CANADIAN HOUSING OBSERVER 2014

With a feature on

Housing Affordability and Need

Canada

CMHC SCHL

HOME TO CANADIANS

CMHC – HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's authority on housing for more than 65 years.

CMHC helps Canadians meet their housing needs. As Canada's authority on housing, we contribute to the stability of the housing market and financial system, provide support for Canadians in housing need, and offer objective housing research and advice to Canadian governments, consumers and the housing industry. Prudent risk management, strong corporate governance and transparency are cornerstones of our operations.

For more information, visit our website at **www.cmhc.ca** or follow us on **Flickr, Twitter** and **YouTube**.

You can also reach us by phone at 1-800-668-2642 or by fax at 1-800-245-9274.

Outside Canada call 613-748-2003 or fax to 613-748-2016.

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.

CMHC would like to express its appreciation to the Ottawa Art Gallery for its assistance in regard to the reproductions of housing-themed Canadian paintings from its collection which appear in this publication.

Cover Photo: Henri Masson, Perkins, Quebec, 1971, Oil on canvas, 32" x 46", FAC 1020, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

CANADIAN HOUSING OBSERVER 2014

TWELFTH IN A YEARLY SERIES

Library and Archives Canada Cataloguing in Publication

Canadian housing observer.

Annual
2003-

Other editions available: Observateur du logement au Canada.
Issued also online.
ISSN: 1717-4600
ISBN 978-1-100-16888-3
Cat. no.: NH2-1/2014E

1. Housing--Canada--Periodicals. 2. Housing--Canada—Statistics --Periodicals. 3. Housing--Economic aspects--Canada--Periodicals. I. Canada Mortgage and Housing Corporation.

HD7305.C36 .5’097105 C2005-980291-X

Printed in Canada
Produced by CMHC

A Message from Evan W. Siddall

PRESIDENT AND CEO OF CANADA MORTGAGE AND HOUSING CORPORATION (CMHC)

At CMHC, our mission is to help Canadians meet their housing needs. An important way we do that is by sharing information, analysis and insights about housing finance, housing markets, and housing need. To that end, I am pleased to present the 2014 edition of the *Canadian Housing Observer*, our flagship publication.

As Canada's national authority on housing, we are a trusted, impartial source of information that helps businesses, governments and the public make informed decisions that support efficient housing markets across the country. We regularly undertake research on the socioeconomic aspects of housing, including examining the housing needs of lower-income and other vulnerable Canadians, the impact of demographic trends, housing finance and other factors that affect housing markets. We also undertake research to build industry capacity and promote consumer knowledge, awareness and acceptance of best practices and technologies for sustainable housing.

The *Canadian Housing Observer* encompasses many aspects of this research by providing an in-depth annual review of housing conditions and trends and the key factors that influence them. This year's feature article examines trends in core housing need, and other chapters provide data, analysis and insight on a variety of housing topics, including housing markets, housing finance, sustainable housing and housing for newcomers.

The *Observer* is accompanied by a broad range of online statistical information on housing conditions from national, regional and local perspectives, including two web tools that allow you to do your own research: Housing in Canada Online (HiCO) and Housing Market Information Portal.

If you wish to be informed by e-mail of updates, follow us on Twitter @CMHC_ca or subscribe at www.cmhc.ca/observer.

CMHC is committed to expanding both the extent and the usefulness of housing data and analysis that is publicly available. We welcome your comments and suggestions on how we can improve future editions of this publication: please send them to Canadian Housing Observer, Housing Research, CMHC, 700 Montreal Road, Ottawa ON K1A 0P7 or to observer@cmhc.ca.

Evan W. Siddall
President and CEO, CMHC

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Executive Summary

L.A.C. Panton, View from Window Central Technical School Toronto, 1925; Henri Masson, Perkins, Quebec, 1971; Henri Masson, Rivière-au-Renard, Gaspé, 1961; Henri Masson, Montreal from Place Ville Marie, 1965; Henri Masson, Evening Bic, Quebec, 1974; Doris McCarthy, Village of "Salvage" Newfoundland (Bonavista Bay), 1975.

Why housing matters

Housing fulfills one of the most basic of human needs—the need for shelter.

Housing is a major contributor to quality of life. Suitable, affordable, and sustainable housing is a cornerstone of a vibrant community. It is a foundation for healthy living and a building block for success in many other areas—education, the labour market, personal relationships, community engagement.

Housing is also an important contributor to Canada's economy. It accounts for about 17% of the national economy through housing construction, purchase, resale, renovation and the related spending on goods and services.

The 2014 Canadian Housing Observer

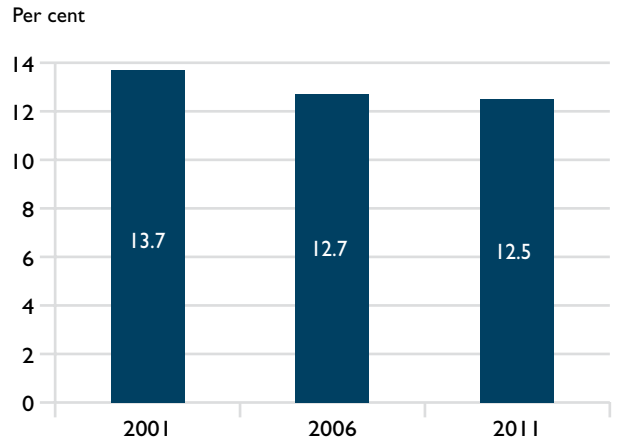
The *Observer* provides an in-depth review of housing conditions and trends in Canada and describes the key factors that influence these developments. The following pages provide highlights for each of the six chapters in the 2014 *Observer,* the first being our feature article on Housing Affordability and Need.

This year's *Observer* is accompanied by a broad range of updated online statistical information on housing conditions from national, regional and local perspectives. This includes our interactive local data tables for over 160 municipalities across the country, and Housing in Canada Online (HiCO)—a tool that allows you to do your own research. The online tables have been expanded and now include new tables on seniors' rental housing and the secondary rental market.

Housing Affordability and Need

FIGURE A

The incidence of core housing need decreased from 2001 to 2011

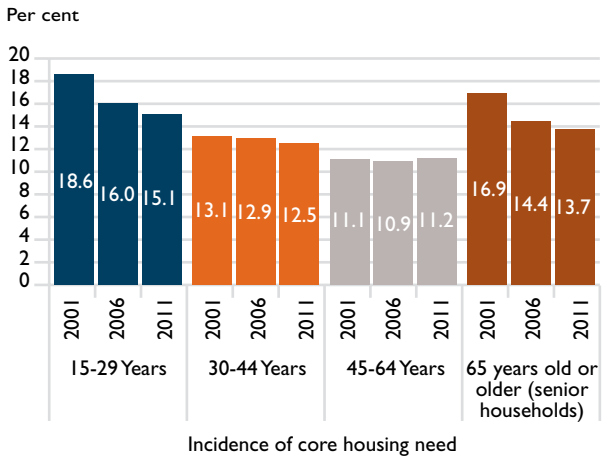


Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

FIGURE B

The largest reductions in core housing need were for the youngest and seniors' households



Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

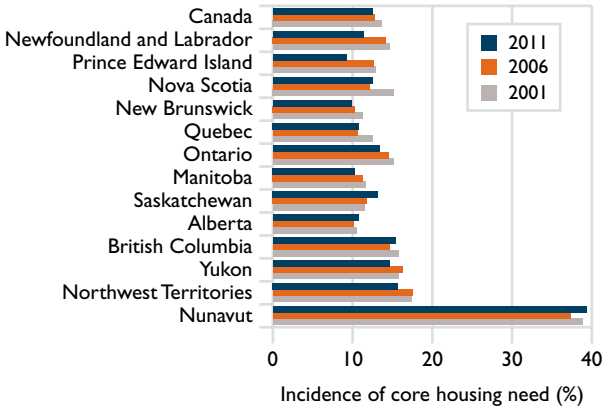
This chapter examines trends in housing conditions and *core housing need* from 2001 to 2011.

- About 10.9 million (87.5%) out of 12.5 million Canadian households were either living in, or had sufficient income to access, acceptable housing, in 2011.
- About 1.6 million households were in *core housing need* in 2011, up from 1.5 million in 2001; however, the incidence of *core housing need* was 12.5%, down from 13.7% in 2001.
- Housing affordability was the most common reason for being in *core housing need,* on its own accounting for just under three-quarters (73%) of all households in need in 2011.
- About 13.3% of households in *core housing need* in 2011 were crowded, most of which experienced a one-bedroom shortfall.
- The number of households living in *core housing need* is affected by the following key socio-economic drivers:
  - Demographic and social trends, influence the number and size of dwellings needed;
  - Economic and employment growth;
  - Household income and shelter costs, which determine housing affordability; and
  - Investments in new housing construction and in home repair and renovation expand the supply of housing and reduce the share of housing stock in need of major repair.

- Between 2001 and 2011, *core housing need* decreased in most provinces/territories (exceptions were Saskatchewan, Alberta and Nunavut) and Census Metropolitan Areas (CMAs).
  - In Saskatchewan, the increase was driven by deterioration in housing affordability. In Alberta, the small increase was due to shelter costs increasing faster than the household incomes for lower-income households. The incidence of *core housing need* was highest in Nunavut at 39.3% where crowding was the main cause.
  - In 2011, Vancouver, Toronto and Victoria had the highest incidences of *core housing need*. In these CMAs, households faced a large affordability burden of high average shelter costs. In Toronto and Vancouver, shelter-cost-to-income ratios were the highest (at 24.7%) of all CMAs in 2011.
- Renters were much more likely to be in *core housing need* than homeowners; however, homeowners have accounted for an increasing share of households in *core housing need*, reflecting a general shift towards homeownership between 2001 and 2011.
- Although the incidence of *core housing need* among off-reserve Aboriginal households decreased from 2001 to 2011, Aboriginal households continued to experience above-average incidences of *core housing need* compared to non-Aboriginal households.
- The incidence of *core housing need* decreased from 2001 to 2011 for immigrant households; it tends to decrease for newcomers as they become established in Canada.

FIGURE C

The incidence of core housing need decreased everywhere except Saskatchewan, Alberta and Nunavut[1]

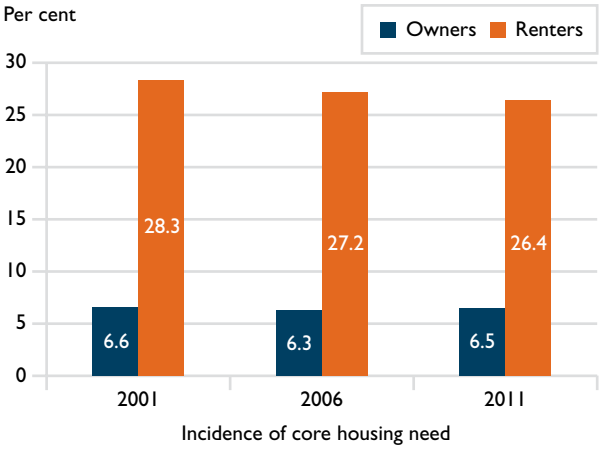


[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

FIGURE D

Renters were much more likely to be in core housing need than owners[1]



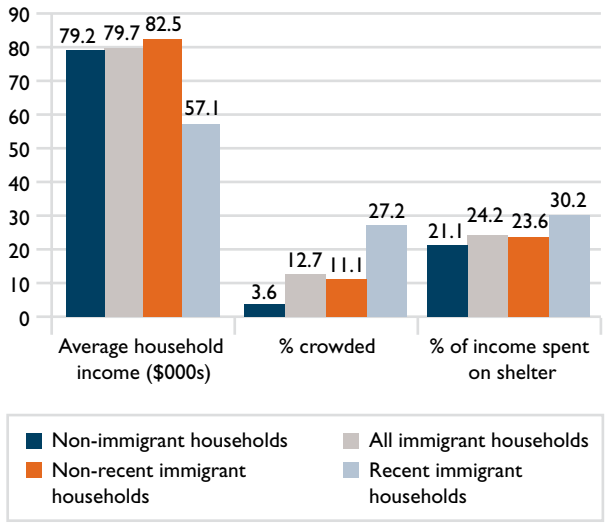
[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Demographic Influences on Housing Demand

FIGURE E

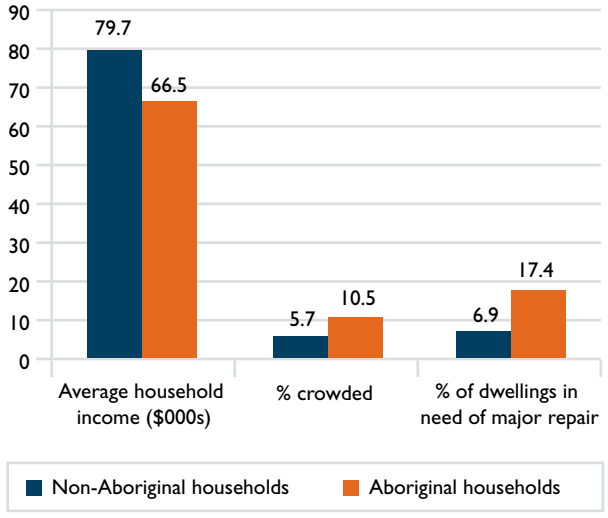
Recent immigrants face housing challenges of crowding and affordability



Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

FIGURE F

Aboriginal housholds have higher rates of crowding and dwellings in need of major repair



Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Housing market activity—both the quantity and types of housing demanded—is strongly influenced by demographic trends. The growth of the adult population and its characteristics, such as age and family status, influence household formation—a key driver of housing demand, homeownership rates and demand for condominium ownership.

Chapter 2 discusses the influence on housing demand of immigration, a growing Aboriginal population, and population aging.

- With immigration continuing to run at historically high levels, immigrants now make up over 20% of the population of Canada. In 2011, 92% of recent immigrants (those who arrived between January 1, 2006 through Census Day May 10, 2011) lived in a Census Metropolitan Area (CMA). Immigrants are increasingly choosing to locate in urban areas other than Toronto and Vancouver.
- Immigration boosts demand for both rental housing and homeownership. Initially, immigrants tend to rent their accommodation, but as they integrate into Canadian society and labour markets, their household income tends to rise, as does their rate of homeownership. Immigrant households, irrespective of their date of arrival in Canada, accounted for 29% of the increase in owner households between 2001 and 2011.
- The Aboriginal population has grown some four times faster than the non-Aboriginal population due to a mix of demographic and non-demographic influences—above-average fertility rates and a growing willingness to self-identify.
- Canada's population continues to age, contributing to declining household sizes and changes in household composition. The median age of Canadians in 2013 was 40, compared to 26 in 1971. From 1971 to 2011,

couples with children were the slowest-growing type of household in Canada. One-person households were the fastest growing household type, and became almost as numerous as couples with children.

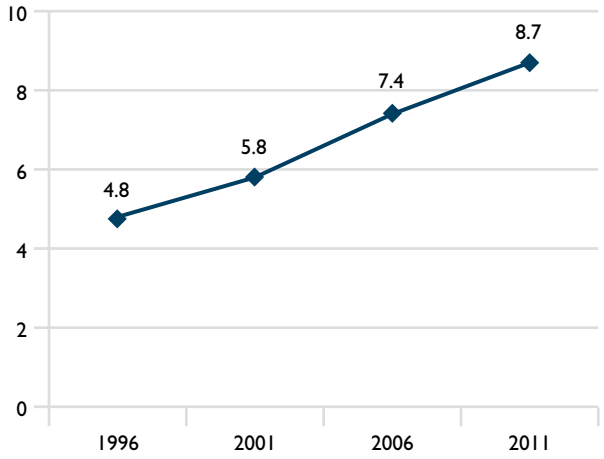
- Between 2006 and 2011, household growth was strongest at ages 60 to 64, the age range reached in 2011 by most of the leading cohort of the baby boom.
- The rise in the national homeownership rate from 68.4% in 2006 to 69.0% in 2011 reflected population aging, increases in the probability of homeownership under age 40 and over age 69, historically low mortgage rates, and the appeal of condominium tenure.
- Seniors are overrepresented in the ranks of condominium owners, representing 22% of all households in Canada and 29% of condominium owner-occupants.

- From 2006 to 2011, the number of renter households rose by 200,000 to 4.1 million, consistent with slower income and employment growth, higher immigration, and more households with maintainers under age 35.
  - Condominiums are an important source of rental supply for younger renters and non-family households, accounting for about 11% of rented homes.
- The percentage of households occupying single-detached houses declined from 57% to 55% between 1996 and 2011.
  - Since 2008, multiple-unit structures have accounted for more than half of the new homes built in Canada, reflecting both an aging population and increasing urbanization.

