3.7	2.4	2.0	1.7	1.7	1.3	2.3	2.9
Toronto	2.2	2.0	1.2	0.8	1.2	0.8	0.8	0.9	0.6	0.9	2.5	3.8
Hamilton	2.3	2.7	2.4	2.0	2.2	3.1	3.2	1.9	1.7	1.3	1.6	3.0
St. Catharines - Niagara	3.4	4.9	5.8	5.2	5.6	5.4	4.6	3.2	2.6	1.9	2.4	2.7
Kitchener	4.4	4.3	2.8	2.2	1.8	1.9	1.5	1.0	0.7	0.9	2.3	3.2
London	3.4	3.8	4.1	4.3	6.0	5.1	4.5	3.5	2.2	1.6	2.0	2.1
Windsor	3.3	2.7	1.6	1.8	2.8	4.5	4.3	2.7	1.9	2.9	3.9	4.3
Greater Sudbury	2.5	3.8	4.3	6.0	6.8	7.2	9.4	11.1	7.7	5.7	5.1	3.6
Thunder Bay	2.5	2.7	4.1	6.2	5.6	7.7	9.3	7.5	5.8	5.8	4.7	3.3
Winnipeg	6.1	5.9	5.6	5.4	6.0	5.9	4.0	3.0	2.0	1.4	1.2	1.3
Regina	3.6	3.6	3.2	2.1	1.9	1.5	1.7	1.4	1.4	2.1	1.9	2.1
Saskatoon	4.4	2.7	1.8	1.0	0.7	0.9	0.8	0.9	1.7	2.9	3.7	4.5
Calgary	5.5	5.9	5.1	3.6	1.5	0.5	0.6	2.8	1.3	1.2	2.9	4.4
Edmonton	4.0	6.5	8.9	10.2	7.6	4.6	1.9	2.2	1.4	0.9	1.7	3.4
Abbotsford	1.5	2.4	2.9	7.7	6.0	5.1	7.4	6.7	3.7	2.4	2.0	2.5
Vancouver	1.6	1.1	0.8	1.2	1.1	1.7	2.7	2.7	1.4	1.0	1.4	2.0
Victoria	1.5	1.8	1.9	3.3	4.1	3.5	3.8	3.6	1.8	0.5	1.5	1.1
Average of Metropolitan Areas²	4.8	4.8	4.6	4.3	4.3	4.1	3.4	2.6	1.6	1.1	1.7	2.2

¹ In privately initiated apartment structures with at least three units

² Prior to 2002, Kingston and Abbotsford were not included in the average of metropolitan areas

Source: CMHC (Rental Market Survey)

Table 12
Average Rent for Two-Bedroom Apartments,¹
Canada, Provinces and Metropolitan Areas, 1992-2003 (dollars)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Canada	568	575	579	589	593	597	616	628	647	672	693	703
Provinces												
Newfoundland and Labrador	517	512	517	525	526	524	490	489	510	530	538	563
Prince Edward Island	503	511	517	523	522	527	529	531	538	561	566	585
Nova Scotia	562	571	579	584	588	589	603	609	621	645	669	684
New Brunswick	461	470	479	484	490	499	503	510	515	530	543	556
Quebec	473	471	472	481	479	479	486	491	495	513	531	553
Ontario	672	690	700	714	725	726	761	785	829	863	883	886
Manitoba	545	550	551	554	559	561	566	574	581	596	612	633
Saskatchewan	454	458	459	465	477	494	507	522	529	546	554	564
Alberta	553	548	541	540	543	565	607	633	651	701	734	745
British Columbia	682	699	716	725	737	739	746	742	753	772	795	806
Metropolitan Areas												
St. John's	566	554	559	565	570	567	513	517	552	575	589	607
Halifax	595	604	610	615	617	616	631	637	648	673	704	720
Saint John	429	436	439	437	441	449	452	457	460	483	492	504
Saguenay	420	419	416	417	423	425	428	428	438	439	440	457
Québec	501	502	501	513	511	513	513	511	518	538	550	567
Sherbrooke	408	418	420	422	426	426	433	434	437	446	456	471
Trois-Rivières	395	400	402	406	405	406	411	403	413	419	431	436
Montréal	488	484	484	494	491	491	499	506	509	529	552	575
Gatineau	513	519	528	536	537	530	529	534	544	573	599	639
Ottawa	700	727	738	738	739	729	754	783	877	914	930	932
Kingston	592	619	624	631	654	643	653	658	679	709	727	768
Oshawa	651	659	659	689	700	691	726	745	778	799	819	845
Toronto	754	773	784	805	819	821	881	916	979	1027	1047	1040
Hamilton	574	599	602	614	625	636	662	698	719	740	765	778
St. Catharines - Niagara	570	585	597	596	606	613	617	634	653	680	695	704
Kitchener	593	597	591	616	623	630	641	660	697	722	750	754
London	594	615	629	636	640	636	637	639	657	683	705	736
Windsor	620	631	643	667	682	680	680	696	736	738	769	776
Greater Sudbury	594	610	610	621	624	619	623	612	619	620	647	651
Thunder Bay	620	632	655	659	672	666	647	647	654	657	657	672
Winnipeg	553	557	559	561	567	568	574	582	588	605	622	645
Regina	484	487	485	487	494	512	525	547	549	568	581	589
Saskatoon	444	449	452	460	479	500	516	529	541	558	567	576
Calgary	598	584	585	584	595	635	707	739	740	783	804	804
Edmonton	544	543	524	519	518	525	551	576	601	654	709	722
Abbotsford	615	635	640	651	645	628	633	630	632	645	650	672
Vancouver	771	790	812	826	845	852	870	864	890	919	954	965
Victoria	684	703	713	715	717	724	722	728	731	751	771	789

