



## Canadian Housing Need, 1991

### Introduction

How well housed are Canadians as they prepare to meet the challenges of the 1990s? This issue of Research and Development Highlights profiles 1991 housing conditions and households in core housing need. The focus is on core housing need, which integrates today's three housing standards of dwelling size suitability, physical adequacy, and affordability into a single measure of our housing well being. The concept of core housing need is fully described in Issue 7 of this series.

### The Data

The data used in this report were specially collected by Statistics Canada for federal and provincial housing agencies from housing cost surveys added to the Labour Force Survey system in Spring 1991.

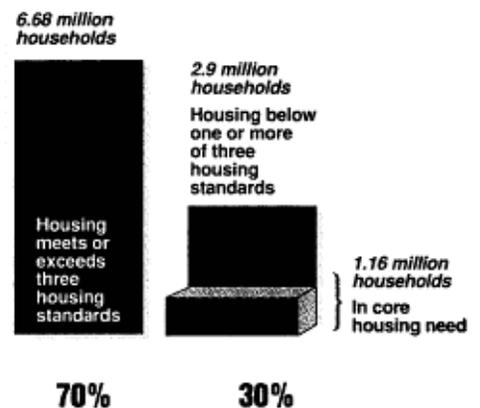
Housing conditions are profiled for approximately 9.5 million households. These households were the non-collective, off-reserve households living in the ten provinces surveyed by Statistics Canada. Living conditions of households in the Northwest Territories and the Yukon, the institutionalized population, roomers and boarders, and the homeless were not surveyed.

### Findings

In 1991, seven out of every 10 Canadian households lived in dwellings, which meet or exceed today's high housing standards. Three out of every 10 households experienced housing conditions below one or more housing standards. However, a majority of these (60%) had the means to improve their living conditions on their own.

The rest, accounting for about one in eight Canadian households, would not have been able to obtain unsubsidized market rental housing meeting suitability and adequacy norms without spending 30 per cent or more of their household incomes. They were in core housing need.

Figure 1: Canadian Housing Conditions – 1991



### Who Is in Core Housing Need?

In 1991, renters were over 1.7 times more likely to live below housing standards than owners, and far more likely to lack the means to improve their housing conditions. As a result, renter households were five times more likely than owners to fall into need (25 of every 100 renter households compared to just 5 of every 100 owners). Seventy-three per cent of all households in need were renters. In addition, those in housing need can be distinguished by household type.

Figure 2: Types of Households in Core Housing Need – 1991

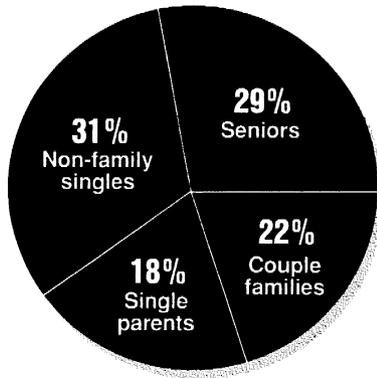


Table 1: Households in Need (Owners/Renters)

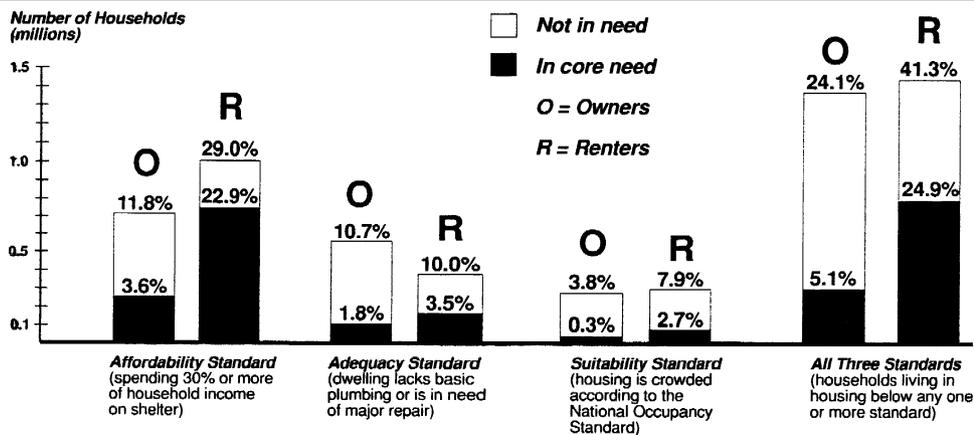
| Household Type                   | Number of Households | Percentage of Households in Need | Percentage of Total Households |
|----------------------------------|----------------------|----------------------------------|--------------------------------|
| (3.3 persons)                    |                      | 4.7%                             | 440/1,156%                     |
| Single Parents (2.7 persons)     | 215                  | 34.7%                            | 20-1/180%                      |
| Non-family Singles (1.1 persons) | 361                  | 20.9%                            | 150/185%                       |

Although they are the smallest group in need, single parents are the most likely to fall into core housing need. They are twice as likely to be in need as seniors and seven times more likely than couple families. Not surprisingly, 80 per cent of single parents in need are renters compared to just a little over half of couple families.