FIGURE G

Condominium ownership rates have risen considerably

Per cent of households owning and occupying condominiums

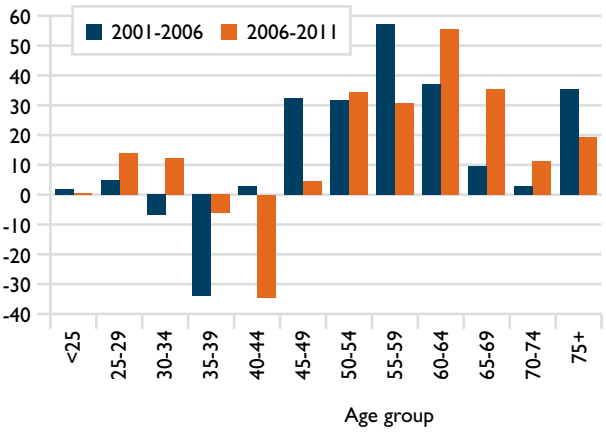


Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

FIGURE H

Canada's aging population is reflected in the household growth by age of household maintainer

Average annual household growth (thousands)

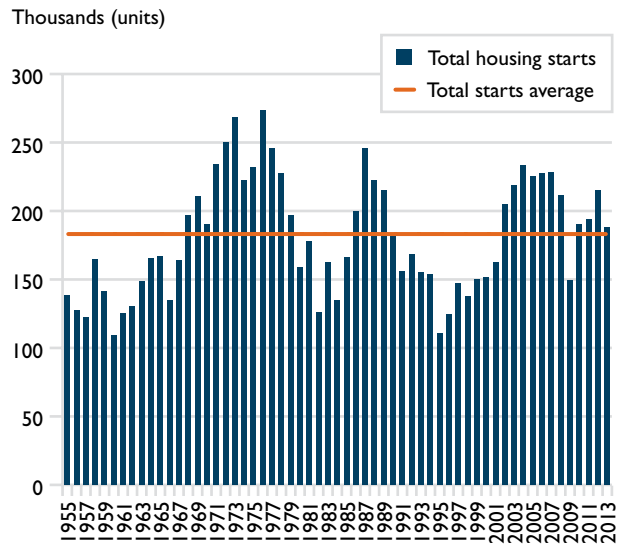


Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Housing Markets

FIGURE I

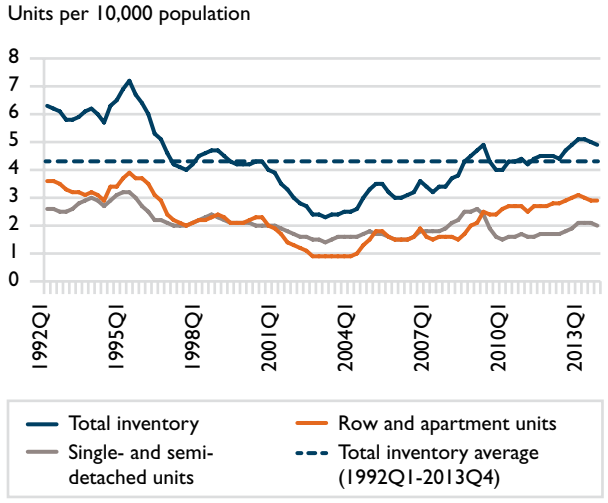
Canadian housing starts moderated in 2013 to levels more in-line with the historical average



Source: CMHC *(Starts and Completions Survey)*

FIGURE J

The inventory of completed and unabsorbed housing units per 10,000 population trended higher in 2013, encouraging moderation in housing starts



Source: CMHC *(Starts and Completions Survey)*

Chapter 3 reviews housing market developments in 2013, including a discussion of housing starts, existing home market conditions, home price and rent trends, developments with respect to condominiums, and the broad contribution of the residential sector to Canada's GDP. These developments are assessed against long-run historical levels of activity. In addition, differences between the U.S. and Canadian housing markets in 2013 are also examined in the light of long-run patterns of activity.

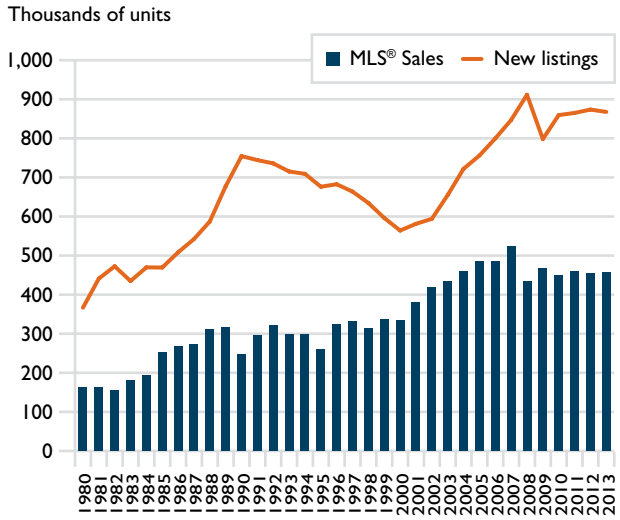
- Housing starts declined by 12.5% in 2013 to 187,923 units, following a roughly decade-long interval during which annual activity generally exceeded the 1955 to 2013 historical average of 181,000 units. As a result, developments in 2013 brought the level of housing starts activity back closer to its historical average.
- The inventory of completed and unabsorbed housing units trended higher over 2013, mainly driven by growth in the unabsorbed inventory of multiple housing units. This encouraged builders to moderate the pace of new construction of multiple housing units in 2013, which includes purpose-built rental apartments and condominium apartments.
- Sales of existing homes through the Multiple Listing Service® (MLS®) totalled 457,761 units in 2013, essentially unchanged from the 2012 level of 454,341 sales, remaining well above the 1980 to 2013 annual average of 339,313. However, when adjusted for population, the level of MLS® sales per 10,000 population stood at 130 units, above but closer to the 1980 to 2013 annual average of 112 sales.
- MLS® new listings grew at a slower pace than sales in 2013, resulting in a 5.3% increase in the MLS® average price to $382,576. The average MLS® price increased at an annual rate of 8.1% during the 1999 to 2007 sellers' market period. With the emergence of

more balanced market conditions from 2007 to 2013 that remained near the threshold of a sellers' market, the average MLS® price increased at an annual rate of 3.2% over this period.

- Despite moderation in the pace of Canadian house price growth, the Canadian price level continued to significantly exceed the level of U.S. house prices in 2013, even when differences in exchange rates and inflation between the two countries are taken into account. This Canadian "premium" could be a cause for concern, because it may indicate that house prices in Canada are overvalued. CMHC is analyzing these differences, in order to understand the reasons for the price differential, be they structural, temporary or reflective of relative overvaluation in Canada.
- On the purpose-built primary rental market, an increase in the number of starts contributed to a slight increase in the national vacancy rate, from 2.8% in 2012 to 2.9% in 2013. However, the vacancy rate remained below its historical average of 3.2%. Since 2002, vacancy rates have been low by historical standards and very stable, remaining within a relatively narrow range of 2.0% to 3.0%.
- In most large urban centres, the secondary rental condominium market is an important complement to purpose-built rental housing, as illustrated by the generally low and stable vacancy rates for rental condominiums in most CMAs covered by our secondary rental market surveys.
- Housing-related expenditures accounted for 17.1% of total GDP in 2013. This was below the 1990 to 2013 average of 17.6%, as a result of the moderation in housing activity in 2013.

FIGURE K

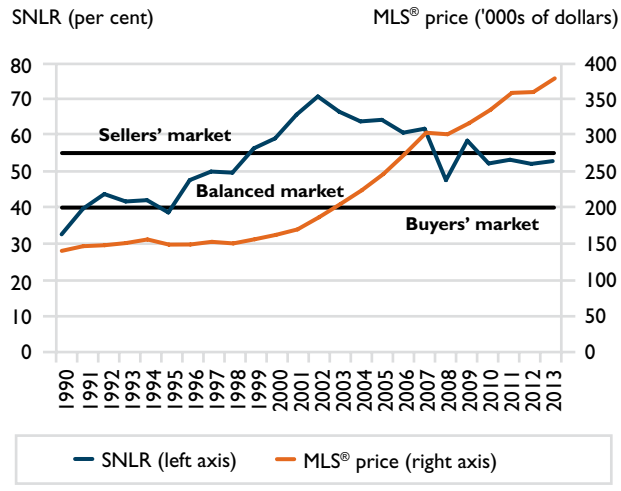
MLS® sales and new listings continued to show stability in 2013



Source: Canadian Real Estate Association (CREA);
MLS® is a registered trademark for CREA

FIGURE L

In 2013, the existing home market remained in balanced market conditions, though at levels close to sellers' market territory

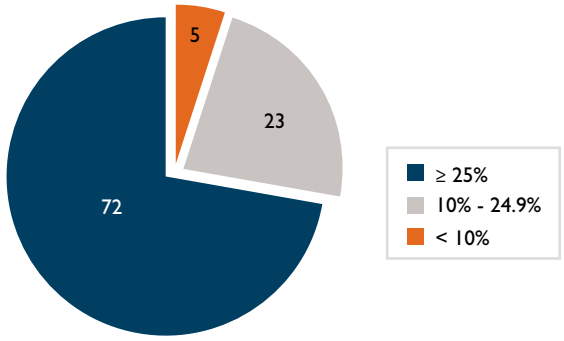


Source: Canadian Real Estate Association (CREA);
MLS® is a registered trademark for CREA

Housing Finance

FIGURE M

Home equity levels of mortgage holders[1] remain strong

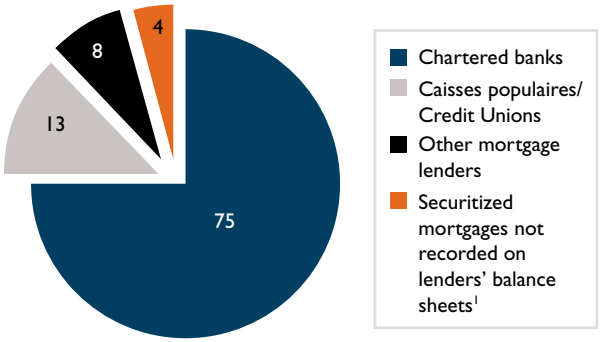


[1] The home equity is calculated by deducting from the current value of owner-occupied homes in Canada, the outstanding balances of the residential mortgage.

Source: Looking for a "New Normal" in the Residential Mortgage Market. Toronto: Canadian Association of Accredited Mortgage Professionals (CAAMP), May 2014 www.caamp.org/meloncms/media/Spring%20Report%20FINAL%202014-05-24.pdf (July 22, 2014)

FIGURE N

Chartered banks continue to hold on balance sheet the largest share of outstanding residential mortgage credit (%)



[1] With the adoption of International Financial Reporting Standards (IFRS), the majority of banks' securitization volume (via both public and private programs) is now recorded on balance sheet.

Source: Bank of Canada's Weekly Financial Statistics – July 25, 2014 report (July 29, 2014)

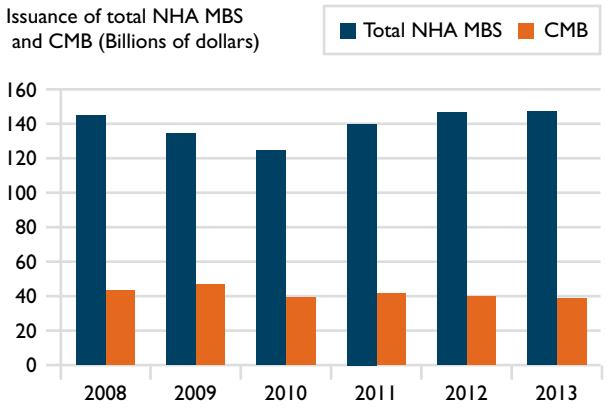
Chapter 4 discusses the residential mortgage lending market, including mortgage rates and arrears, consumer mortgage preferences, mortgage lenders and mortgage insurers, major mortgage funding sources, and recent housing finance policy and regulatory developments.

- Total residential mortgage credit outstanding stood at $1.235 trillion in May 2014, up 5.1% compared to May 2013; this was below the average annual growth rate of 8.5% from 2003-2013, reflecting a moderation in housing market activity levels.
- The 5-year fixed-rate mortgage (amortized over 25 years) remains the most common mortgage product. According to Bank of Canada data, the average posted 5-year fixed mortgage rate was 4.97% in the first half of 2014, down from an average of 5.17% in the first half of 2013.
- It is common practice for many Canadian lenders to discount posted mortgages rates. Based on data from the 2014 survey by the Canadian Association of Accredited Mortgage Professionals (CAAMP), estimated negotiated discounts on 5-year fixed-rate mortgages averaged 1.95 percentage points in 2013 (for average contracted 5-year mortgage rates in the survey of 3.23% in 2013) compared to 2.22 percentage points in 2012.
- Canadians' ability to service their debt has improved. The ratio of annual mortgage debt-service costs to annual personal disposable income declined slightly to 3.66%, compared to 3.70% in 2012, and below the average of 4.1% since 2000.
- As of the first quarter of 2014, 31 one-hundredths of 1% (0.31%) of residential mortgages were three or more months in arrears, compared to 34 one-hundredths of 1% (0.34%) twelve months earlier. The rate is at its lowest level since 2008, due to the improvement in economic conditions since that time. Canada's mortgage arrears rate is relatively low compared to other countries, which can be partly attributed to relatively conservative mortgage practices.

- Residential mortgage credit is offered by many financial institutions; however, chartered banks hold the largest share of residential mortgage credit outstanding at 75% (this includes most mortgages that have been securitized). Deposits remain the primary source of funding for mortgages, followed by public securitization and covered bonds.
- Our securitization programs, the *National Housing Act* Mortgage Backed Securities (NHA MBS) and Canada Mortgage Bond (CMB) programs, help ensure access to funding for residential mortgages. There was $80.2 billion market NHA MBS issued in 2013; total outstanding at the end of June 2014 was $406.7 billion. There was a total of $38.7 billion of CMBs issued in 2013; total outstanding at the end of June 2014 was $207.4 billion. Mortgage lenders are increasing their use of covered bonds as a source of funding.
- In April 2014, OSFI also issued a guideline for consultation that sets out expectations for prudent residential mortgage insurance underwriting.
- In *Economic Action Plan 2013,* the Government of Canada announced new measures related to mortgage insurance, which included limiting the insurance of low-ratio mortgages to only those mortgages that will be used in our securitization programs; and prohibiting the use of any government-backed insured mortgage as collateral in securitization vehicles that are not sponsored by us.

FIGURE O

Issuance under CMHC securitization programs[1] stabilizing

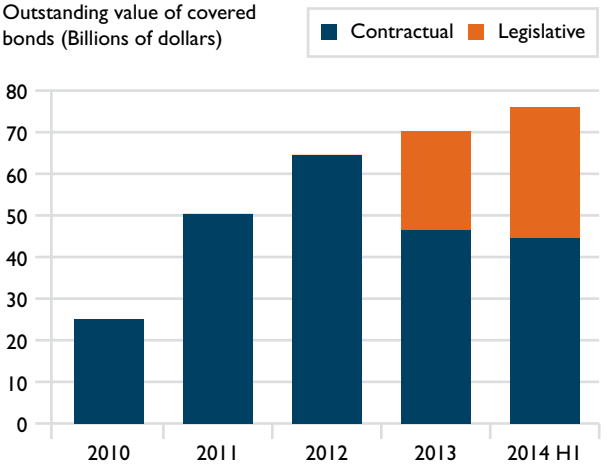


[1] Total NHA MBS issuance includes the market NHA MBS sold to capital market investors or held on balance sheet and the NHA MBS issued for sale to the Canada Housing Trust under the CMB program (as original or replacement assets).

Source: CMHC

FIGURE P

Significant amount of outstanding covered bonds are now under the legislative framework

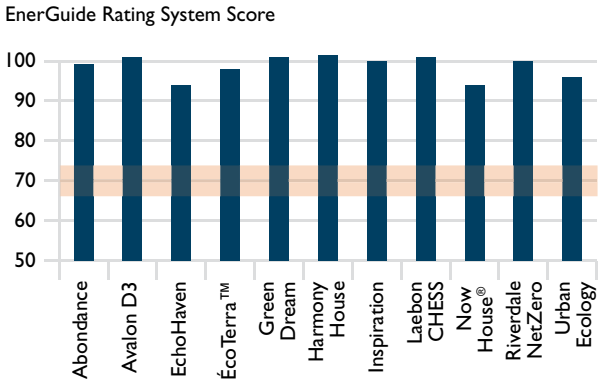


Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report

Sustainable Housing

FIGURE Q

EQuilibrium™ Housing projects achieved ERS[1] scores well above a conventional new build[2]

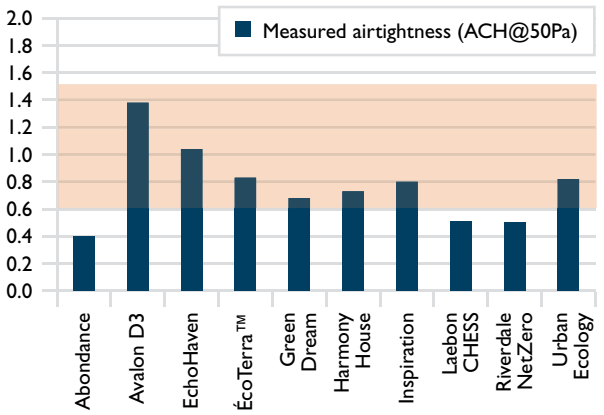


[1] Natural Resources Canada's EnerGuide Rating System (ERS) measures a home's energy performance using a scale typically ranging from 0 to 100, where 100 represents a net-zero energy house.
[2] The yellow band represents the rating range (65-72) for a new house built to building code standards.

Source: CMHC

FIGURE R

New EQuilibrium™ Housing projects achieved high airtightness levels[1]



[1] The yellow band represents a range of airtightness levels from 0.6 ACH (e.g. Passive House) to 1.5 ACH (e.g. R2000).