¹ In privately initiated apartment structures with at least three units

Source: CMHC (Rental Market Survey)

Table 13

Occupied Housing Stock by Structure Type and Tenure, Canada, 1991-2001 (dwelling units)

	1991				1996				2001			
	Owned	Rented	Band	Total	Owned	Rented	Band	Total	Owned	Rented	Band	Total
Total	6,273,030	3,718,520	26,715	10,018,270	6,877,780	3,905,145	37,125	10,820,050	7,610,390	3,907,170	45,415	11,562,975
Single-detached house	5,094,150	583,265	25,500	5,702,915	5,488,620	597,480	34,280	6,120,380	5,972,985	620,950	41,135	6,635,065
Semi-detached house	299,305	168,835	240	468,380	337,005	164,580	505	502,090	395,460	169,585	800	565,850
Row house	185,455	272,720	240	458,415	259,690	278,125	545	538,365	340,870	276,140	995	618,010
Apartment, detached duplex	132,555	243,200	35	375,785	164,720	286,620	155	451,495	154,385	258,210	165	412,760
Apartment, building that has five or more storeys	125,250	784,760	10	910,020	157,395	822,075	-	979,470	213,205	836,440	10	1,049,655
Apartment, building that has fewer than five storeys	260,350	1,613,745	105	1,874,200	318,645	1,709,375	305	2,028,325	386,165	1,696,730	510	2,083,410
Other single-attached house	21,035	26,925	40	48,005	17,525	22,005	25	39,555	16,850	24,945	50	41,845
Movable dwelling	154,930	25,075	545	180,555	134,175	24,885	1,310	160,370	130,470	24,165	1,750	156,385

Source: Statistics Canada (Census of Canada).

Table 14

Dwelling Condition by Tenure and Period of Construction, Canada, 2001

Tenure and Period of Construction	Total Occupied Dwellings	Dwelling Condition					
		In Need of Regular Maintenance Only		In Need of Minor Repairs		In Need of Major Repairs	
		Number	Per Cent	Number	Per Cent	Number	Per Cent
Total	11,562,975	7,554,135	65.3	3,060,605	26.5	948,235	8.2
1945 or before	1,661,635	806,080	48.5	582,315	35.0	273,240	16.4
1946-1960	1,819,730	1,033,505	56.8	586,510	32.2	199,715	11.0
1961-1970	1,833,290	1,136,880	62.0	534,300	29.1	162,110	8.8
1971-1980	2,460,455	1,573,350	63.9	707,510	28.8	179,595	7.3
1981-1985	1,001,665	680,515	67.9	268,115	26.8	53,035	5.3
1986-1990	1,079,075	817,490	75.8	221,485	20.5	40,100	3.7
1991-1995	887,255	747,375	84.2	112,740	12.7	27,140	3.1
1996-2001	819,865	758,940	92.6	47,630	5.8	13,295	1.6
Owned	7,610,385	4,961,405	65.2	2,082,950	27.4	566,035	7.4
1945 or before	1,083,600	512,130	47.3	397,515	36.7	173,950	16.1
1946-1960	1,149,140	650,885	56.6	385,095	33.5	113,155	9.8
1961-1970	992,295	604,260	60.9	309,220	31.2	78,815	7.9
1971-1980	1,587,135	973,690	61.3	500,165	31.5	113,275	7.1
1981-1985	655,055	424,055	64.7	198,050	30.2	32,950	5.0
1986-1990	798,775	597,825	74.8	174,410	21.8	26,535	3.3
1991-1995	662,930	562,215	84.8	82,720	12.5	18,000	2.7
1996-2001	681,460	636,345	93.4	35,765	5.2	9,355	1.4
Rented	3,907,170	2,580,170	66.0	962,630	24.6	364,370	9.3
1945 or before	577,815	293,930	50.9	184,740	32.0	99,140	17.2
1946-1960	669,685	382,500	57.1	201,170	30.0	86,015	12.8
1961-1970	838,125	532,245	63.5	224,410	26.8	81,465	9.7
1971-1980	865,675	598,605	69.1	205,270	23.7	61,800	7.1
1981-1985	338,655	255,030	75.3	67,465	19.9	16,165	4.8
1986-1990	272,145	217,980	80.1	43,800	16.1	10,365	3.8
1991-1995	215,200	182,325	84.7	26,340	12.2	6,535	3.0
1996-2001	129,870	117,555	90.5	9,425	7.3	2,890	2.2
Band	45,420	12,560	27.7	15,025	33.1	17,825	39.2
1945 or before	225	25	11.1	55	24.4	150	66.7
1946-1960	905	120	13.3	240	26.5	545	60.2
1961-1970	2,875	375	13.0	670	23.3	1,825	63.5
1971-1980	7,650	1,055	13.8	2,075	27.1	4,520	59.1
1981-1985	7,955	1,430	18.0	2,595	32.6	3,925	49.3
1986-1990	8,150	1,685	20.7	3,265	40.1	3,200	39.3
1991-1995	9,125	2,840	31.1	3,675	40.3	2,610	28.6
1996-2001	8,530	5,040	59.1	2,445	28.7	1,050	12.3

Source: CMHC, adapted from Statistics Canada (Census of Canada)

Table 15
**Household Growth Summary, Canada, Provinces
and Metropolitan Areas, 1996-2001**