### Why Are They in Core Housing Need?

In 1991, as in the past, the largest group of households living below housing standards were spending more than today's norm for their housing. Renters were more likely than owners to spend over the affordability norm and to fall into need. Three in ten renters spent 30 per cent or more of their income on shelter as compared to one in ten owners. While 80 per cent of all renters spending this much fell into core housing need, only 30 per cent of owners

Figure 3: Number and Percentage of Households Living in Housing Below Standards, Showing Those in Core Housing Need, Canada 1991



did. For both owners and renters who fell into core housing need, affordability remained the dominant problem. Seventy-one per cent of owners and 92 per cent of renters in core need spent 30 per cent or more of their income on shelter.

The second largest group of households living in housing falling below one of today's standards occupied units which they themselves assessed as needing major repairs. Again, renters were more vulnerable to falling into need because their housing did not meet the adequacy standard. Renters living in dwellings needing major repairs were twice as likely as owners to fall into core housing need.

Finally, 1991 data indicate that crowded living conditions continue to diminish. They are the third and least likely cause of housing need. Renters were much more likely than owners to occupy housing with less space than prescribed by the National Occupancy Standard. As a result, less than 10 per cent of all households in core housing need were crowded in 1991 and, as in the past, over 80 per cent of these were renters.

**Table 2: Household Income and the Shelter Cost-to-Income Ratios of Households by Type and Core Housing Need Status – 1991**

| <b>1. Average Household Income for 1990 (\$)</b> |                     |                 |                |                     |
|--|---------------------|-----------------|----------------|---------------------|
| Seniors  | Non-elderly Singles | Couple Families | Single Parents |                     |
| 33,300   | 36,900              | 59,200          | 40,800         | <i>Not in Need</i>  |
| 1%000  | ~jgg                | 1MW             | 14~200         | <i>In Core Need</i> |

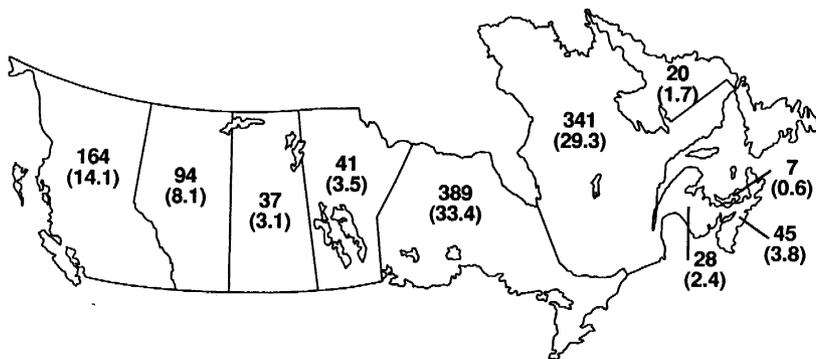
  

| <b>2. Average Shelter Cost-to-Income Ratio</b> |                     |                 |                |                     |
|--|---------------------|-----------------|----------------|---------------------|
| Seniors  | Non-elderly Singles | Couple Families | Single Parents |                     |
| 42%  |                     | 48%             | 47%            | <i>In Core Need</i> |
| 15%  | 20%                 | 15%             | 18%            | <i>Not in Need</i>  |

What is behind the high incidence of housing need experienced by some types of households? Very low incomes is the compelling answer – incomes only one-quarter to one-third those enjoyed by their counterparts who are not in core housing need. These incomes result in shelter cost burdens up to three times as high as those borne by households not in need. The lowest incomes and highest shelter cost burdens are experienced by non-elderly singles.

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**Households in Core Housing Need, by Province – 1991  
(estimates in '000s with percentage distribution in parentheses)**



*Where Do the Housing “Needy” Live~*

Almost 60 per cent of households in housing need in 1991 lived in Ontario and Quebec. The likelihood of being in need, however, was highest in Quebec, B.C., P.E.I. and Nova Scotia. Although households were less likely to be in need in Ontario, their probability of being in need had increased significantly since 1988, the last time housing need was measured by Canada’s federal and provincial housing agencies. This change was a result of the particular severity of the recessionary period on Ontario’s industrial economy.

*Conclusion*

A comprehensive and current understanding of housing need is essential to monitor housing conditions in Canada for policy, planning and evaluation purposes. This issue has provided a sketch of the most up-to-date housing needs information available today. Upcoming issues will tackle specific aspects in greater detail. For example, a Research and Development Highlight on the family and core housing need is forthcoming in advance of the International Year of the Family. The income and labour force status of households in need will be addressed in another issue.

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This issue of Research and Development Highlights has been produced as a result of work carried out in the Research Division of Canada Mortgage and Housing Corporation (CMHC). For further information, contact Mr. J. Engeland, Researcher, Housing Needs Analysis, at (613) 748-2799.

The Research and International Affairs Directorate of CMHC carries out and finances a broad range of research on the social, economic and technical aspects of housing. This CMHC Research and Development Highlights issue is one of a series intended to inform you briefly about the nature and scope of these activities.

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