Source: CMHC

Chapter 5 presents an overview of the lessons learned and knowledge gained from our recently completed EQuilibrium™ Sustainable Housing Demonstration Initiative. Selected from a pool of 80 proposals from leading Canadian builder-led teams, 11 sustainable housing projects were developed and built across Canada representing a range of housing markets, climatic conditions and design solutions—all with a goal to reduce the energy consumption and environmental impact of housing.

Key elements of the Initiative:

- Development and demonstration of market-ready housing solutions responding to a broad range of sustainability performance indicators.
- Each team used an integrated design process to develop their project vision and design.
- Industry stakeholders and the public were invited to visit the projects during the construction and demonstration phases.
- Performance monitoring was conducted for a minimum of one year post-occupancy.

Key attributes of the projects:

- All teams took the approach to reduce energy demands before applying on-site renewable energy systems to target near- or net-zero energy consumption.
- All projects were very well insulated, airtight and optimized for passive solar gains.
- All project teams incorporated water conservation measures, photovoltaics to generate electricity, and most used drain water heat recovery and solar thermal systems to heat hot water.

Key performance results:

- All of the EQuilibrium™ Housing projects consumed significantly less energy than conventional houses and two projects had a net annual energy consumption under 2 kWh/m^2.
- Each project used a heat recovery ventilator and low pollutant-emitting materials and finishes to achieve high indoor environmental quality.
- Occupants reported a high degree of satisfaction with the indoor environmental quality of their homes.
- Builders repeated and further advanced some of the practices and technologies incorporated in their EQuilibrium™ Housing projects for subsequent projects.

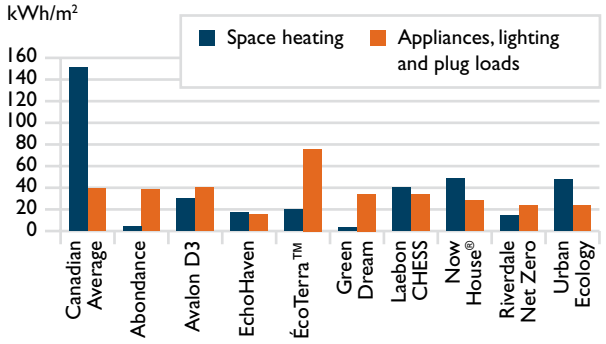
Lessons learned and knowledge gained:

- Healthy, net-zero energy sustainable housing can be built across Canada using a variety of construction approaches.
- Existing houses can be retrofitted to significantly reduce energy demands and environmental impacts.
- Sustainable housing is also about consumer behaviour and lifestyle choices, and not just about innovative technologies and practices.
- Complex systems should be minimized to promote ease of planning, design, installation, operation and maintenance of sustainable houses.
- Homeowners appreciate that the long-term energy cost savings of owning a low-energy sustainable house may offset the higher initial investment.

Overall, the EQuilibrium™ Sustainable Housing Demonstration Initiative confirmed that designing and constructing very-low-energy sustainable homes in the Canadian climate and context is readily achievable today and that occupants are very pleased with their sustainable homes.

FIGURE S

EQuilibrium™ Housing projects significantly reduced energy consumption for space heating, often to below that needed for appliances, lighting and plug loads[1]

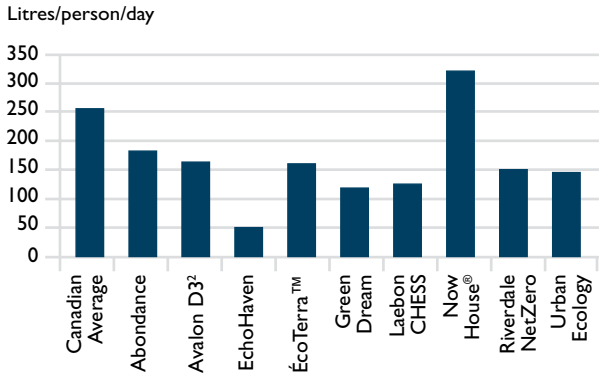


[1] Measurements were not taken for Inspiration. Separate end-use measurements were not taken for Harmony House.

Source: EQuilibrium™ Housing Projects—CMHC; Conventional newly built houses - CanmetENERGY Ottawa energy efficiency analysis of Canadian housing, Residential Secondary Energy Use by End-use (2009), February 2013

FIGURE T

Potable water consumption in most EQuilibrium™ Housing projects was much below the Canadian average[1]



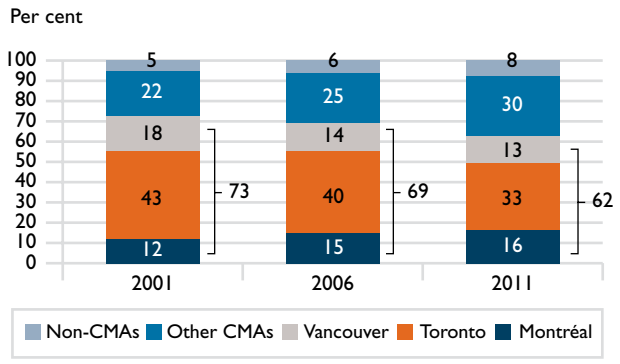
[1] Residential water use in Canada, Environment Canada, 2011.
[2] Avalon Discovery 3 is based on monitoring over a continuous two-year period; the other projects over a one-year period.
Note: Water consumption data for Harmony House and Inspiration were not measured.

Source: CMHC

Newcomers' Housing

FIGURE U

More newcomers are settling in smaller communities

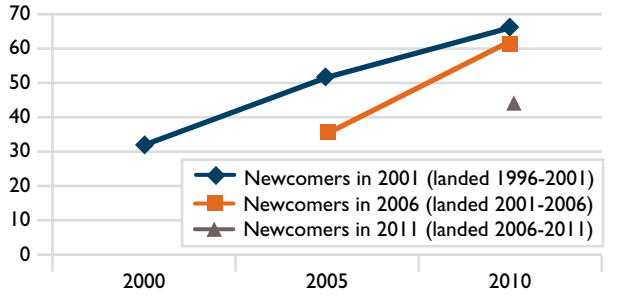


Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

FIGURE V

Newcomers have a steep income growth trajectory as they establish themselves in the labour market



Lines depict before-tax household incomes of three cohorts of newcomers over time, in current dollars.
Income is for the calendar year preceding each census year.
Newcomer household—a household with a primary household maintainer who is a newcomer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

This chapter describes demographic and socioeconomic characteristics of newcomers to Canada (immigrants who have been in Canada for up to about five-and-a-half years) and examines their housing choices and living conditions.

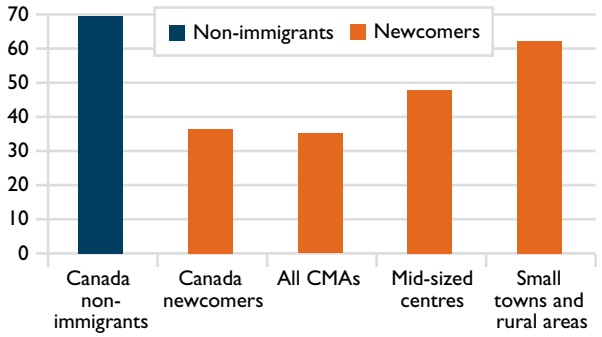
- The source regions for newcomers to Canada have shifted away from Europe towards Asia. People's origins and culture can influence their housing choices and preferences.
- Most newcomers still settle in Census Metropolitan Areas (CMAs). Increasing percentages of newcomers are settling in places other than Toronto or Vancouver, both in other CMAs and in smaller communities.
- Newcomers tend to form larger-than-average households (3.1 persons versus 2.4 for non-immigrant households) and, because they are often young, are more likely to be raising families.
- Although frequently well-educated, newcomers experience higher than average unemployment and have relatively low incomes. The median newcomer household income in 2010 was $42,698, compared to $61,665 for non-immigrant households.
- Newcomer households spend higher fractions of their incomes on shelter than non-immigrants—30% for newcomers compared to 21% for non immigrants. The percentage of income spent on shelter by immigrants is lower the longer they have been in Canada.

- Most newcomer households initially rent homes. In 2011, 36% of newcomer households were homeowners, compared to 70% of non-immigrant households. Homeownership rates for newcomer households tend to rise quickly in the years following arrival. In 2010, the median income before taxes of newcomer households who owned homes was twice that of those who rented—$66,330 compared to $33,355.
- Homeownership rates for newcomer households vary considerably by source region. In 2010, newcomers from Europe and Asia were up to twice as likely to own their homes as those from Africa or Central and South America.
- In 2011, the majority of newcomer households in Canada (59%) lived in apartments, reflecting the high number settling in densely populated large urban centres. Only 25% of non-immigrant households lived in apartments. Newcomer households in small towns and rural areas were almost as likely as non-immigrants to live in single-detached houses—72% and 81%, respectively.
- For newcomers, smaller dwellings and larger households sizes add up to relatively high rates of crowding. In 2011, 27% of newcomer households lived in crowded conditions.
- Newcomer households have a higher incidence of core housing need than non-immigrant households, attributable mainly to newcomers' relatively low incomes and tendency to settle in large relatively high-cost CMAs.

FIGURE W

The homeownership rate of newcomers is lower than that for non-immigrants, particularly in CMAs

% of households owning homes in 2011



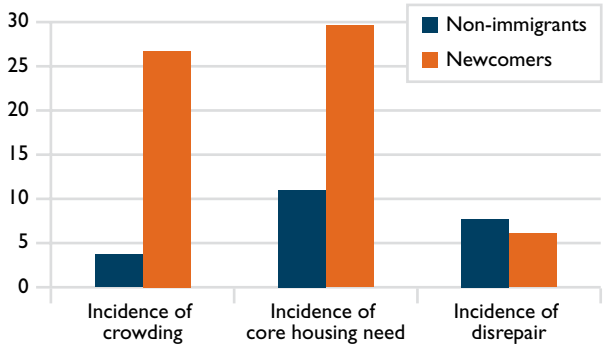
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

FIGURE X

The incidences of crowding and of core housing need are higher for newcomers than for non-immigrant households

% of households in 2011



Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Alternative text and data for figures

Figure A: The incidence of core housing need decreased from 2001 to 2011

Year	Households in core housing need	
	(#)	(%)
2001	1,485,335	13.7
2006	1,494,395	12.7
2011	1,552,145	12.5

Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure B: The largest reductions in core housing need were for the youngest and seniors' households

Year	Incidence of core housing need			
	15-29 Years	30-44 Years	45-64 Years	65 years old or older (senior households)
	(%)	(%)	(%)	(%)
2001	18.6	13.1	11.1	16.9
2006	16.0	12.9	10.9	14.4
2011	15.1	12.5	11.2	13.7

Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure C: The incidence of core housing need decreased everywhere except Saskatchewan, Alberta and Nunavut[1]

Geography	2001	2006	2011
	(%)	(%)	(%)
Canada	13.7	12.7	12.5
Newfoundland and Labrador	14.6	14.2	11.4
Prince Edward Island	12.9	12.6	9.2
Nova Scotia	15.2	12.1	12.5
New Brunswick	11.2	10.3	9.9
Quebec	12.5	10.6	10.8
Ontario	15.1	14.5	13.4
Manitoba	11.6	11.3	10.3
Saskatchewan	11.5	11.8	13.2
Alberta	10.5	10.1	10.7
British Columbia	15.8	14.6	15.4
Yukon	15.8	16.3	14.6
Northwest Territories	17.4	17.5	15.7
Nunavut	38.8	37.3	39.3

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure D: Renters were much more likely to be in core housing need than owners[1]

Year	Owners	Renters
	(%)	(%)
2001	6.6	28.3
2006	6.3	27.2
2011	6.5	26.4

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure E: Recent immigrants face housing challenges of crowding and affordability

	Non-immigrant households	All Immigrant households	Non-recent immigrant households	Recent immigrant households
Average household income ($)	79,200	79,700	82,500	57,100
% crowded	3.6	12.7	11.1	27.2
% of income spent on shelter	21.1	24.2	23.6	30.2

Source: CMHC, adapted from Statistics Canada (*National Household Survey)*

Figure F: Aboriginal households have higher rates of crowding and dwellings in need of major repair

	Non-Aboriginal Households	Aboriginal households
Average household income	79.7	66.5
% crowded	5.7	10.5
% of dwellings in need of major repair	6.9	17.4

Source: CMHC, adapted from Statistics Canada (*National Household Survey)*

Figure G: Condominium ownership rates have risen considerably

	1996	2001	2006	2011
Condominium ownership	4.8	5.8	7.4	8.7

Source: CMHC, adapted from Statistics Canada (*National Household Survey)*

Figure H: Canada's aging population is reflected in the household growth by age of household maintainer

Age Group	Average annual household growth (thousands)	
	2001-2006	2006-2011
<25	1.891	0.458
25-29	4.837	13.921
30-34	-6.788	12.189
35-39	-34.082	-6.123
40-44	2.936	-34.501
45-49	32.258	4.372
50-54	31.772	34.343
55-59	57.211	30.535
60-64	36.998	55.436
65-69	9.613	35.443
70-74	2.867	11.116
75+	35.385	19.166

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

Figure 1: Canadian housing starts moderated in 2013 to levels more in-line with the historical average

Year	Total starts level
1955	138,276
1956	127,311
1957	122,340
1958	164,632
1959	141,345
1960	108,858
1961	125,577
1962	130,095
1963	148,624
1964	165,658
1965	166,565
1966	134,474
1967	164,123
1968	196,878
1969	210,415
1970	190,528
1971	233,653
1972	249,914
1973	268,529
1974	222,123
1975	231,456
1976	273,203
1977	245,724
1978	227,667
1979	197,049
1980	158,601
1981	177,973
1982	125,860
1983	162,645
1984	134,900

Year	Total starts level
1985	165,826
1986	199,785
1987	245,986
1988	222,562
1989	215,382
1990	181,630
1991	156,197
1992	168,271
1993	155,443
1994	154,057
1995	110,933
1996	124,713
1997	147,040
1998	137,439
1999	149,968
2000	151,653
2001	162,733
2002	205,034
2003	218,426
2004	233,431
2005	225,481
2006	227,395
2007	228,343
2008	211,056
2009	149,081
2010	189,930
2011	193,950
2012	214,827
2013	187,923
Total starts average	181,008

Source: CMHC *(Starts and Completions Survey)*

Figure J : The inventory of completed and unabsorbed housing units per 10,000 population trended higher in 2013, encouraging moderation in housing starts

Year	Total inventory	Row and apartment units	Single- and semi-detached units
1992Q1	6.3	3.6	2.6
1992Q2	6.2	3.6	2.6
1992Q3	6.1	3.5	2.5
1992Q4	5.8	3.3	2.5
1993Q1	5.8	3.2	2.6
1993Q2	5.9	3.2	2.8
1993Q3	6.1	3.1	2.9
1993Q4	6.2	3.2	3.0
1994Q1	6.0	3.1	2.9
1994Q2	5.7	2.9	2.7
1994Q3	6.3	3.4	2.9
1994Q4	6.5	3.4	3.1
1995Q1	6.9	3.7	3.2
1995Q2	7.2	3.9	3.2
1995Q3	6.7	3.7	3.0
1995Q4	6.4	3.7	2.7
1996Q1	6.0	3.5	2.5
1996Q2	5.3	3.1	2.2
1996Q3	5.1	2.9	2.2
1996Q4	4.6	2.4	2.1
1997Q1	4.2	2.2	2.0
1997Q2	4.1	2.1	2.0
1997Q3	4.0	2.0	2.0
1997Q4	4.2	2.1	2.1
1998Q1	4.5	2.2	2.2
1998Q2	4.6	2.2	2.3
1998Q3	4.7	2.3	2.4
1998Q4	4.7	2.4	2.3
1999Q1	4.5	2.3	2.2
1999Q2	4.3	2.1	2.1
1999Q3	4.2	2.1	2.1
1999Q4	4.2	2.1	2.1
2000Q1	4.2	2.2	2.1
2000Q2	4.3	2.3	2.0
2000Q3	4.3	2.3	2.0
2000Q4	4.0	2.0	2.0
2001Q1	3.9	1.9	2.0
2001Q2	3.5	1.7	1.9
2001Q3	3.3	1.4	1.8
2001Q4	3.0	1.3	1.7
2002Q1	2.8	1.2	1.6
2002Q2	2.7	1.1	1.6
2002Q3	2.4	0.9	1.5

Year	Total inventory	Row and apartment units	Single- and semi-detached units
2002Q4	2.4	0.9	1.5
2003Q1	2.3	0.9	1.4
2003Q2	2.4	0.9	1.5
2003Q3	2.4	0.9	1.6
2003Q4	2.5	0.9	1.6
2004Q1	2.5	0.9	1.6
2004Q2	2.6	1.0	1.6
2004Q3	3.0	1.3	1.7
2004Q4	3.3	1.5	1.8
2005Q1	3.5	1.8	1.7
2005Q2	3.5	1.8	1.7
2005Q3	3.2	1.6	1.6
2005Q4	3.0	1.5	1.5
2006Q1	3.0	1.5	1.5
2006Q2	3.1	1.5	1.5
2006Q3	3.2	1.6	1.6
2006Q4	3.6	1.9	1.8
2007Q1	3.4	1.6	1.8
2007Q2	3.2	1.5	1.8
2007Q3	3.4	1.6	1.8
2007Q4	3.4	1.6	1.9
2008Q1	3.7	1.6	2.1
2008Q2	3.8	1.5	2.2
2008Q3	4.3	1.7	2.5
2008Q4	4.5	2.0	2.5
2009Q1	4.7	2.1	2.6
2009Q2	4.9	2.5	2.4
2009Q3	4.3	2.4	1.9
2009Q4	4.0	2.4	1.6
2010Q1	4.0	2.6	1.5
2010Q2	4.3	2.7	1.6
2010Q3	4.3	2.7	1.6
2010Q4	4.4	2.7	1.7
2011Q1	4.2	2.5	1.6
2011Q2	4.4	2.7	1.6
2011Q3	4.5	2.7	1.7
2011Q4	4.5	2.7	1.7
2012Q1	4.5	2.8	1.7
2012Q2	4.4	2.8	1.7
2012Q3	4.7	2.9	1.8
2012Q4	4.9	3.0	1.9
2013Q1	5.1	3.1	2.1
2013Q2	5.1	3.0	2.1
2013Q3	5.0	2.9	2.1
2013Q4	4.9	2.9	2.0
Total inventory average (1992Q1-2013Q4)	4.3		

Source: CMHC *(Starts and Completions Survey)*

Figure K: MLS® sales and new listings continued to show stability in 2013

The figure shows the level of yearly MLS® sales and new listings over the 23-year period, 1990 to 2013. Annual sales trended upward over the period to a high of 522,495 in 2007 before declining to 433,058 in 2008 and increasing to 457,761 in 2013. The number of new listings dropped steadily from 1990 to 2000 before reversing the trend and increasing to a high of 910,794 in 2008, declining again in 2009 and levelling out at 866,903 in 2013.