	1996	2001	Growth (per cent)	Avg. Annual Growth
Canada	10,820,050	11,562,975	6.9	148,585
Provinces				
Newfoundland and Labrador	185,495	189,045	1.9	710
Prince Edward Island	47,960	50,795	5.9	567
Nova Scotia	342,595	360,025	5.1	3,486
New Brunswick	271,155	283,820	4.7	2,533
Quebec	2,822,030	2,978,110	5.5	31,216
Ontario	3,924,510	4,219,410	7.5	58,980
Manitoba	419,385	432,550	3.1	2,633
Saskatchewan	372,820	379,675	1.8	1,371
Alberta	979,175	1,104,100	12.8	24,985
British Columbia	1,424,635	1,534,335	7.7	21,940
Metropolitan Areas				
St. John's	60,295	64,830	7.5	907
Halifax	131,520	144,435	9.8	2,583
Saint John	47,050	48,260	2.6	242
Saguenay	59,940	62,195	3.8	451
Québec	275,935	295,105	6.9	3,834
Sherbrooke	61,595	66,280	7.6	937
Trois-Rivières	57,665	59,580	3.3	383
Montréal	1,341,275	1,417,360	5.7	15,217
Ottawa-Gatineau	381,225	415,940	9.1	6,943
Kingston	55,390	58,330	5.3	588
Oshawa	93,710	104,200	11.2	2,098
Toronto	1,488,370	1,634,755	9.8	29,277
Hamilton	235,605	253,085	7.4	3,496
St. Catharines - Niagara	144,505	150,875	4.4	1,274
Kitchener	140,460	153,280	9.1	2,564
London	162,390	173,120	6.6	2,146
Windsor	108,475	117,710	8.5	1,847
Greater Sudbury	63,780	63,145	-1.0	-127
Thunder Bay	49,225	49,545	0.7	64
Winnipeg	261,915	269,985	3.1	1,614
Regina	74,695	76,655	2.6	392
Saskatoon	84,535	88,945	5.2	882
Calgary	305,305	356,375	16.7	10,214
Edmonton	320,065	356,515	11.4	7,290
Abbotsford	46,640	51,020	9.4	876
Vancouver	692,960	758,710	9.5	13,150
Victoria	129,350	135,600	4.8	1,250

Data for 1996 are based on 2001 Census Metropolitan Area boundaries. Between 1996 and 2001, CMA boundaries changed in Halifax, Sherbrooke, Ottawa-Gatineau, Kingston, London, Windsor, Sudbury and Thunder Bay.

Source: CMHC, adapted from Statistics Canada (Census of Canada) and Statistics Canada, *Profile of Canadian families and households: Diversification continues*, Catalogue no. 96F0030XIE2001003

Table 16

Households by Type and Tenure, Canada, 1971-2001

	1971	1976	1981	1986	1991	1996	2001
Total Households							
All household types	6,034,505	7,166,095	8,281,535	8,991,670	10,018,265	10,820,050	11,562,975
Family households	4,928,130	5,633,945	6,231,485	6,634,995	7,235,230	7,685,470	8,155,560
One-family households	4,807,010	5,542,295	6,140,330	6,537,880	7,118,660	7,540,625	7,951,960
Couples with children	3,028,315	3,266,655	3,523,205	3,604,045	3,729,800	3,853,800	3,857,620
Couples without children	1,354,970	1,759,510	1,948,700	2,130,935	2,485,115	2,608,435	2,910,180
Lone parents	423,725	516,125	668,425	802,905	903,745	1,078,385	1,184,165
Multiple-family households	121,120	91,655	91,160	97,115	116,575	144,845	203,600
Non-family households	1,106,375	1,532,150	2,050,045	2,356,675	2,783,035	3,134,580	3,407,415
One person only	810,395	1,205,340	1,681,130	1,934,710	2,297,060	2,622,180	2,976,880
Two or more persons	295,980	326,810	368,915	421,965	485,975	512,400	430,535
Owners							
All household types	3,636,925	4,431,230	5,141,935	5,580,875	6,273,030	6,877,780	7,610,385
Family households	3,220,840	3,918,915	4,465,250	4,755,765	5,240,405	5,626,670	6,145,835
One-family households	3,124,275	3,842,355	4,390,265	4,677,435	5,145,490	5,511,500	5,985,695
Couples with children	2,095,895	2,488,795	2,807,650	2,868,915	2,975,720	3,083,980	3,148,020
Couples without children	820,960	1,106,650	1,267,930	1,445,650	1,765,205	1,954,540	2,239,700
Lone parents	207,420	246,910	314,685	362,870	404,565	472,980	597,970
Multiple-family households	96,560	76,560	74,985	78,330	94,910	115,170	160,140
Non-family households	416,085	512,320	676,690	825,110	1,032,630	1,251,110	1,464,555
One person only	299,805	391,475	539,200	668,270	848,310	1,050,520	1,307,170
Two or more persons	116,285	120,850	137,490	156,845	184,325	200,595	157,380
Renters							
All household types	2,397,580	2,734,860	3,139,595	3,368,485	3,718,525	3,905,145	3,907,170
Family households	1,707,290	1,715,035	1,766,240	1,845,340	1,972,740	2,028,420	1,972,310
One-family households	1,682,735	1,699,940	1,750,065	1,828,435	1,952,400	2,000,890	1,933,895
Couples with children	932,420	777,860	715,555	715,655	740,235	752,150	690,815
Couples without children	534,015	652,860	680,770	679,600	717,520	650,285	666,775
Lone parents	216,310	269,220	353,745	433,180	494,645	598,450	576,290
Multiple-family households	24,555	15,095	16,170	16,900	20,340	27,530	38,415
Non-family households	690,290	1,019,825	1,373,355	1,523,145	1,745,785	1,876,725	1,934,860
One person only	510,595	813,865	1,141,935	1,260,065	1,445,450	1,566,635	1,662,845
Two or more persons	179,695	205,960	231,425	263,085	300,330	310,095	272,015

Total household counts for 1986-2001 include households in on-reserve (1986) or band housing (1991, 1996, 2001) and are therefore larger than the sum of owners and renters. Because of changes to the definition of census family, household-type data for 2001—except for one-person households—is not strictly comparable to data from earlier censuses.