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca.

Source: CREA (MLS®) MLS® is a registered trademark of the Canadian Real Estate Association

Figure L : In 2013, the existing home market remained in balanced market conditions, though at levels close to sellers' market territory

The figure shows the condition of the Canadian housing market over time as it moved through periods of buyers' market, sellers' market and balanced market conditions. Prior to 1999, the market was primarily in balanced conditions, occasionally experiencing buyers' market conditions. In 1999, the market entered a period of sellers' market conditions until 2008, when it returned to balance, where it has remained, except for a slight sellers' market in 2009. The figure also shows the average MLS® price over the period has grown steadily from $142,000 in 1990 to $382,576 in 2013.

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca.

Source: CREA (MLS®) MLS® is a registered trademark of the Canadian Real Estate Association

Figure M: Home equity levels of mortgage holders[1] (%) remain strong

Home equity level category	Share of mortgage holders in equity level category (%)
< 10%	5
10% - 24.9%	23
≥ 25%	72

[1] Home equity is calculated by deducting from the current value of owner-occupied homes in Canada the outstanding balances of residential mortgages.

Source: Looking for a "New Normal" in the Residential Mortgage Market. Toronto: Canadian Association of Accredited Mortgage Professionals (CAAMP), May 2014 www.caamp.org/meloncms/media/Spring%20Report%20FINAL%202014-05-24.pdf (July 22, 2014)

Figure N: Chartered banks continue to hold on balance sheet the largest share of outstanding residential mortgage credit (%)

Financial Institution Type	Share of Residential Mortgage Credit Outstanding, May 2014 (%)
Chartered Banks	75
Caisses populaires / Credit Unions	13
Other mortgage lenders	8
Securitized mortgages not recorded on lenders' balance sheets[1]	4

[1] With the adoption of International Financial Reporting Standards (IFRS), the majority of banks' securitization volume (via both public and private programs) is now recorded on balance sheet.

Source: Bank of Canada's Weekly Financial Statistics – July 25, 2014 report (July 29, 2014)

Figure O: Issuance under CMHC securitization programs[1] stabilizing

Year	Total NHA MBS (billions of dollars)	CMB (billions of dollars)
2008	145.0	43.5
2009	134.236	46.9
2010	124.638	39.4
2011	139.893	41.3
2012	146.700	39.9
2013	146.915	38.7
2014 H1	66.789	18.5

[1] Total NHA MBS issuance includes the market NHA MBS sold to capital market investors or held on balance sheet and the NHA MBS issued for sale to the Canada Housing Trust under the CMB program (as original or replacement assets).

Source: CMHC

Figure P: Significant amount of outstanding covered bonds are now under the legislative framework

Year	Outstanding value of covered bonds issued under:		Total outstanding (billions of dollars)
	Contractual agreements (billions of dollars)	Legislative framework (billions of dollars)	
2010	25.0	0.0	25.0
2011	50.4	0.0	50.4
2012	64.5	0.0	64.5
2013	46.6	23.8	70.4
2014 H1	44.6	31.4	76.0

Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report

Figure Q: EQuilibrium™ Housing projects achieved ERS[1] scores well above a conventional new build[2]

EQuilibrium™ Housing Project	Building envelope-EnerGuide Rating System (ERS) score
Abondance	99.3
Avalon D3	101
EchoHaven	94
ÉcoTerra™	98
Green Dream	101
Harmony House	101.5
Inspiration	100
Laebon CHESS	101
Now House®	94
Riverdale NetZero	100
Urban Ecology	96

[1] Natural Resources Canada's EnerGuide Rating System (ERS) measures a home's energy performance using a scale typically ranging from 0 to 100, where 100 represents a net-zero energy house.

[2] The yellow band represents the rating range (65-72) for a new house built to building code standards.

Source: CMHC

Figure R: New EQuilibrium™ Housing projects achieved high airtightness levels[1]

EQuilibrium™ Housing Project	Building envelope-measured airtightness (ACH@50Pa)
Abondance	0.4
Avalon D3	1.38
EchoHaven	1.04
ÉcoTerra™	0.83
Green Dream	0.68
Harmony House	0.73
Inspiration	0.8
Laebon CHESS	0.51
Riverdale NetZero	0.5
Urban Ecology	0.82

[1] The yellow band represents a range of airtightness levels from 0.6 ACH (e.g. Passive House) to 1.5 ACH (e.g. R2000).

Source: CMHC

Figure S: EQuilibrium™ Housing projects significantly reduced energy consumption for space heating, often to below that needed for appliances, lighting and plug loads[1]

	Space heating (kWh/m²)	Appliances & lighting (kWh/m²)
Canadian Average	150.9	39.2
Abondance	4.3	38.1
Avalon D3	30.1	40.2
EchoHaven	17	15.3
ÉcoTerra™	20.2	75.8
Green Dream	3.96	34.2
Laebon CHESS	40.4	33.9
Now House®	48.9	28.6
Riverdale NetZero	14.6	23.5
Urban Ecology	47.7	24

[1] Measurements were not taken for Inspiration. Separate end-use measurements were not taken for Harmony House.

Source: EQuilibrium™ Housing Projects—CMHC; Conventional newly built houses - CanmetENERGY Ottawa energy efficiency analysis of Canadian housing, Residential Secondary Energy Use by End-use (2009), February 2013

Figure T: Potable water consumption in most EQuilbrium™ Housing projects was much below the Canadian average[1]

EQuilibrium™ Housing Project	Litres per person per day
Canadian average	251
Abondance	182
Avalon D3[2]	163
EchoHaven	50
ÉcoTerra™	160
Green Dream	122
Laebon CHESS	125
Now House®	320
Riverdale NetZero	150
Urban Ecology	145

[1] Residential water use in Canada, Environment Canada, 2011.

[2] Avalon Discovery 3 is based on monitoring over a continuous two-year period; the other projects over a one-year period.
Note: Water consumption data for Harmony House and Inspiration were not measured.

Source: CMHC

Figure U: More newcomers settling in smaller communities

Geography	2001 (%)	2006 (%)	2011 (%)
Montréal	12	15	16
Toronto	43	40	33
Vancouver	18	14	13
Other CMAs	22	25	30
Non-CMAs	5	6	8

Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada *(Census of Canada and National Household Survey)*

Figure V: Newcomers have a steep income growth trajectory as they establish themselves in the labour market

Year	Median household income before taxes (current $)		
	2000	2005	2010
Newcomers in 2001 (landed 1996-2001)	31,898	51,647	66,082
Newcomers in 2006 (landed 2001-2006)		35,275	62,111
Newcomers in 2011 (landed 2006-2011)			42,698

Data show increasing household incomes for newcomers in 2001 and newcomers in 2006 in the years following landing.
Income is for the calendar year preceding each census year.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada *(Census of Canada and National Household Survey)*

Figure W: The homeownership rate of newcomers is lower than that for non-immigrants, particularly in CMAs

Geography	% of newcomer households owning homes in 2011
Canada non-immigrant	69.6
Canada newcomers	36.46
All CMAs	35.11
Mid-sized centres	47.9
Small towns and rural areas	62.3

Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure X: The incidences of crowding and of core housing need are higher for newcomers than for non-immigrant households

	Non-immigrant households (%)	Newcomer households (%)
Incidence of crowding	3.7	26.7
Incidence of core housing need	11	29.6
Incidence of disrepair	7.7	6.1

Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Housing Affordability and Need

L.A.C. Panton, View from Window Central Technical School Toronto, 1925, Watercolour, graphite and conté on wove paper, 10" x 13", FAC 1055, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

This chapter examines trends in housing conditions and *core housing need* from 2001 to 2011 based on data from the 2011 *National Household Survey* (NHS) and the 2001 and 2006 Censuses of Population, and on annual data for urban households from 2002 to 2011 from the *Survey of Labour and Income Dynamics* (SLID) *(see Glossary, Supplemental information and analysis in the Annex).*[1]

In Canada, most households are able to satisfy their housing requirements through the housing market. However, there are some households whose housing needs are not being met in the market place. Information on housing conditions in Canada and the characteristics of those with housing need is used by all levels of government and the non-profit sector to inform their policies, programs, plans and activities, in order to improve housing outcomes for those in housing need.

In 2011, about 87.5% (10.9 million) of Canada's 12.5 million households for which *core housing need* could be assessed either lived in, or had sufficient income to access, acceptable housing. This included the following:

- About 8.6 million households (69.2%) living in acceptable housing, compared to 7.6 million or 69.9% in 2001; and
- About 2.3 million households (18.4%) living in housing below one or more housing standard(s) but who could have afforded acceptable housing in their local housing market, up from 1.8 million or 16.3% in 2001.

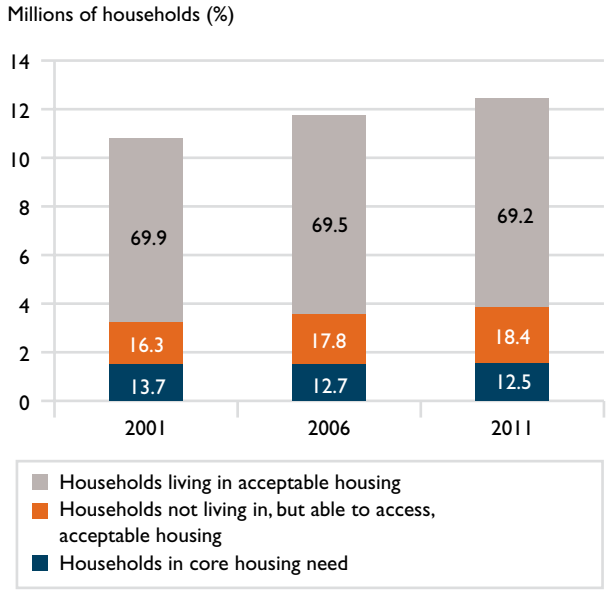
[1] The Census is conducted every five years. The *National Household Survey* was conducted for the first time in 2011. Data on urban households from SLID are for households living in Census Metropolitan Areas (CMAs) and only provincial Census Agglomerations (CAs).

About 1.6 million Canadian households were in core housing need in 2011

About 1.6 million Canadian households were in *core housing need* in 2011, up from 1.5 million in 2001. The incidence of *core housing need* in 2011 was 12.5%, down from 13.7% in 2001 *(see Figure 1-1)*. Most of this improvement occurred between 2001 and 2006 when the incidence of *core housing need* was 12.7%. The change of methodology from a mandatory survey in 2006 to a voluntary survey in 2011 introduces some uncertainty as to what extent differences in the estimates between 2006 and 2011 are due to actual changes in what is being measured or to what Statistics Canada refers to as survey non-response bias *(see Comparability of data from different sources, in the Annex)*.

FIGURE 1-1

Housing conditions, Canada, 2001-2011[1]



May not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

The principal drivers that influence core housing need

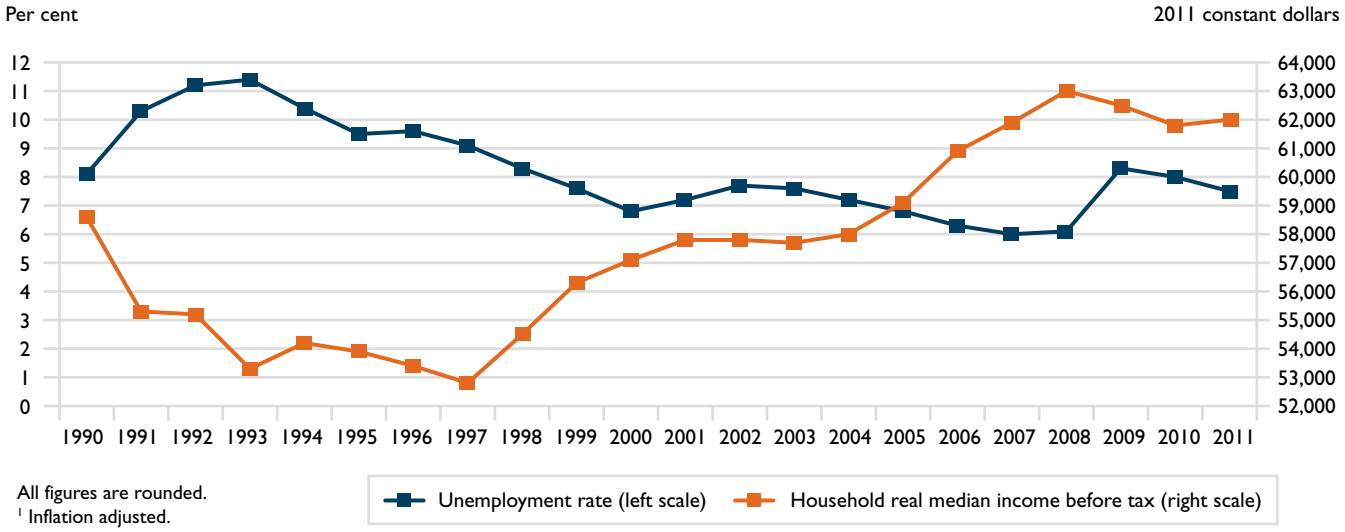
The percentage of households living in *core housing need* is affected by some key socio-economic drivers:

- Demographic and social trends such as population aging and divorce, which increase the percentage of one-person and lone-parent households;
- Household income, used to determine housing affordability and *core housing need*, is influenced, for example, by the level and type of education and employment of the household members;
- Shelter costs, also used for measuring affordability and *core housing need*, differ by region, with some cities' higher house prices and rents resulting in relatively larger percentages of households in *core housing need*;
- The size of households affects housing suitability and *core housing need* through the number of bedrooms required, as do the rents of dwellings with the required number of bedrooms;
- Investments in home repair and renovation, and in new construction, can reduce the share of the housing stock in need of major repair; and
- Economic growth can increase incomes, housing construction, and the number of acceptable housing options. Also where income growth exceeds upward pressures on shelter costs, economic growth can reduce levels of *core housing need*. By contrast, where employment growth outpaces new housing supply, there can be upward pressure on house prices and rents. Increases in unemployment during economic downturns can also increase *core housing need*.

Canada's economy for most of this period (the exception was the 2008/2009 recession) was also comparatively healthy; median household real (i.e. inflation-adjusted to 2011 constant dollars) before-tax income grew from $57,800 in 2001 to $60,900 in 2006 and $62,000 in 2011. At the same time, the national unemployment rate fell from 7.2% in 2001 to 6.3% in 2006, then climbed to 8.3% during the recession before falling back to 7.4% in 2011 *(see Figure 1-2)*.

FIGURE 1-2

Household real[1] median income before tax, and unemployment rate, Canada, 1990-2011



All figures are rounded.
[1] Inflation adjusted.

Source: Statistics Canada (*Survey of Consumer Finances* (1990-1993); *Survey of Consumer Finances* and *Survey of Labour and Income Dynamics* (1994-1997); *Survey of Labour and Income Dynamics* (1998-2011), CANSIM)

Most households in core housing need did not meet the affordability standard

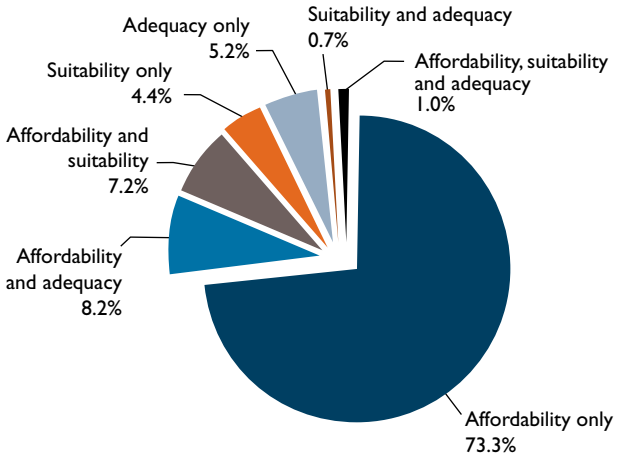
As in previous years, the housing standard most commonly not met in 2011 among households in *core housing need* was the housing affordability standard. In 2011, about 89.7% of households in *core housing need* were below the housing affordability standard, either alone or in combination with at least one of the other two standards *(see Figure 1-3)*.

Households that lived in *core housing need* in 2011 had, on average, a higher before-tax shelter-cost-to-income ratio (STIR) compared to households not in *core housing need*, at 49.4% and 18.0%, respectively. The STIRs of households in *core housing need* varied widely in 2011, with about 42% having STIRs of at least 50% *(see Figure 1-4)*.

Only about 10.3% of households fell into *core housing need* as a result of not meeting the adequacy or suitability standards. Roughly 15% of households in *core housing need* in 2011 fell below the adequacy standard.

FIGURE 1-3

Households[1] in core housing need by housing standard(s) not met, Canada, 2011



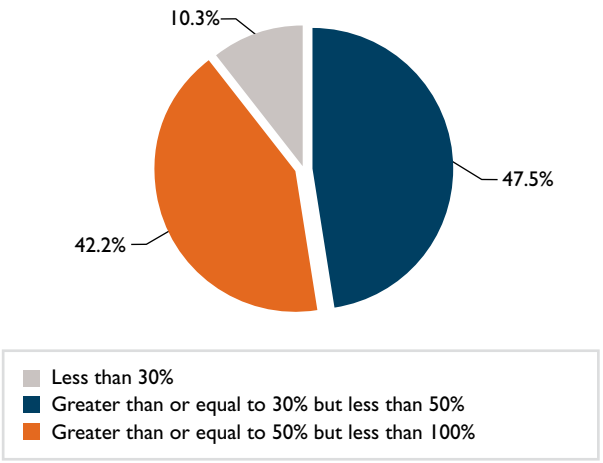
May not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

FIGURE 1-4

Households[1] in core housing need by shelter-cost-to-income ratio (STIR), Canada, 2011



All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

About 13.3% of households in *core housing need* in 2011 were crowded, most of which experienced a one-bedroom shortfall *(see Figure 1-5)*.

The incidence of core housing need decreased everywhere except Saskatchewan, Alberta and Nunavut

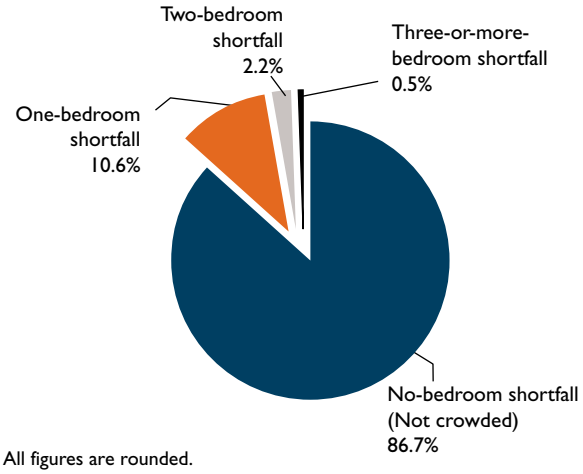
The reduction in *core housing need* between 2001 and 2011 occurred in all provinces and territories except Saskatchewan, Alberta and Nunavut *(see Figure 1-6)*. In Saskatchewan, the increase of close to 2 percentage points was driven by deterioration in housing affordability in Regina, Saskatoon and other urban centres. In Alberta, the increase was very small and reflected shelter costs increasing faster than the household incomes for lower income households. In Nunavut, crowding increased —as the ages of children increased, some households required more bedrooms; as well, the need for major repairs increased.

The Atlantic region experienced the largest improvement in their housing conditions. The incidence of *core housing need* fell between 2001 and 2011 in every Atlantic province and in each of its CMAs. Affordability improved in the Atlantic region, as household incomes generally grew faster than shelter costs.

The incidence of *core housing need* was highest in Nunavut (at 39.2%). For households in *core housing need*, Nunavut had the highest average household income before taxes (at $58,079) and the lowest average shelter cost (at $6,228) in 2011.[2] This resulted in households in *core housing need* in Nunavut having the lowest average STIR (at 12.3%), well below the national average of 49.4%. In contrast, the share of households in *core housing need* who fell below the suitability and adequacy standards were markedly higher in Nunavut than elsewhere in Canada. Almost two-thirds (63.5%) of the households in *core housing need* in Nunavut were crowded; the comparable percentage among all Canadian households in core need was 13.3%.

FIGURE 1-5

Households[1] in core housing need by bedroom shortfall, Canada, 2011



All figures are rounded.

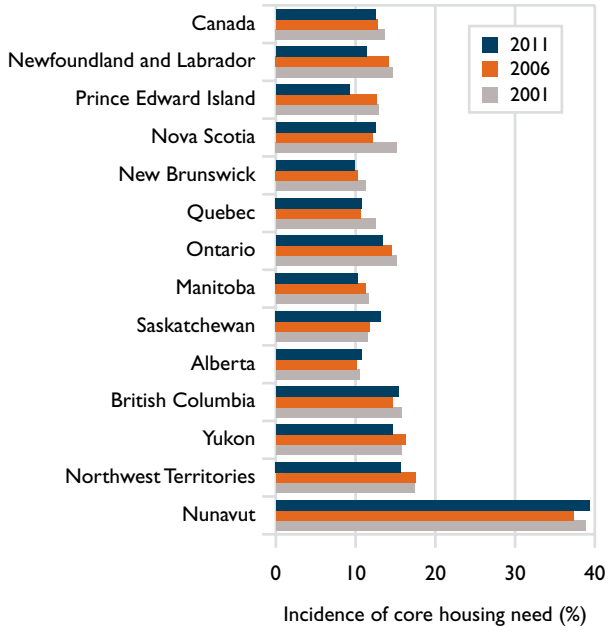
[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

[2] Low average shelter costs in Nunavut reflects the facts that a significant proportion of households in the territory reside in subsidized housing.

FIGURE 1-6

Incidence of core housing need by Province and Territory, 2001, 2006 and 2011[1]



[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

British Columbia was the province with the highest incidence of *core housing need* in 2011, at 15.4%. Housing costs were high particularly in its major centres of Vancouver and Victoria. British Columbia had the highest STIR of any province in 2011.

The incidence of core housing need decreased in most Census Metropolitan Areas

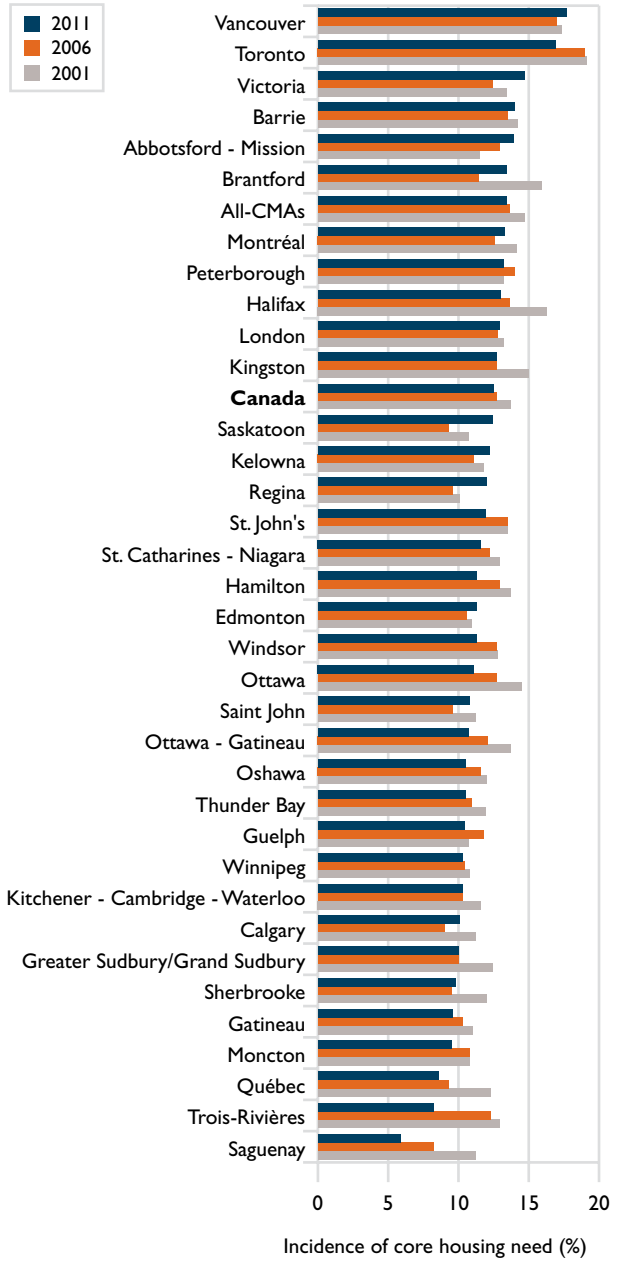
Just under three-quarters of all households in *core housing need* resided in Canada's 33 Census Metropolitan Areas (CMAs). Following the national trend, most CMAs experienced a decrease in their incidences of *core housing need* between 2001 and 2011 *(see Figure 1-7)*. Five CMAs experienced declines of at least 3 percentage points, including Halifax, Saguenay, Québec, Trois-Rivières, and Ottawa-Gatineau.

Fast Facts

- The incidence of *core housing need* in 2011 was 12.5%, down from 13.7% in 2001; the number of households in *core housing need* increased from 1.5 million in 2001 to 1.6 million in 2011.
- Among provinces and territories, Nunavut (at 39.3%) had the highest incidence of *core housing need* in 2011, Prince Edward Island (at 9.2%) the lowest.
- Among Census Metropolitan Areas, households in Vancouver (at 17.7%) and Toronto (at 16.9%) had the highest incidences of *core housing need* in 2011, Saguenay (at 5.9%) and Trois-Rivières (at 8.2%) the lowest.
- About 26.4% of renter households were in *core housing need* in 2011, compared to 6.5% of households who were homeowners.
- Among households in the lowest income quintile, 56.9% of renter households and 62.6% of owner households with a mortgage were in *core housing need* in 2011.
- Households in the lowest-income quintile accounted for 81% of all households in *core housing need* in 2011.
- Among different household types, female lone-parent households (at 28.7%) were the most likely to live in *core housing need* in 2011, couple family households without children were the least likely (at 4.8%).
- Off-reserve Aboriginal renter households (at 34.7%), recent immigrant households (at 29.6%), and senior renter households (at 28.9%) experienced well-above-average incidences of *core housing need* in 2011.

FIGURE 1-7

Incidence of core housing need by CMA, 2001, 2006 and 2011[1]



[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.
The Ottawa and Gatineau parts of the Ottawa-Gatineau CMA are shown separately.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Vancouver, Toronto and Victoria had the highest incidences of core housing need among CMAs in 2011

Vancouver, Toronto, and Victoria had the highest incidences of *core housing need* among Census Metropolitan Areas (CMAs) in 2011. Households in Toronto and Vancouver continued to face a large affordability burden—Toronto had the highest, and Vancouver the fifth highest, average shelter costs of all CMAs. Toronto's and Vancouver's STIRs (both at 24.7%) were the highest of all CMAs in 2011.

With the exception of Montréal, CMAs in Quebec had relatively low incidences of core housing need

With the exception of Montréal whose incidence of *core housing need* was above the all-CMA average, households in CMAs in Quebec generally had the lowest incidences of *core housing need* among CMAs. These Quebec CMAs had relatively low average household incomes and low shelter costs, resulting in low STIRs. Saguenay had the lowest incidence of *core housing need* (at 5.9%) in 2011 and the largest improvement from 2001.

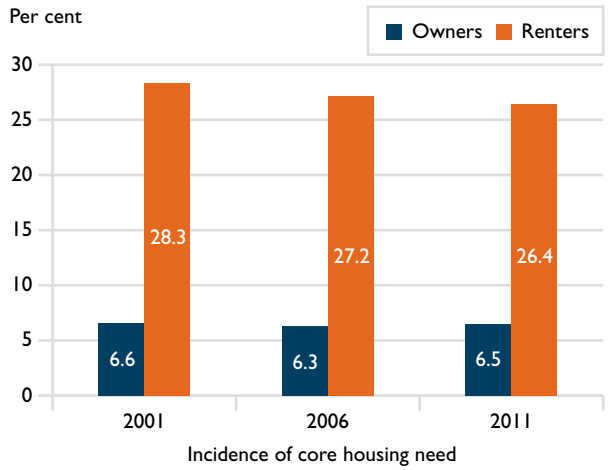
Renters were much more likely to be in core housing need than owners

As in previous years, renters experienced much higher incidences of *core housing need* than owners in 2011 *(see Figure 1-8)*. Renters experienced a much larger affordability burden than homeowners, with an average STIR of 28.8%, compared to 18.9% for homeowners.

Renters in Nunavut had the highest incidence of *core housing need* in 2011, at 43.7%. Among the provinces, renters in British Columbia (at 31.3%) were the most likely to live in *core housing need* in 2011. For owners, the lowest incidence of *core housing need* (3.9%) was in Quebec in 2011; the highest, among provinces, was in British Columbia (8.8%) and among the territories, Nunavut (22.6%).

FIGURE 1-8

Incidence of core housing need by housing tenure, Canada, 2001, 2006 and 2011[1]

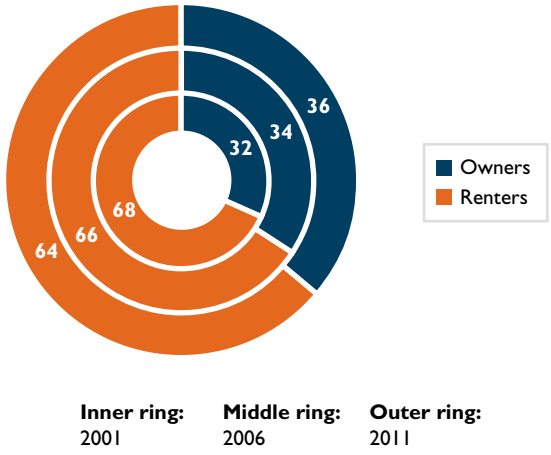


[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

FIGURE 1-9

Distribution of core housing need by housing tenure, Canada, 2001, 2006 and 2011[1] (%)



Inner ring: 2001 **Middle ring:** 2006 **Outer ring:** 2011

May not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

The incidence of *core housing need* for renter households trended downward from 2001 to 2011, while that of owner households was little changed.

The share of homeowners in core housing need increased

The tenure composition of households in *core housing need* has been changing. Homeowners have accounted for an increasing share of households in *core housing need* and renters a decreasing share *(see Figure 1-9)*. This reflected a general shift towards homeownership. Between 2001 and 2011, many households took advantage of favourable mortgage rates and became new homeowners.

Owners living mortgage-free have much lower shelter costs than those with mortgages; both have low incidences of core housing need

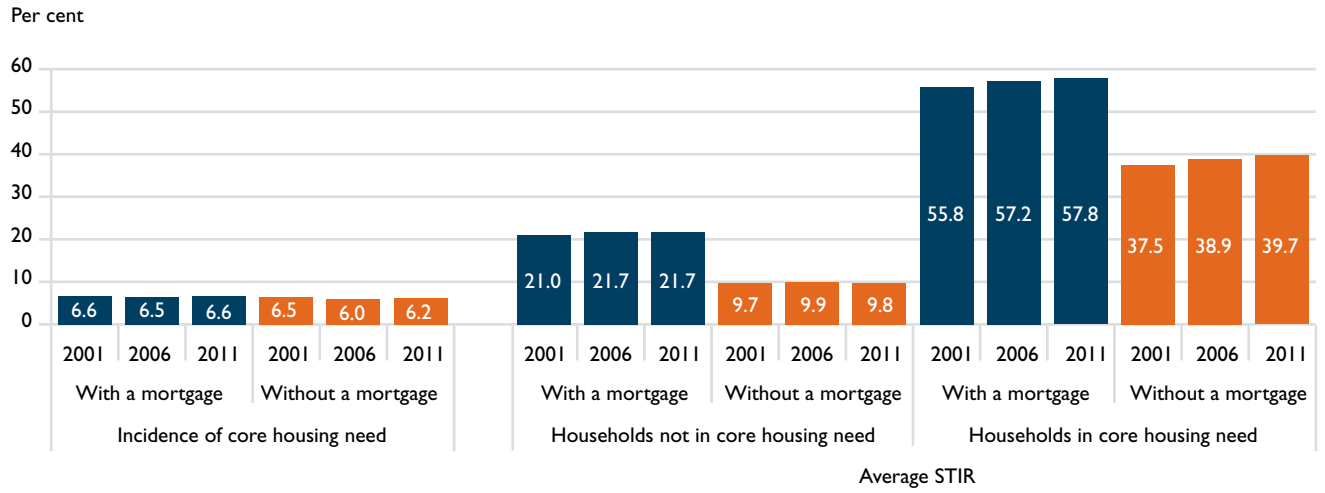
Owners living mortgage-free have consistently had much lower average annual shelter costs than those with a mortgage. Those owners who are mortgage-free also have lower average incomes; their STIRs are about half of those of with a mortgage. The incidences of *core housing need* of both groups are low and have been fairly steady from 2001 to 2011 *(see Figure 1-10)*.

Among household types, female lone-parent households and female one-person households had the highest incidences of core housing need

As in previous years, female lone-parent households and female one-person households had the highest incidences of *core housing need* in 2011, consistent with their relatively low household incomes; couples with, and without, children had the lowest incidences *(see Household and dwelling terminology on page 1-17 and Figure 1-11)*. The incidence of *core housing need* among family households was about one-half that for non-family households.