Source: Statistics Canada (Census of Canada)

Table 17
Households by Age of Maintainer and Tenure, Canada, 1971-2001

	1971	1976	1981	1986	1991	1996	2001
Total Households							
15-24	413,570	584,270	674,825	535,945	466,225	437,460	447,165
25-34	1,262,315	1,678,965	2,036,370	2,124,040	2,219,995	2,045,210	1,792,025
35-44	1,250,530	1,339,425	1,589,410	1,971,475	2,363,020	2,630,170	2,747,615
45-54	1,172,285	1,305,650	1,370,800	1,412,515	1,666,415	2,102,365	2,509,625
55-64	955,825	1,079,005	1,215,890	1,327,005	1,379,945	1,434,725	1,659,775
65-74	627,395	763,350	905,740	1,021,305	1,168,255	1,280,605	1,324,885
75+	352,590	415,430	488,490	599,385	754,405	889,510	1,081,880
Total	6,034,505	7,166,095	8,281,535	8,991,670	10,018,265	10,820,050	11,562,975
Owners							
15-24	57,750	111,125	127,180	88,815	64,625	61,670	70,990
25-34	541,240	866,895	1,064,390	1,029,220	1,043,470	936,020	837,010
35-44	838,995	949,750	1,142,890	1,374,245	1,606,665	1,741,120	1,844,450
45-54	851,190	970,265	1,037,395	1,062,030	1,246,970	1,555,580	1,868,280
55-64	682,985	775,350	894,035	989,245	1,041,660	1,093,570	1,276,610
65-74	432,440	504,665	595,650	695,155	824,185	936,610	997,030
75+	232,330	253,190	280,405	342,175	445,450	553,210	716,015
Total	3,636,925	4,431,230	5,141,935	5,580,875	6,273,030	6,877,780	7,610,390
Renters							
15-24	355,820	473,150	547,645	443,735	399,360	372,805	373,060
25-34	721,070	812,075	971,985	1,083,920	1,168,780	1,098,795	943,670
35-44	411,535	389,670	446,520	588,310	750,085	879,555	890,540
45-54	321,095	335,390	333,405	343,705	415,175	540,525	633,160
55-64	272,845	303,655	321,860	332,095	335,185	337,020	378,015
65-74	194,955	258,685	310,095	321,750	342,100	341,440	324,590
75+	120,260	162,240	208,080	254,975	307,840	335,010	364,135
Total	2,397,580	2,734,860	3,139,595	3,368,485	3,718,525	3,905,145	3,907,170
Avg. Household Size	3.5	3.1	2.9	2.8	2.7	2.6	2.6

Total household counts for 1986-2001 include households in on-reserve (1986) or band housing (1991, 1996, 2001) and are therefore larger than the sum of owners and renters.

Source: Statistics Canada (Census of Canada).

Table 18

Median and Mean Household Net Worth¹ by Tenure, Canada, 1999 (dollars)

Age of maintainer	All Households		Owned		Did not own		Owned with mortgage		Owned without mortgage	
	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean
All ages	92,543	210,913	171,150	304,526	10,201	46,972	113,000	198,891	259,311	428,962
Under 35 years	26,500	83,818	84,087	157,930	6,200	29,223	73,600	125,342	223,700	338,872
Under 25 years	5,900	54,334	122,500	271,896	2,700	8,884	N/A	N/A	N/A	N/A
25-34 years	36,400	90,673	83,200	148,442	7,950	36,784	74,435	123,134	220,000	309,354
35-64 years	115,300	246,327	175,200	327,414	12,450	51,499	129,500	221,624	283,750	491,071
35-44 years	81,600	177,660	132,000	244,661	12,500	49,574	109,990	190,788	251,300	423,969
45-54 years	138,120	275,649	202,085	354,392	13,050	56,150	149,201	245,642	279,750	511,307
55-64 years	177,200	338,279	246,001	430,731	10,600	48,666	169,501	276,814	310,750	512,755
65 years and over	157,750	256,697	221,000	342,610	19,500	73,021	148,700	232,071	233,400	354,935
65-74 years	176,600	280,041	240,500	357,524	16,000	78,754	148,700	257,691	258,000	372,279
75 and over	136,700	226,287	199,500	320,279	22,000	67,438	N/A	N/A	204,000	330,925

Real Change in Household Net Worth² by Tenure, Canada, 1984-1999 (per cent)