FIGURE 1-10

Incidence of core housing need and average STIR for owner households by mortgage status, Canada, 2001, 2006 and 2011[1]

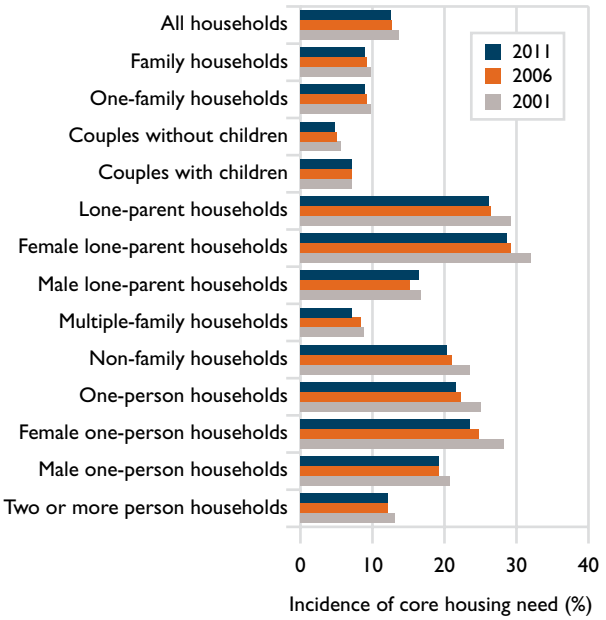


[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

FIGURE 1-11

Incidence of core housing need by household type, Canada, 2001, 2006 and 2011[1]



[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Non-family households and lone-parent households accounted for disproportionately large shares of all households in *core housing need* in 2011 *(see Figure 1-12)*. Even though couples had the lowest incidence of *core housing need*, they accounted for about 28% of all households in *core housing need*, as they represented the majority (57%) of all households in 2011.

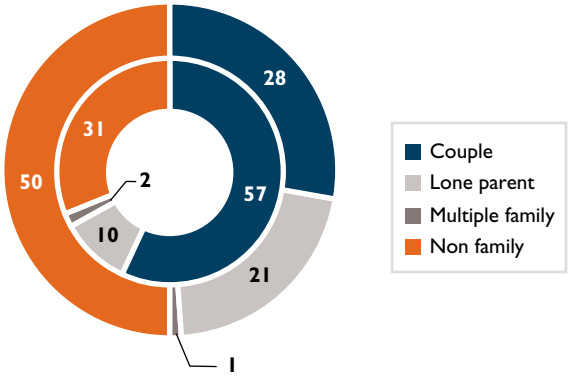
Although having relatively low shelter costs, because of their relatively low incomes lone-parent and non-family households faced a much larger affordability burden, reflected in average STIRs (26.3% and 28.3%, respectively) which were higher than the national average (21.9%).

Households whose primary maintainer is 15 to 29 years of age were more likely to live in core housing need than those in older age groups

The incidence of *core housing need* of households whose primary household maintainer *(see Household and dwelling terminology in the Glossary in the Annex)* is 15 to 29 years of age exceeded that of older age groups in 2011 *(see Figure 1-13)*. It decreased from 2001 to 2011, as did the share of households in *core housing need*

FIGURE 1-12

Distribution of all households[1] and of those in core housing need by household type, Canada, 2011 (%)



Inner ring: all households

Outer ring: households in core housing need

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

accounted for by these young households *(see Figure 1-14);* however, in 2011 the share was still disproportionate to their share (9.4%) of all households. Many of these young households had relatively low incomes and were renters.

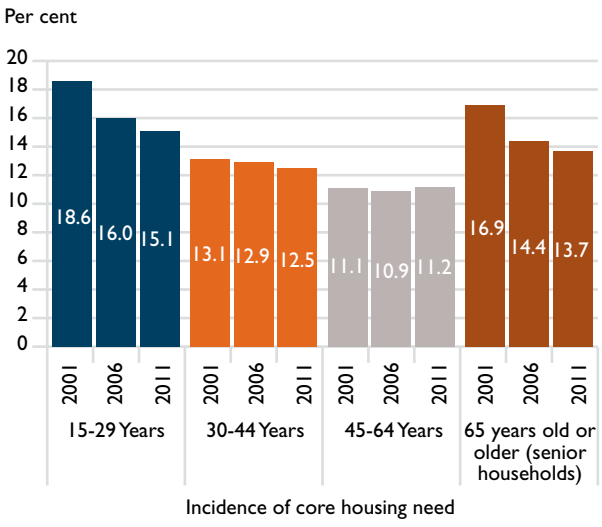
In 2011, the largest share of households in *core housing need* was accounted for by households whose maintainers were aged 45 to 64, although the households in this baby boomer age group had the lowest incidence of *core housing need*. This share (37%) was disproportionately low, as households in this age group accounted for about 42% of all households. Household maintainers in this age group are typically at the top of their earning lifecycle.

Senior households had the second highest incidence of core housing need

Senior households (whose primary household maintainer is 65 years and older) had the second highest incidence of *core housing need*. Even though, among households in *core housing need*, senior households had the lowest average household income before-taxes, they also had the lowest average shelter cost. This resulted in them having the

FIGURE 1-13

Incidence of core housing need by age of the primary household maintainer, Canada, 2001, 2006 and 2011[1]

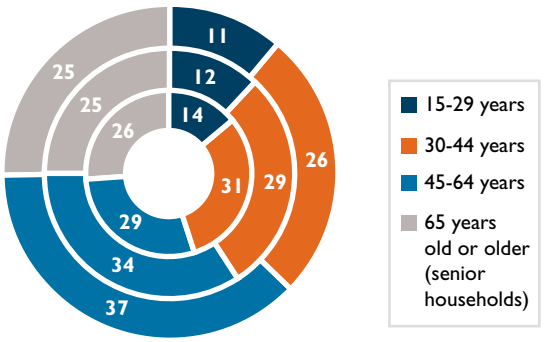


[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

FIGURE 1-14

Distribution of core housing need by age of the primary household maintainer, Canada, 2001, 2006 and 2011[1] (%)



Inner ring: 2001

Middle ring: 2006

Outer ring: 2011

May not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

lowest average shelter-cost-to-income ratio (STIR) (at 46.2%) among households in *core housing need* regardless of age; for comparison, the STIR for non-senior households in *core housing need* was 50.5%.

The incidence of *core housing need* among senior households who owned their homes was very different for those with a mortgage (at 14.0%) and those without a mortgage (at 6.5%). For those in *core housing need*, senior households with a mortgage had much higher shelter costs (at $14,016) than those without a mortgage (at $7,188), and much higher STIRs (57.9% compared to 36.8%).

Among senior households, the household type with the highest incidence of *core housing need* in 2011 was non-family households, at 35.5% for renters and 16.6% for owners. Most of these were female one-person households, and some of these would be dependent on the reduced spousal provision of a pension earned by their deceased spouse. Senior non-family households in *core housing need* also had the lowest incomes (at $8,712) and the highest STIRs (at 47.9% for renters and 45.8% for owners) among senior households.

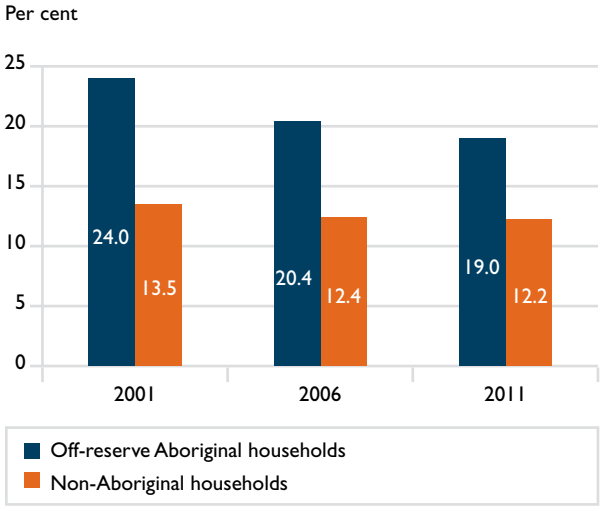
Despite experiencing a decrease in their incidence of *core housing need*, from 16.9% in 2001 to 13.7% in 2011, senior households continued to account for about one-quarter of all households in *core housing need* in 2011. This was mostly as a result of the number of seniors households growing at a faster pace (at 23.8%) than non-seniors households (at 13.0%) between 2001 and 2011.

Off-reserve Aboriginal households experienced above-average incidences of core housing need

Off-reserve Aboriginal households[3] experienced higher incidences of *core housing need* than non-Aboriginal households in 2011 *(see Figure 1-15)*. This relationship

FIGURE 1-15

Incidence of core housing need for off-reserve Aboriginal households, Canada, 2001, 2006 and 2011[1]



[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

held for every household type; for example, the incidence of *core housing need* among off-reserve Aboriginal lone-parent households was 40.4% compared to 25.2% for non-Aboriginal lone-parent households in 2011. The incidence of *core housing need* for off-reserve Aboriginal households decreased from 2001 to 2011. Despite this decrease, the share of off-reserve Aboriginal households among households in *core housing need* increased from 4.8% in 2001 to 6.2% in 2011. This reflected faster growth from 2001 to 2011 in the off-reserve Aboriginal household population (69%) than in the non-Aboriginal household population (14%).

[3] Aboriginal households are defined here as one of the following:

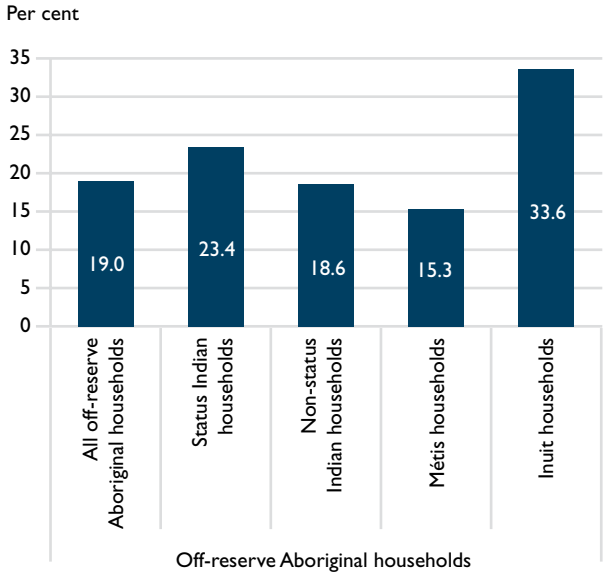
a) A non-family household in which at least 50% of household members self-identified as Aboriginal; or
b) A family household that meets at least one of two criteria:
- At least one spouse, common-law partner, or lone parent self-identified as an Aboriginal; or
- At least 50% of household members self-identified as Aboriginal.

A person self-identifies as being Aboriginal on the questionnaire.

Core housing need for off-reserve Aboriginal households varied in 2011 by Aboriginal household identity;[4] Inuit households had the highest incidence, followed by Status Indian households, Non-status Indian households, and Métis households *(see Figure 1-16)*.[5]

FIGURE 1-16

Incidence of core housing need by identity[1] of off-reserve Aboriginal households, Canada, 2011[2]



[1] The Aboriginal identity of households is based on the identification reported for each of its members. If at least one member of an Aboriginal household identifies as being Inuit, Métis, a Non-status Indian, or Status Indian the household is counted in that group. A household can be counted in more than one Aboriginal group.
[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Among Aboriginal households living on-reserve, about one-third lived below one or both of the adequacy and suitability standards and had incomes insufficient to meet the cost of acceptable housing

Housing costs for most on-reserve[6] households are paid through band housing arrangements, so information on shelter costs is not collected by the NHS, and housing affordability and *core housing need* cannot be determined. However, the adequacy and suitability of housing on-reserve can be examined, and using household incomes which are collected on-reserve, the percentage of households living in housing below standard(s) and unable to meet the cost of acceptable housing can also be derived.

In 2011, among all Aboriginal households living on-reserve, 28.9% lived below only the adequacy standard, 10.4% lived below only the suitability standard, and 10.5% lived below both standards. In 2011, 33.4% of Aboriginal on-reserve households lived below one or both of the adequacy and suitability standards and had incomes that were insufficient to meet the costs of acceptable housing.

The incidence of core housing need was higher among immigrants than non-immigrants

The incidence of *core housing need* for immigrant households[7] continued to exceed that of non-immigrant households in 2011 *(see Figure 1-17)*. Immigrant renters had a higher incidence of *core housing need* (at 32.8%) than non-immigrant renters (at 24.4%) in 2011.

[4] The Aboriginal identity of households is based on the identification reported for each of its members. If at least one member of an Aboriginal household identifies as being Inuit, Métis, a Non-status Indian, or Status Indian the household is counted in that group. A household can be counted in more than one Aboriginal group.

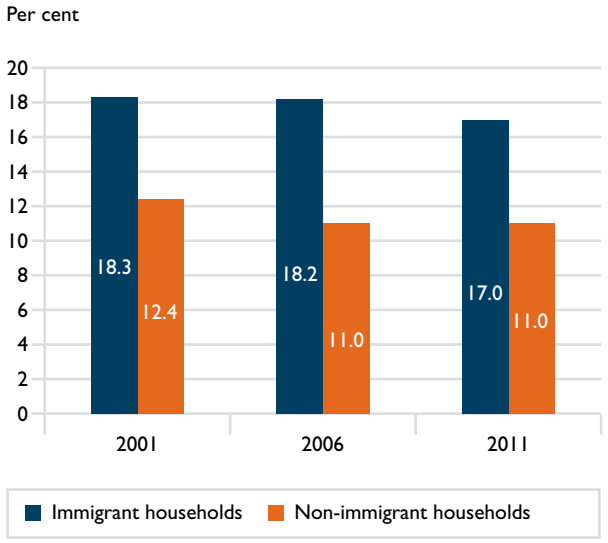
[5] See the Aboriginal Housing Conditions section of the *Canadian Housing Observer's* Online Data Tables for more data on Aboriginal housing conditions.

[6] On-reserve in this chapter includes households in Census Subdivisions (CSDs) identified as Indian Reserves, Indian Settlements, Indian Government Districts, Terres réservées aux Cris, Terres réservées aux Naskapis, Nisga'a Land, Self-Government (in Yukon) or Teslin Land.

[7] An immigrant household is one whose primary maintainer has been granted the right to live in Canada permanently by immigration authorities. The category is not defined by length of time in Canada or by citizenship status.

FIGURE 1-17

Incidence of core housing need by immigrant status of the household, Canada, 2001, 2006 and 2011[1]



[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

The incidence of *core housing need* for immigrant owners *core housing need* was 10.2%, almost twice that of non-immigrant owners (at 5.3%).

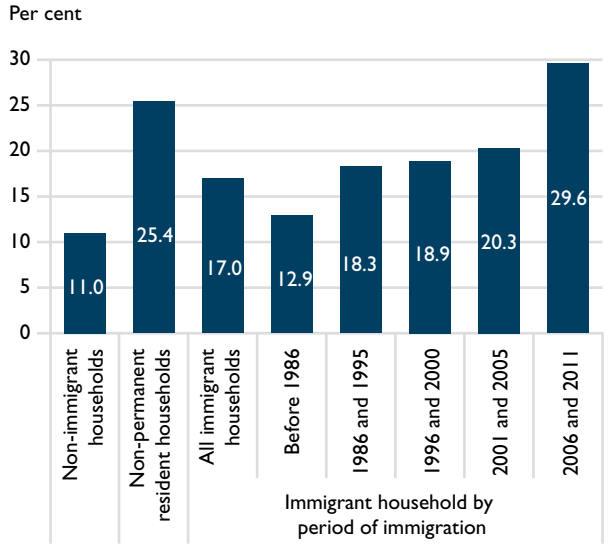
For immigrant households, the incidence of *core housing need* declines with length of time in Canada *(see Figure 1-18)*. The incidence of *core housing need* of recent immigrant renter households[8] (at 37.6%) was more than double that of recent immigrant homeowners (at 16.3%). There is additional discussion of newcomers' housing conditions in the chapter: Newcomers' Housing.

Households in the lowest-income quintile were the most likely income group to live in core housing need

As in previous years, the incidence of *core housing need* decreases as household income rises *(see Figure 1-19)*. In 2011, about one-half of households in the lowest-income quintile[9] were in *core housing need*. Previous research has shown that households in the lowest-income quintile who were not in *core housing need* were largely those seniors who owned their accommodation with no mortgage; or renters who were living in those urban areas with relatively low shelter costs or in government-subsidized housing or with rents calculated on the basis of household income.[10]

FIGURE 1-18

Incidence of core housing need by immigrant status and period of immigration of the household, Canada, 2011[1]



[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

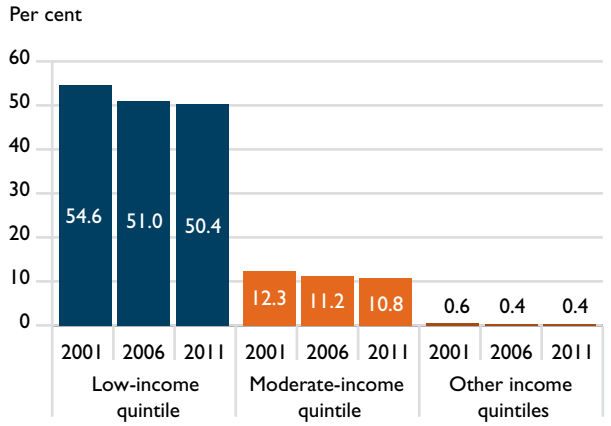
[8] Recent immigrant households are immigrant households whose primary maintainer arrived in Canada from January 1, 2006 to Census Day, May 10, 2011.