All ages	10.7	36.0	20.7	32.4	-41.4	27.6	3.3	12.8	45.7	52.0
Under 35 years	-31.0	4.9	-11.5	2.4	-78.7	39.4	-4.4	-1.4	45.2	54.4
Under 25 years	-89.4	12.9	65.0	101.7	-99.9	-67.8	NA	NA	NA	NA
25-34 years	-26.2	0.6	-14.7	-5.9	-65.7	62.4	-4.5	-6.2	42.3	34.3
35-64 years	-7.2	22.3	8.9	27.3	-43.5	7.1	-3.5	8.4	48.3	57.2
35-44 years	-15.7	11.0	0.9	15.6	-43.9	32.1	-2.8	12.5	46.9	42.5
45-54 years	-7.9	20.7	11.9	24.6	-22.3	6.9	-8.5	5.4	37.0	51.7
55-64 years	17.9	44.0	34.0	47.5	-67.8	-23.0	-1.6	3.8	59.8	69.2
65 years and over	51.5	45.8	44.5	39.9	2.4	12.8	6.3	2.4	48.8	44.1
65-74 years	47.4	36.9	37.6	32.3	-31.6	1.1	0.0	9.6	45.4	35.8
75 and over	58.6	76.9	51.3	65.3	49.6	40.9	NA	NA	55.9	70.0

¹ Including the value of employer pension plan benefits

² Excluding the value of employer pension plan benefits in both 1984 and 1999

Source: CMHC, adapted from Statistics Canada custom tabulations (Survey of Financial Security - 1999 data; Assets and Debts Survey - 1984 data)

Table 19
Household Housing Conditions by Tenure
Canada, Provinces and Territories, 1991, 1996 and 2001

Year	All Households			Households Living In or Able to Access Acceptable Housing			Households Unable to Access Acceptable Housing - In Core Housing Need		
	All Households	Owning Households	Renting Households	All Households	Owning Households	Renting Households	All Households	Owning Households	Renting Households
Canada									
2001	10,805,615	7,229,660	3,575,950	9,095,965	6,607,160	2,488,815	1,709,650	622,510	1,087,135
1996	10,027,840	6,494,030	3,533,810	8,233,200	5,927,290	2,305,905	1,794,640	566,735	1,227,900
1991	9,371,730	5,925,460	3,446,270	8,101,750	5,571,025	2,530,730	1,269,980	354,435	915,545
Newfoundland and Labrador									
2001	181,665	143,875	37,790	152,520	128,530	23,990	29,145	15,345	13,805
1996	177,815	139,485	38,325	149,425	125,435	23,995	28,380	14,050	14,335
1991	169,755	134,765	34,990	145,125	120,840	24,285	24,630	13,920	10,705
Prince Edward Island									
2001	48,065	35,365	12,705	40,640	32,380	8,260	7,430	2,975	4,455
1996	45,130	32,680	12,450	37,650	29,745	7,900	7,475	2,935	4,545
1991	41,700	30,675	11,025	36,115	28,315	7,795	5,585	2,355	3,225
Nova Scotia									
2001	339,670	245,765	93,910	278,765	219,725	59,040	60,900	26,035	34,870
1996	323,050	233,080	89,965	264,345	209,335	55,005	58,710	23,745	34,960
1991	309,645	221,900	87,745	267,575	204,860	62,715	42,065	17,035	25,035
New Brunswick									
2001	268,825	203,240	65,585	232,060	186,785	45,285	36,765	16,465	20,310
1996	255,700	191,930	63,765	216,845	175,665	41,190	38,850	16,270	22,580
1991	243,270	181,930	61,340	203,865	162,750	41,105	39,405	19,175	20,230
Quebec									
2001	2,812,775	1,658,065	1,154,710	2,419,690	1,557,185	862,500	393,090	100,870	292,215
1996	2,621,630	1,519,340	1,102,285	2,143,860	1,405,225	738,630	477,775	114,110	363,660
1991	2,479,915	1,399,070	1,080,845	2,119,925	1,326,620	793,305	359,990	72,445	287,540
Ontario									
2001	3,981,545	2,748,875	1,232,670	3,291,620	2,485,200	806,420	689,930	263,680	426,255
1996	3,680,315	2,410,620	1,269,700	2,995,465	2,187,255	808,205	684,845	223,360	461,490
1991	3,433,900	2,212,110	1,221,790	3,025,860	2,096,605	929,265	408,035	115,505	292,530
Manitoba									
2001	389,815	271,165	118,655	331,760	249,360	82,410	58,055	21,810	36,245
1996	374,620	255,365	119,255	312,835	234,770	78,065	61,780	20,585	41,195
1991	364,070	242,195	121,880	313,555	227,635	85,910	50,520	14,555	35,965
Saskatchewan									
2001	323,065	230,830	92,230	278,240	212,145	66,090	44,830	18,685	26,140
1996	314,430	216,965	97,470	268,445	200,780	67,655	45,990	16,185	29,810
1991	304,365	209,320	95,050	258,960	191,095	67,865	45,405	18,225	27,180
Alberta									
2001	1,014,180	719,300	294,880	882,865	664,260	218,590	131,325	55,035	76,280
1996	891,170	607,290	283,880	764,350	563,475	200,870	126,820	43,805	83,010
1991	828,725	526,975	301,755	722,950	496,150	226,790	105,780	30,815	74,965
British Columbia									
2001	1,416,725	958,050	458,675	1,165,345	858,760	306,590	251,385	99,300	152,085
1996	1,315,400	873,655	441,745	1,058,300	784,140	274,160	257,105	89,515	167,595
1991	1,171,375	756,035	415,340	988,870	707,380	281,485	182,505	48,650	133,855
Northwest Territories									
2001	11,985	6,485	5,500	9765	5565	4200	2,220	920	1,305
1996	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1991	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Nunavut									
2001	7,075	1,705	5,360	4,335	1,195	3,140	2,735	510	2,220
1996	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1991	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NWT + Nunavut Combined									
2001	19,060	8,190	10,860	14,100	6,760	7,340	4,955	1,430	3,525
1996	18,345	7,140	11,200	13,540	5,990	7,550	4,805	1,155	3,655
1991	15,705	4,975	10,730	11,160	3,945	7,220	4,540	1,030	3,510
Yukon Territory									
2001	10,215	6,950	3,265	8,380	6,060	2,320	1,830	885	950
1996	10,235	6,475	3,760	8,130	5,450	2,680	2,100	1,025	1,080
1991	9,295	5,510	3,785	7,785	4,800	2,985	1,510	710	805

These data, from the Census of Canada, apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent.

Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter-cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. The subset of households classified as unable to access acceptable housing is considered to be in core housing need.

Source: CMHC (census-based housing indicators and data)

Table 20

Household Income and Shelter Costs by Housing Conditions and Tenure Canada, Provinces and Territories, 2001

Tenure	All Households				Households Living in or Able to Access Acceptable Housing				Households Unable to Access Acceptable Housing - In Core Housing Need			
	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (%)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (%)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (%)
Canada												
Total	10,805,615	60,976	764	21	9,095,965	68,966	781	16	1,709,650	18,467	677	47
Own	7,229,660	71,946	821	18	6,607,160	76,696	823	15	622,510	21,533	789	46
Rent	3,575,950	38,797	649	28	2,488,815	48,445	664	19	1,087,135	16,711	613	48
Nfld. and Labrador												
Total	181,665	47,790	515	19	152,520	54,168	526	14	29,145	14,421	459	43
Own	143,875	52,191	516	16	128,530	56,583	527	13	15,345	15,397	426	37
Rent	37,790	31,037	510	30	23,990	41,224	519	19	13,805	13,337	495	49
Prince Edward Island												
Total	48,065	49,082	572	19	40,640	55,206	582	15	7,430	15,600	520	44
Own	35,365	55,463	584	16	32,380	58,997	589	14	2,975	17,066	535	41
Rent	12,705	31,320	538	28	8,260	40,333	554	19	4,455	14,617	510	45
Nova Scotia												
Total	339,670	50,585	610	20	278,765	58,068	622	15	60,900	16,329	554	45
Own	245,765	57,353	617	17	219,725	62,050	625	14	26,035	17,706	554	40
Rent	93,910	32,873	590	31	59,040	43,251	611	20	34,870	15,301	555	48
New Brunswick												
Total	268,825	49,156	547	19	232,060	54,747	557	15	36,765	13,867	482	45
Own	203,240	54,958	561	16	186,785	58,520	567	14	16,465	14,533	483	43
Rent	65,585	31,177	504	28	45,285	39,182	514	19	20,310	13,326	483	47
Quebec												
Total	2,812,775	52,175	620	21	2,419,690	58,482	639	16	393,090	13,354	512	49
Own	1,658,065	64,434	688	17	1,557,185	67,620	694	15	100,870	15,243	584	48
Rent	1,154,710	34,574	523	27	862,500	41,983	536	19	292,215	12,702	488	49
Ontario												
Total	3,981,545	69,696	893	22	3,291,620	79,754	914	17	689,930	21,713	795	47
Own	2,748,875	81,584	952	19	2,485,200	87,576	954	16	263,680	25,098	939	47
Rent	1,232,670	43,188	759	29	806,420	55,645	787	20	426,255	19,618	706	47
Manitoba												
Total	389,815	53,186	622	20	331,760	59,672	639	15	58,055	16,117	525	43
Own	271,165	62,650	667	16	249,360	66,463	674	14	21,810	19,041	583	40
Rent	118,655	31,555	518	27	82,410	39,120	529	19	36,245	14,358	490	45
Saskatchewan												
Total	323,065	51,304	595	20	278,240	57,107	608	16	44,830	15,289	517	45
Own	230,830	59,327	625	16	212,145	63,024	633	14	18,685	17,345	531	40
Rent	92,230	31,225	520	28	66,090	38,110	525	20	26,140	13,819	507	48
Alberta												
Total	1,014,180	66,868	812	20	882,865	73,984	828	17	131,325	19,032	700	47
Own	719,300	77,054	864	18	664,260	81,672	870	16	55,035	21,318	794	47
Rent	294,880	42,022	680	27	218,590	50,621	698	20	76,280	17,384	633	47
British Columbia												
Total	1,416,725	60,783	845	23	1,165,345	69,623	865	17	251,385	19,802	752	49
Own	958,050	69,913	888	19	858,760	75,349	891	16	99,300	22,902	864	47
Rent	458,675	41,710	754	30	306,590	53,582	792	21	152,085	17,778	679	50
Northwest Territories												
Total	11,985	74,017	931	18	9,765	84,636	979	15	2,220	27,309	711	34
Own	6,485	87,919	1065	17	5,565	97,511	1,117	15	920	29,717	756	34
Rent	5,500	57,643	763	20	4,200	67,541	786	15	1,305	25,623	682	35
Nunavut												
Total	7,075	57,474	627	14	4,335	70,289	701	12	2,735	37,179	508	18
Own	1,705	82,703	1041	18	1,195	97,716	1,061	14	510	48,503	973	28
Rent	5,360	49,372	488	13	3,140	60,004	549	11	2,220	34,536	400	16
Yukon Territory												
Total	10,215	64,583	800	20	8,380	73,809	822	15	1,830	22,338	701	42
Own	6,950	73,889	853	17	6,060	80,889	868	14	885	25,889	729	36
Rent	3,265	44,784	687	26	2,320	55,341	694	18	950	19,035	668	47

¹ Shelter cost-to-income ratios in per cent. Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter-cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

These data, from the Census of Canada, apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent. Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make up of the occupying household. The subset of households classified as unable to access acceptable housing is considered to be in Core Housing Need.