[9] Households were ranked by their before-tax household income and divided into five equally-sized groups (quintiles). For descriptive purposes, these groups are referred to as follows: lowest-income, moderate-income, middle-income, upper-income, and highest-income.

[10] See "Low-income Urban Households Not in Core Housing Need", Research Highlight. Socio-economic Series: 09-001. Ottawa: Canada Mortgage and Housing Corporation, 2009. www.cmhc.ca/od/?pid=66391 (April 15, 2014).

FIGURE 1-19

Incidence of core housing need by income quintile,[1] Canada, 2001, 2006 and 2011[2]

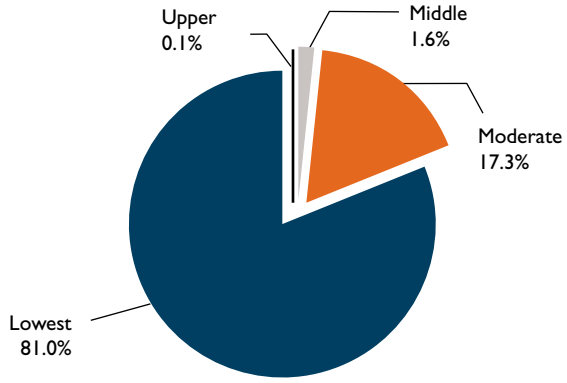


[1] Households were ranked by their before-tax household income and divided into five equally-sized groups (quintiles). For descriptive purposes, these groups are referred to as follows: lowest-income, moderate-income, middle-income, upper-income, and highest-income.
[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

FIGURE 1-20

Distribution of households[1] in core housing need by household income quintile, Canada, 2011



All figures are rounded.
There are no households in *core housing need* in the highest-income quintile.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

The average annual household income before-tax of the moderate-income households ($41,787) was about double that of the lowest-income households ($20,726) in 2011, and their average shelter costs were about 32% ($2,508) higher, at $10,260 and $7,752, respectively. The average shelter-cost-to-income ratio (STIR) for the lowest-income households (at 39.8%) was the highest among all income groups in 2011.

Almost all households in core housing need were in the lowest-income or moderate-income quintiles

Households in the lowest-income quintile accounted for 81% of all households in *core housing need* in 2011, while moderate-income quintile households accounted for 17% *(see Figure 1-20).*

Further analysis of housing conditions to be profiled in a series of Research Highlights

As we have done for previous censuses, we will be publishing a series of Research Highlights on our website examining housing conditions in more detail based on data from the 2011 NHS.[11]

You can access considerable additional data on our web site *(see text box Data on housing conditions).*

[11] Research Highlights, Socio-bconomic Series, on www.cmhc.ca

Data on housing conditions

Data on housing conditions may be found in the tables in the Annex and at www.cmhc.ca/observer.

Data Tables

Our website also provides additional housing data spreadsheets with longer timelines for Canada, the Provinces/Territories and Census Metropolitan Areas.

Interactive Information

Create custom views and comparisons of highlighted Observer data using the map and charts. Interactive local data tables include over 160 municipalities.

Housing in Canada Online (HICO)

Use this interactive tool to build custom tables and for analyzing data on housing conditions, including *core housing need*.

Annex

L.A.C. Panton, View from Window Central Technical School Toronto, 1925, Watercolour, graphite and conté on wove paper, 10" x 13", FAC 1055, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Glossary

Supplemental information and analysis

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Glossary

Household and dwelling terminology

Household – one or more people who occupy a private dwelling (see definition below) and do not have a usual place of residence elsewhere in Canada. Foreign residents visiting Canada, members of the Armed Forces of another country stationed in Canada and their family members living with them, and government representatives of another country and their family members are not included in census counts. Non-permanent residents —people who are lawfully in Canada on a temporary basis—are counted by the Census.

Family household – a household that contains at least one census family (a couple with or without children or a lone parent living with one or more children).

Non-family household – a person living alone, or two or more people who share a dwelling and who do not constitute a family.

Primary household maintainer – the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as the maintainer.

Collective dwelling – dwellings of a commercial, institutional, or communal nature, such as rooming houses, hotels, hospitals, nursing homes, jails, and group homes.

Private dwelling – a dwelling that is not a collective dwelling (as defined above).

Acceptable housing and core housing need

Acceptable housing meets three housing standards: it is adequate in condition, suitable in size, and affordable.

- **Adequate housing** does not require any major repairs, according to residents. Major repairs include defective plumbing or electrical wiring, or structural repairs to walls, floors, or ceilings.
- **Suitable housing** has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabiting adult couple; lone parent; unattached household member age 18 or older; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children 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).
- **Affordable housing** costs less than 30% of before-tax household income. For renters, shelter costs include, as applicable, rent and payments for electricity, fuel, water and other municipal services. For owners, shelter costs include, as applicable, mortgage payments (principal and interest), property taxes, condominium fees, and payments for electricity, fuel, water and other municipal services.

A household is in ***core housing need*** if its housing does not meet one or more of the adequacy, suitability or affordability standards and it would have to spend 30% or more of its before-tax income to access local housing that meets all three standards.

Assessing whether a household is in *core housing need* thus involves two steps:

1. Determining whether or not the household lives in acceptable housing; and
2. If the household does not live in acceptable housing, determining whether its before-tax income is sufficient to access acceptable local housing.

Not all households in below-standard housing are in core housing need

If a household not living in acceptable housing can access acceptable local housing for less than 30% of its before-tax income, it is not in *core housing need;* it is in *core housing need* only if acceptable local housing would cost 30% or more of its before-tax income.

In communities where market rents can be estimated, the cost of acceptable local housing is calculated using the median rent of rental units with the number of bedrooms the household requires. Elsewhere, the cost of acceptable local housing is based on the estimated monthly carrying cost of a newly constructed home with the number of bedrooms the household requires.

Which households are assessed for core housing need?

Only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100% are assessed for *core housing need*. Farms are excluded because shelter costs for farm households are not separable from costs related to other farm structures. Band households are excluded because shelter costs are not collected for households whose housing costs are paid through band housing arrangements. Reserve households are excluded because, given communal land tenure in most reserve communities, the distinction among different tenures as reported on-reserve may be less clear than off-reserve. For the purpose of measuring affordability, we regard STIRs of 100% or more, STIRs for households with incomes of zero or less, and STIRs of households living in non-band housing on reserves as uninterpretable. Overall, of Canada's 13.3 million households in 2011, about 12.5 million could be assessed for *core housing need*.

Depth of housing need measures the comparative severity of *core housing need,* e.g. for different categories of households or over different time periods.

Depth of housing need for a household in *core housing need* is the difference between the amount that *it would need to pay* for acceptable housing and the amount that *it can afford* to pay based on the affordability standard of shelter costs being less than 30% of before-tax household income.

- Depth of housing need, in communities where market rents can be estimated, is calculated as *median rent of local market housing minus 30% of before-tax household income.*
- Depth ratio, in communities where market rents can be estimated, is calculated as the *depth of housing need divided by the median rent of local housing, multiplied by 100.*

Calculations differ slightly for households in core need whose housing is suitable and adequate and whose shelter costs are below the median rent of local housing but greater than 30% of before-tax household income.

- Depth of housing need is calculated as *reported shelter cost minus 30% of before-tax household income.*
- Depth ratio is calculated as the *depth of housing need divided by the reported shelter cost, multiplied by 100.*

Median depth of housing need is the middle value when households are ranked in order of their depth of need.

Incidence of core housing need

The incidence of *core housing need* is to the number of households in *core housing need* as a percentage of all households.

Shelter-cost-to-income ratio (STIR)

The STIR is calculated for each household by dividing shelter cost by total household income. Shelter costs include, as applicable, rent, mortgage payments (principal and interest), property taxes, condominium fees, and payments for electricity, fuel, water and other municipal services. The average STIR is the average of the STIR for each household; it cannot be calculated by dividing the average shelter cost by the average income.

Supplemental information and analysis

Evolution of the assessment of housing need in Canada

Views of what is considered acceptable housing have changed over time with increasing household income, advances in materials and building science, and changing tastes. For example, before they became common and expected, housing adequacy in Canada was measured by whether or not a dwelling possessed basic plumbing facilities. Subsequently in the 1980s, adequacy came to be measured by whether or not a dwelling needed major repairs, and this is still the standard for adequacy today. The data on which the assessment is based are self-reported by occupants who are given guidance as to what constitutes major and minor repairs, and regular maintenance. The alternative of having an expert assess housing adequacy would be too costly.

Housing suitability, which measures whether or not a household's accommodation is crowded, was previously measured in Canada by whether or not there was more than one person (regardless of relationship) per room (regardless, to some extent, of type of room—some rooms, such as bathrooms, halls, vestibules, and rooms used solely for business purposes, are excluded). We held extensive consultations with provincial housing agencies in the 1980s which resulted in the National Occupancy Standard (NOS); it sets out a formula for determining the number of bedrooms a household requires based on both the household size and its composition. This standard is used in a more sophisticated housing suitability measure—still in use today—which compares the number of bedrooms in the dwelling with the number required under the NOS. The improvement in the housing suitability indicator came with a cost; namely, more data (on age, sex and relationship of all persons in the household) are required for it to be estimated. The NOS represents one agreed-upon view from among many potential possibilities as to what would constitute crowding.

Housing affordability has been, and still is, based on the proportion of before-tax household income spent on shelter; however, the income threshold applied has varied from the original 25% (based on one week's wages for one month of housing). In 1986, it was agreed during the development of the federal/provincial/territorial social housing programs to use a shelter-cost-to-income ratio threshold of 30%. A household was recognized to be spending more than the norm if its shelter-cost-to-income ratio (before-tax) was at or above 30%. However, it was also recognized that a household could spend more than this norm out of choice, so only households with no alternative were viewed as having an affordability problem and in need of social housing assistance.

Finally, Canada developed an integrated indicator which first identifies those households whose housing is below **at least one** of the adequacy, suitability and affordability standards. It then compares the household income of each of these households with that necessary to access acceptable local housing which meets all three standards. In communities where market rents can be estimated, the cost of acceptable housing is calculated using the median rent of rental units with the number of bedrooms the household requires. Elsewhere, the cost of acceptable housing is based on the estimated monthly carrying cost of a newly constructed home with the number of bedrooms the household requires.

Those households in below-standard(s) housing which have insufficient income to access acceptable local housing are said to be in *core housing need*.

The *core housing need* indicator thus provides an integrated picture of housing need, addressing the following issues:

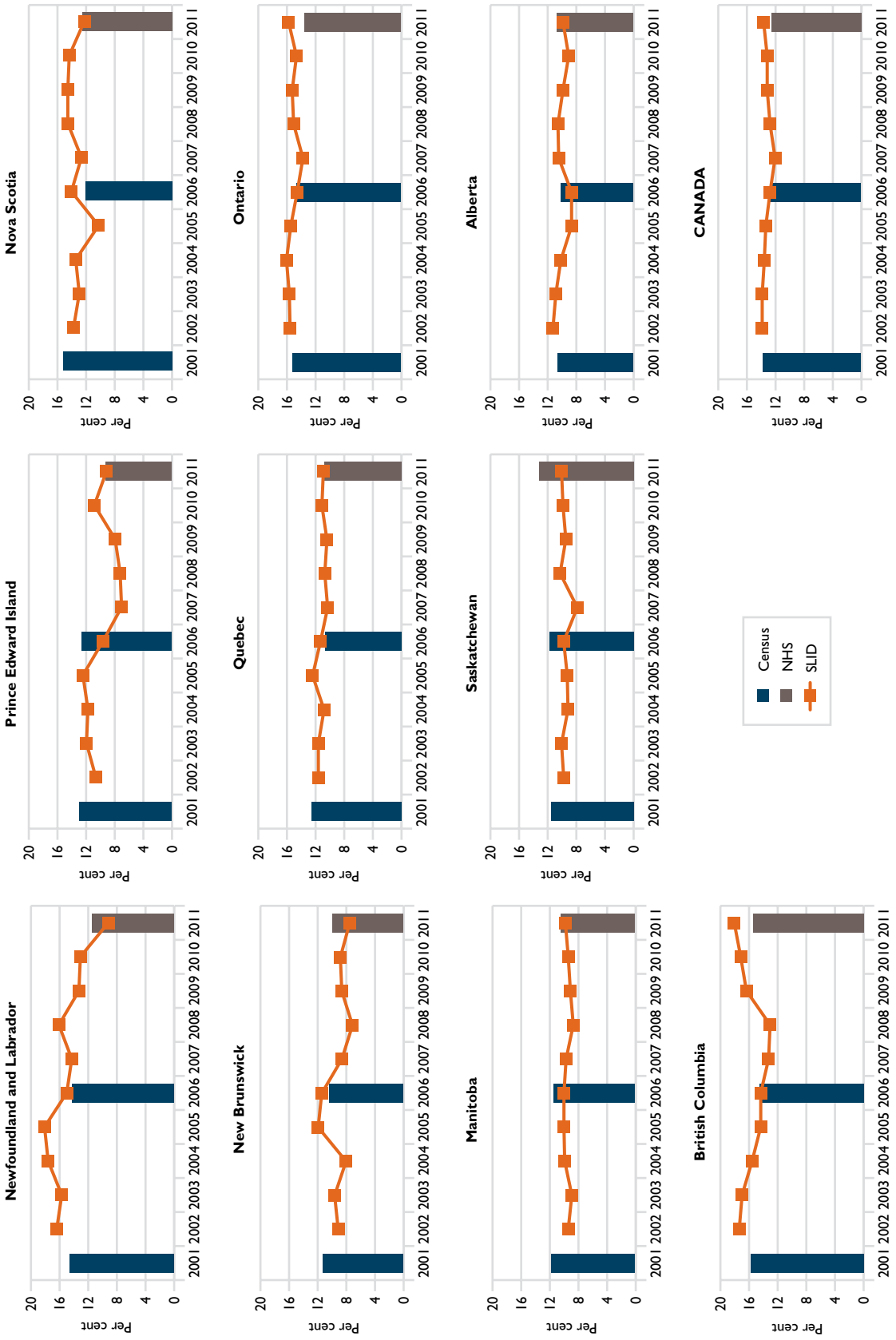
- Looking at adequacy, suitability and affordability indicators only in isolation; and
- Whether a household is living in below-standard housing out of choice.

Housing conditions of urban households, 2002-2011, based on data from the Survey of Labour and Income Dynamics

Data for *core housing need* for urban areas are presented in *Annex Figures 1-1* and *1-2* from the 2011 NHS, the 2001 and 2006 censuses, and, for 2002 to 2011, from the annual *Survey of Labour and Income Dynamics* (SLID).

ANNEX FIGURE 1-1

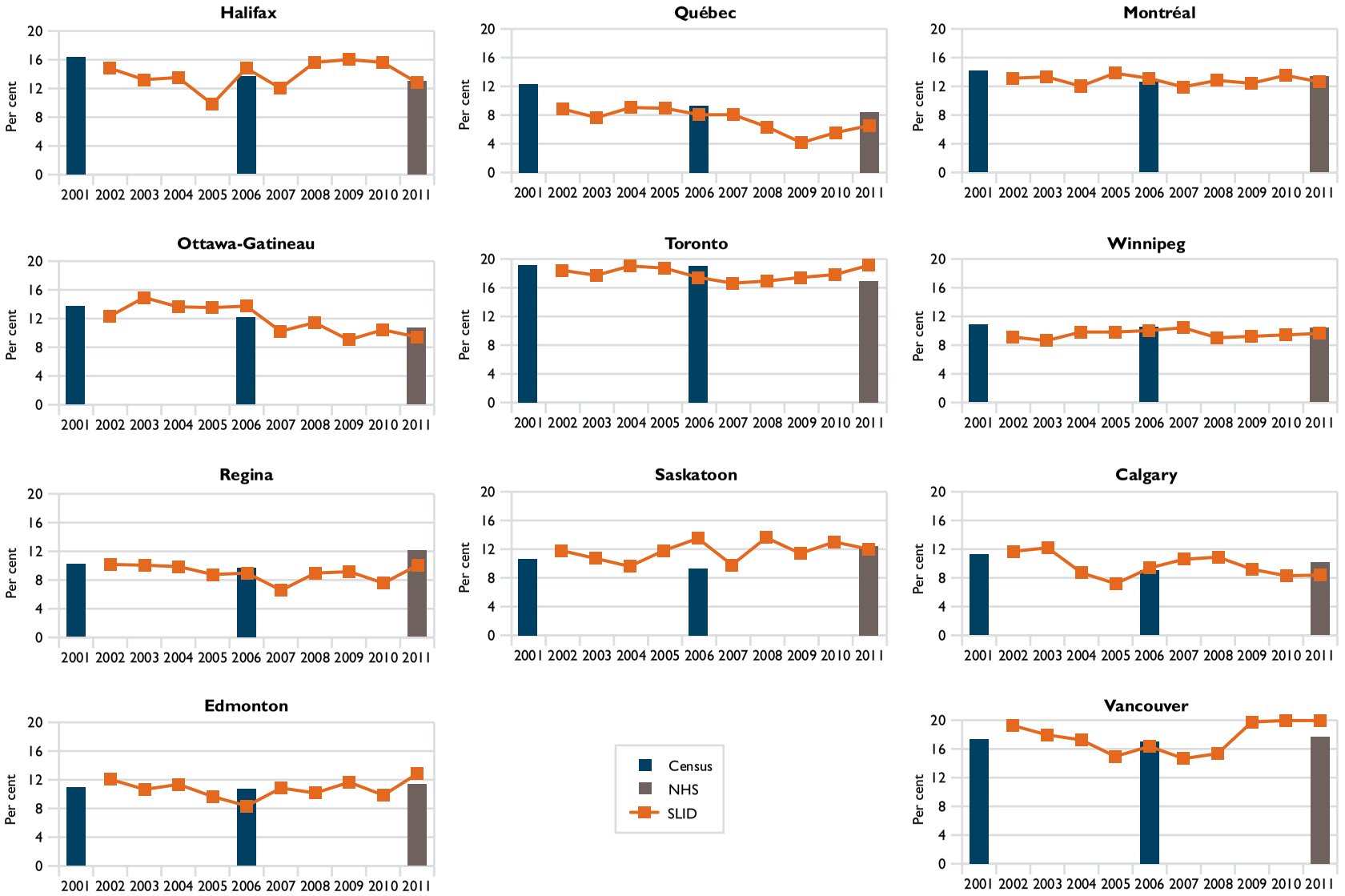
Incidences of urban core housing need based on Census, NHS, and SLID, Canada and Provinces, 2001-2011



All figures are rounded.
Note: SLID-based housing data are unavailable for 2001.
For information on differences between Census-based, NHS-based and SLID-based estimates, see *Data sources used to estimate housing need* on page 1-22.