Source: CMHC (census-based housing indicators and data)

Table 21
Household Income and Shelter Costs by Housing Conditions and Tenure
Census Metropolitan Areas, 2001

Tenure	All Households				Households Living in or Able to Access Acceptable Housing				Households Unable to Access Acceptable Housing - In Core Housing Need			
	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR' (%)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR' (%)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR' (%)
All CMAs												
Total	7,048,920	65,846	844	22	5,880,540	75,043	866	17	1,168,325	19,554	731	48
Own	4,432,190	80,740	936	19	4,052,400	86,061	938	16	379,785	23,963	913	48
Rent	2,616,750	40,618	686	28	1,828,195	50,620	704	20	788,615	17,431	642	48
St. John's												
Total	62,120	57,006	697	21	52,595	64,633	724	16	9,530	14,900	551	47
Own	44,030	67,543	757	18	40,835	71,478	768	15	3,195	17,208	618	45
Rent	18,095	31,368	550	30	11,755	40,864	567	20	6,335	13,737	517	49
Halifax												
Total	137,480	58,899	754	22	112,300	67,958	778	17	25,180	18,495	646	46
Own	87,195	71,763	809	17	79,340	76,688	817	15	7,860	22,015	734	43
Rent	50,285	36,593	657	30	32,965	46,944	684	21	17,325	16,899	606	48
Saint John												
Total	46,340	53,279	598	20	39,910	59,693	616	15	6,425	13,445	491	47
Own	31,650	63,830	649	16	29,690	67,113	656	14	1,965	14,126	533	48
Rent	14,690	30,542	487	27	10,225	38,136	493	18	4,465	13,146	472	46
Sagueney												
Total	58,885	50,156	565	20	51,300	55,789	580	15	7,585	12,057	466	49
Own	37,560	60,840	625	16	35,740	63,247	629	14	1,820	13,596	552	51
Rent	21,330	31,344	458	26	15,565	38,670	465	18	5,765	11,571	439	49
Québec City												
Total	282,200	52,109	617	21	243,945	58,200	633	16	38,250	13,262	513	49
Own	159,405	66,424	690	16	151,205	69,178	695	14	8,200	15,612	620	50
Rent	122,795	33,525	521	27	92,745	40,300	532	19	30,060	12,620	484	49
Sherbrooke												
Total	62,765	46,755	577	22	53,905	52,428	594	17	8,855	12,192	475	49
Own	33,310	61,680	662	17	31,755	63,969	665	15	1,560	14,525	583	50
Rent	29,455	29,878	479	27	22,160	35,836	488	20	7,285	11,700	452	49
Trois-Rivières												
Total	56,360	46,372	532	21	48,035	52,415	549	16	8,325	11,492	433	48
Own	32,930	59,374	598	16	31,275	61,840	602	14	1,645	12,539	504	51
Rent	23,430	28,102	439	27	16,750	34,824	448	19	6,680	11,234	416	47
Montréal												
Total	1,344,730	56,331	701	22	1,138,880	63,962	727	17	205,845	14,108	552	50
Own	692,555	74,561	829	18	651,045	78,206	838	16	41,515	17,400	694	50
Rent	652,175	36,971	563	27	487,840	44,953	579	19	164,340	13,277	516	50
Ottawa-Gatineau												
Total	399,320	73,411	866	21	336,430	83,029	886	16	62,890	21,961	762	46
Own	250,980	90,357	950	17	231,935	95,518	951	14	19,045	27,489	942	45
Rent	148,350	44,740	723	27	104,495	55,307	738	19	43,850	19,560	684	46
Gatineau												
Total	99,425	60,052	716	20	87,095	66,496	737	16	12,330	14,531	562	50
Own	62,870	73,450	801	17	59,595	76,567	809	15	3,265	16,585	654	49
Rent	36,550	37,009	566	27	27,480	44,667	578	19	9,065	13,790	529	50
Ottawa												
Total	299,900	77,839	916	21	249,335	88,803	937	16	50,560	23,772	810	45
Own	188,110	96,008	1,000	17	172,330	102,074	1,000	14	15,775	29,746	1,001	44
Rent	111,795	47,268	773	27	77,000	59,106	796	19	34,785	21,064	724	45
Kingston												
Total	55,205	59,890	767	22	45,315	68,893	786	17	9,885	18,634	684	47
Own	36,065	72,612	819	18	32,950	77,350	819	15	3,120	22,555	816	46
Rent	19,140	35,917	670	31	12,370	46,362	696	22	6,770	16,829	622	48
Oshawa												
Total	100,515	71,748	990	22	86,010	80,217	1,019	17	14,505	21,531	814	48
Own	76,895	81,108	1,062	19	71,045	85,751	1,071	17	5,855	24,737	968	49
Rent	23,620	41,278	749	30	14,965	53,945	771	19	8,655	19,363	711	48
Toronto												
Total	1,548,530	80,261	1,062	24	1,233,555	94,333	1,096	17	314,970	25,152	925	47
Own	1,002,420	97,091	1,159	20	881,435	106,361	1,163	16	120,975	29,554	1,132	48
Rent	546,120	49,369	878	29	352,115	64,224	924	20	194,000	22,408	796	46

Continued on next page

Table 21 (Continued)

Household Income and Shelter Costs by Housing Conditions and Tenure Census Metropolitan Areas, 2001

Tenure	All Households				Households Living in or Able to Access Acceptable Housing				Households Unable to Access Acceptable Housing - In Core Housing Need			
	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (%)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (%)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (%)
Hamilton												
Total	241,035	66,756	865	22	201,010	76,177	895	17	40,025	19,448	714	47
Own	168,400	79,195	942	19	153,550	84,652	952	16	14,850	22,764	840	46
Rent	72,635	37,918	681	30	47,460	48,754	703	20	25,175	17,492	639	47
St. Catharines-Niagara												
Total	143,600	57,157	733	22	120,060	64,928	750	17	23,530	17,512	648	47
Own	106,515	65,067	770	19	96,830	69,697	777	16	9,685	18,785	696	47
Rent	37,080	34,433	627	30	23,235	45,052	635	20	13,850	16,622	613	47
Kitchener												
Total	147,560	67,825	860	21	126,995	75,682	882	17	20,565	19,307	728	48
Own	99,910	80,413	936	18	93,035	84,699	942	16	6,870	22,378	857	48
Rent	47,650	41,430	699	28	33,955	50,975	714	20	13,700	17,767	664	48
London												
Total	163,620	61,216	794	22	136,500	69,864	820	17	27,120	17,687	664	48
Own	105,275	75,187	875	18	97,665	79,379	881	16	7,620	21,453	805	47
Rent	58,335	36,002	647	30	38,840	45,937	667	21	19,500	16,214	608	49
Windsor												
Total	112,700	68,461	808	21	95,515	77,449	829	16	17,175	18,486	693	48
Own	82,430	79,351	861	18	75,890	84,361	866	15	6,540	21,179	791	47
Rent	30,280	38,812	663	30	19,630	50,729	679	19	10,640	16,832	634	49
Greater Sudbury												
Total	59,865	57,122	710	21	50,020	65,261	735	16	9,845	15,767	588	48
Own	40,345	68,606	779	18	37,305	72,731	787	15	3,040	18,019	687	48
Rent	19,515	33,377	568	29	12,715	43,342	580	20	6,805	14,761	545	47
Thunder Bay												
Total	47,250	58,418	694	20	39,920	66,080	711	16	7,340	16,732	605	46
Own	34,765	67,863	737	17	32,105	71,911	741	15	2,660	18,941	680	45
Rent	12,490	32,133	576	30	7,815	42,113	583	19	4,685	15,481	561	46
Winnipeg												
Total	259,375	56,038	671	20	220,990	63,038	694	16	38,390	15,736	541	45
Own	172,525	68,201	738	17	160,505	71,886	745	15	12,015	18,980	634	43
Rent	86,850	31,877	536	28	60,485	39,557	552	20	26,365	14,258	498	46
Regina												
Total	73,110	58,648	694	20	63,055	65,487	714	16	10,050	15,760	573	48
Own	50,850	70,228	749	16	47,625	73,689	756	14	3,220	19,041	650	44
Rent	22,260	32,201	568	30	15,435	40,162	582	21	6,835	14,212	536	50
Saskatoon												
Total	84,215	55,074	701	22	72,560	61,565	721	18	11,650	14,666	575	50
Own	55,780	67,221	763	18	52,495	70,381	770	16	3,290	16,777	659	50
Rent	28,430	31,241	578	31	20,070	38,496	593	23	8,365	13,837	542	50
Calgary												
Total	341,505	76,692	929	21	295,735	85,216	947	17	45,765	21,608	812	48
Own	244,285	89,110	992	19	224,635	94,792	996	16	19,645	24,151	941	49
Rent	97,220	45,488	770	27	71,100	54,963	791	20	26,120	19,695	714	47
Edmonton												
Total	338,490	64,116	781	21	292,895	71,324	801	17	45,590	17,813	653	47
Own	227,765	76,364	853	18	211,360	80,663	859	15	16,400	20,962	777	47
Rent	110,725	38,922	631	27	81,545	47,113	648	20	29,195	16,044	582	47
Abbotsford												
Total	47,820	58,178	894	24	41,270	64,536	917	19	6,545	18,082	748	51
Own	34,370	65,352	963	21	31,830	68,941	970	19	2,535	20,242	874	52
Rent	13,450	39,843	715	29	9,440	49,672	735	20	4,010	16,720	668	51
Vancouver												
Total	707,155	66,747	956	24	575,310	77,283	989	18	131,850	20,774	813	50
Own	442,190	79,596	1,039	21	394,180	86,327	1,046	17	48,005	24,324	974	49
Rent	264,965	45,304	817	30	181,130	57,600	862	21	83,840	18,741	719	50
Victoria												
Total	127,170	58,221	828	23	106,525	65,837	846	18	20,640	18,927	740	50
Own	81,790	69,059	882	19	75,140	73,177	882	16	6,655	22,539	882	48
Rent	45,380	38,686	733	31	31,390	48,262	759	22	14,000	17,210	673	50

¹ Shelter cost-to-income ratios in per cent. Income data collected by the Census of Canada refer to the calendar year preceding the census, while shelter cost data give expenses for the current year. Shelter-cost-to-income ratios are computed directly from these data, that is, by comparing current shelter costs to incomes from the previous year.

These data, from the Census of Canada, apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent. Acceptable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make up of the occupying household. The subset of households classified as unable to access acceptable housing is considered to be in Core Housing Need.

Source: CMHC (census-based housing indicators and data)

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The analysis provided in the *2004 Canadian Housing Observer* is backed by a series of housing data tables which bring a broad range of statistical information together to provide a comprehensive overview of Canadian housing conditions.

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