Source: CMHC (Census-, NHS- and SLID-based housing indicators and data)

Incidences of core housing need based on Census, NHS, and SLID, selected Census Metropolitan Areas, 2001-2011



All figures are rounded.
Note: SLID-based housing data are unavailable for 2001.
For information on differences between Census-based, NHS-based and SLID-based estimates, see *Data sources* used *to estimate housing need* on page 1-22.

Source: CMHC (Census-, NHS- and SLID-based housing indicators and data)

Because of its relatively small sample size, SLID data have less precision than census or NHS data.

The census data suggest that the Canadian incidence of urban *core housing need* declined from 2001 to 2006, and the NHS data suggest this improvement continued to 2011. The SLID data suggest that urban *core housing need* improved (i.e., declined) from 2002 to 2007. The economic recession of 2008-2009 eroded these gains, increasing the incidence of urban core housing need by 2011 to about what it had been in 2002.

How do Census-, NHS- and SLID-based estimates of core housing need line up for Provinces and selected CMAs?

Census/NHS income estimates are for the previous year (e.g. 2010 for the 2011 NHS) and shelter cost estimates are for the same year as Census Day (e.g. 2011 for the 2011 NHS). For SLID, income estimates are for the reference year (e.g. 2010 for the 2010 SLID) and shelter costs estimates are for the first quarter of the following year (e.g. 2011 for the 2010 SLID). Therefore, it would be expected that SLID estimates of *core housing need* for 2005 and 2010 should align best with 2006 Census and 2011 NHS estimates, respectively, for urban households.

For Canada and some provinces such as Ontario and British Columbia, the alignment appears to be better for the 2005 SLID and the 2006 Census than for the 2010 SLID and the 2011 NHS *(see Annex Figure 1-1).* For other provinces, such as Quebec, the reverse appears to be the case.

For selected CMAs *(see Annex Figure 1-2),* the alignment appears better for Montréal, Toronto and Winnipeg than for Vancouver, Regina or Halifax.

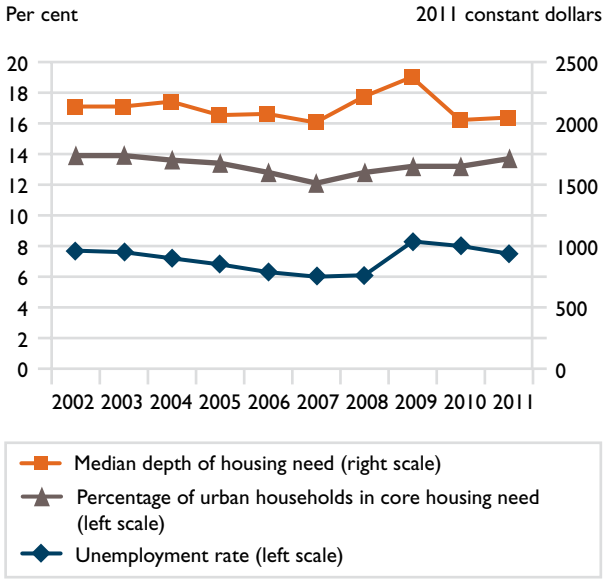
Depth of housing need unchanged in 2011

The depth of housing need for urban households in *core housing need* appears to have changed little from 2010 to 2011; the median depth of need was $2,050 in 2011 (in 2011 constant dollars); in 2010, it was $2,030 *(see Annex Figure 1-3).*

The median depth of need peaked at $2,380 in 2009, the year in which the unemployment was highest.

ANNEX FIGURE 1-3

Incidence of urban core housing need, median depth of housing need, and Canadian unemployment rate, 2002-2011



All figures are rounded.

Source: CMHC (SLID-based housing indicators and data); Statistics Canada: *Labour Force Survey* (2002-2011)

Data sources used to estimate housing need

In the early 1980s, we sponsored housing questions on Statistics Canada's *Household Facilities and Equipment Survey* to measure housing need for renter households.

In 1985 we and our provincial housing partners agreed on the need to measure housing need for homeowner households as well as renters, and worked with Statistics Canada to develop the 1990 *Shelter Cost Survey,* see http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=3507 (October 16, 2014).

Housing data from the Census and National Household Survey

Beginning with the 1991 Census of Population, we have sponsored questions on the mandatory long-form Census, and continued with this sponsorship on the voluntary *National Household Survey* (NHS) which replaced the long-form Census in 2011.

Census of Population

The Census of Population collects demographic and other information on the population of Canada. Its large sample provides extensive scope for cross-classification of data and a degree of local geographic detail that surveys with smaller samples cannot match.

In recent years prior to changes introduced in 2011, the census consisted of two mandatory questionnaires: a short-form and a long-form. Most households (80%) received only the short-form questionnaire, which contained questions on basic topics such as age, sex, marital status, and mother tongue. One in five households (20%) received the long-form questionnaire, which contained additional questions on topics such as education, ethnicity, mobility, income, employment, housing and dwelling characteristics. Starting with the 1991 Census, we began deriving *core housing need* estimates using data from the long-form questionnaire.

The 2011 Census was conducted using a short-form questionnaire which consisted of the following components:

1. The same eight questions that appeared on the 2006 Census short-form questionnaire; and
2. Two additional questions on knowledge of official languages and languages spoken at home. It collected data from some 33.5 million people and 13.5 million households.

The National Household Survey (NHS), 2011

In 2011, the mandatory long-form census questionnaire was replaced by the voluntary *National Household Survey* (NHS). The NHS provides social and economic information for communities so that they may better plan services such as child care, schooling, family services, housing, roads and public transportation, and skills training for employment. A random sample of 4.5 million households was invited to respond to a 64-question survey questionnaire which Statistics Canada had updated from the long-form questionnaire used in the 2006 Census. In remote areas and on Indian reserves, information was gathered in face-to-face interviews. In other areas of the country, respondents were asked to complete the questionnaire online or by mail; and follow-up was conducted by enumerators with households who had not yet responded. About 3 million households responded; the response rate was 68.6%, similar to rates on other voluntary surveys conducted by Statistics Canada.

Income estimates from the 2011 NHS are for 2010, and shelter cost estimates are for 2011.

Survey of Labour and Income Dynamics (SLID)

SLID was an annual household survey conducted by Statistics Canada that collected information on the labour and income characteristics from a sample of some 68,000 adults or about 34,000 households. SLID covered the 10 Canadian provinces but excludes households in the territories, in institutions or collective dwellings, in military barracks and on Indian reserves. The final year for which Statistics Canada provided cross-sectional data from SLID is 2011 and the final year for which it provided longitudinal data is 2010.

Beginning with the 2002 reference year, we sponsored housing questions on SLID in order to obtain annual estimates of urban housing need in intercensal as well as censal years. This has provided cross-sectional (point-in-time) estimates of housing need for urban households from 2002 to 2011 which are discussed in the chapter.

SLID also provided longitudinal estimates for 2002 to 2010 of individuals living in urban households in *core housing need,* including persistence of core housing need over three- and six-year periods, and year-to-year movements into and out of *core housing need*. See "Recent Trends in Housing Affordability and Core Housing Need" in the 2013 *Canadian Housing Observer* www.cmhc-schl.gc.ca/en/corp/about/cahoob/upload/chapter_6_68001_w_acc.pdf (April 14, 2014).

Core housing need estimates from SLID are produced only for urban areas because the rental market data used in the calculation of core housing need are not available annually for smaller centres. Urban areas here include Census Metropolitan Areas (CMAs) and Census Agglomerations (CAs) in the 10 provinces.

A CMA must have a total population of at least 100,000, of which 50,000 or more must live in the core. A CA must have a core population of at least 10,000.

Excluding the territories, about 83% of households assessed for core housing need lived in CMAs or CAs, according to data from the 2011 NHS.

Since the SLID sample of about 34,000 households is much smaller than the 2006 Census and 2011 NHS samples, SLID-based estimates have less precision than estimates based on census or NHS data. Thus differences between SLID-based estimates, either from year to year or between categories or geographic areas, may not be statistically significant. Where possible, the significance of differences between estimates has been assessed using measures of precision of the estimates [coefficients of variation (CVs—the coefficient of variation (CV) is the standard error divided by the estimate; the smaller the CV, the more accurate the estimate)] provided by Statistics Canada. Letter grades indicating quality levels for estimates are provided in some tables:

"A" indicates excellent data quality, with a CV of less than 2%.

"B" indicates very good quality, with a CV between 2% and 3.9%.

"C" indicates good quality, with a CV between 4% and 7.9%.

"D" indicates acceptable quality, with a CV between 8% and 15.9%.

"E" indicates that the estimate should be used with caution since its CV is 16% or more.

"F" indicates that the estimate has been suppressed due to unacceptable data quality—it either has a CV of more than 33% or it is based on 25 observations or fewer.

Income estimates from the 2011 SLID are for 2011, and shelter cost estimates are as of the first quarter of 2012.

Comparability of data from different sources

Data based on the 2011 NHS, previous censuses, and the *Survey of Labour and Income Dynamics* may not be strictly comparable due to methodological differences.

Statistics Canada has advised caution in comparing Census-based and NHS-based estimates. This is because the change of methodology from a mandatory to a voluntary survey introduces some uncertainty as to what extent differences are due to actual changes in what is being measured or to what Statistics Canada refers to as survey non-response bias. Non-response bias is a potential source of error for all surveys. It arises when the characteristics of those who choose to participate in the survey are different than those who refuse, and increases as the response rate declines. Generally, the risk of error increases for lower levels of geography and for smaller populations. See 2011 *National Household Survey* (NHS): Design and Quality, presentation to the Housing Data Working Group of the National Housing Research Committee on November 5, 2013, at http://www.nhrc-cnrl.ca/sites/default/files/Margaret%20Michalowski_HD_E_0.pdf (April 14, 2014).

While the change from a mandatory to voluntary survey may have affected comparability of the data from the NHS to earlier censuses, for 2011 the NHS is the most comprehensive source of data on Canadian households. The survey sampled about 4.5 million households, with 68.6% (about 3 million households) responding. The NHS continues the Census's tradition of providing detailed data not available from other surveys in Canada; useful data from the NHS are available at the municipal and even neighbourhood levels (Statistics Canada has suppressed data for some communities for confidentiality, as well as data quality and non-response issues), as well as for Canada, the provinces and territories. Further, because of the large sample size of the survey, combinations of many variables can be analyzed. When using the NHS to estimate *core housing need,* we undertook a comprehensive review of the data, including the inputs into *core housing need.* The housing need estimates reasonably represent housing conditions in 2011.

Tables

TABLE 1-1

Households[1] below housing standard(s), Canada, 2011

Housing standard(s) not met	All households			Able to access acceptable housing			Unable to access acceptable housing - in core housing need		
	Number (thousands)	Per cent	Cumulative Per cent	Number (thousands)	Per cent	Cumulative Per cent	Number (thousands)	Per cent	Cumulative Per cent
Affordability only	2,311	18.5	18.5	1,174	9.4	9.4	1,138	9.2	9.2
Affordability and adequacy	219	1.8	20.3	91	0.8	10.2	127	1.0	10.2
Affordability and suitability	151	1.2	21.5	39	0.3	10.5	112	0.9	11.1
Affordability, suitability and adequacy	18	0.1	21.6	3	0.0	10.5	15	0.1	11.2
Suitability only	505	4.1	25.7	436	3.5	14.0	68	0.6	11.8
Adequacy only	586	4.7	30.4	506	4.1	18.1	80	0.6	12.4
Suitability and adequacy	53	0.4	30.8	42	0.3	18.4	12	0.1	12.5
Total	3,843	30.8		2,291	18.4		1,552	12.5	

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-2

Housing conditions, Canada, Provinces and Territories, 2011[1]

	Number of households (thousands)	Number of households in core housing need (thousands)	Incidence of core housing need (%)	For households in core housing need		
				Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
Canada	**12,462**	**1,552**	**12.5**	**22,833**	**10,476**	**49.4**
Newfoundland and Labrador	202	23	11.4	18,225	7,764	45.6
Prince Edward Island	54	5	9.2	17,812	8,340	49.9
Nova Scotia	370	46	12.5	18,376	8,184	48.5
New Brunswick	299	30	9.9	16,997	7,380	46.3
Quebec	3,224	348	10.8	17,025	7,896	50.5
Ontario	4,600	617	13.4	25,086	11,796	49.9
Manitoba	423	43	10.3	22,018	8,436	43.8
Saskatchewan	359	47	13.2	23,917	9,324	43.8
Alberta	1,285	137	10.7	26,671	12,264	49.7
British Columbia	1,611	247	15.4	24,568	11,580	50.1
Yukon	13	2	14.6	33,892	10,344	38.3
Northwest Territories	14	2	15.7	37,500	10,788	32.6
Nunavut	9	3	39.2	58,079	6,228	12.3

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-3

Housing conditions by tenure, Canada, Provinces and Territories, 2011[1]

	Incidence of core housing need (%)		
	All households	Owners	Renters
Nunavut	39.3	22.6	43.7
Northwest Territories	15.7	9.8	22.1
British Columbia	15.4	8.8	31.3
Yukon	14.6	10.1	24.9
Ontario	13.4	7.2	29.6
Saskatchewan	13.2	7.7	29.0
Canada	**12.5**	**6.5**	**26.4**
Nova Scotia	12.5	6.5	28.1
Newfoundland and Labrador	11.4	6.2	30.0
Quebec	10.8	3.9	22.1
Alberta	10.7	6.4	23.2
Manitoba	10.3	5.8	22.0
New Brunswick	9.9	5.5	24.3
Prince Edward Island	9.2	5.5	19.7

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-4

Housing conditions, Canada and Census Metropolitan Areas (CMAs), 2011[1]

	Number of households (thousands)	Number of households in core housing need (thousands)	Incidence of core housing need (%)	For households in core housing need		
				Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
Vancouver	815	145	17.7	26,227	12,468	50.2
Toronto	1,865	316	16.9	28,329	13,380	50.0
Victoria	142	21	14.7	24,009	11,400	50.8
Barrie	65	9	14.0	27,469	13,284	50.7
Abbotsford - Mission	55	8	14.0	26,897	12,252	49.7
Brantford	49	7	13.4	20,717	9,912	50.8
All CMAs	**8,584**	**1,146**	**13.4**	**23,541**	**11,148**	**50.4**
Montréal	1,527	204	13.3	17,730	8,496	51.5
Peterborough	46	6	13.2	23,966	10,752	48.2
Halifax	157	20	13.0	20,651	9,576	50.6
London	184	24	12.9	20,566	9,612	49.8
Kingston	62	8	12.7	22,046	10,224	49.2
Canada	**12,462**	**1,552**	**12.5**	**22,833**	**10,476**	**49.4**
Saskatoon	99	12	12.4	22,769	10,824	50.8
Kelowna	66	8	12.2	22,149	11,688	54.1
Regina	82	10	12.0	24,633	10,524	47.2
St. John's	76	9	11.9	20,015	9,324	48.9
St. Catharines - Niagara	154	18	11.6	20,514	9,792	50.5
Hamilton	270	31	11.3	21,245	10,080	50.2
Edmonton	425	48	11.3	25,576	12,264	51.1
Windsor	120	14	11.3	19,092	8,868	49.3
Saint John	50	5	10.8	16,904	7,704	47.7
Ottawa - Gatineau	477	51	10.7	23,632	10,968	49.7
Oshawa	124	13	10.5	23,845	11,724	51.4
Thunder Bay	50	5	10.5	19,159	8,496	47.6
Guelph	52	5	10.4	23,015	10,764	49.8
Winnipeg	279	29	10.3	20,519	8,688	46.8
Kitchener - Cambridge - Waterloo	174	18	10.3	22,179	10,632	50.6
Calgary	440	44	10.1	26,181	13,008	52.0
Greater Sudbury/Grand Sudbury	65	6	10.0	20,013	8,964	48.1
Sherbrooke	88	9	9.8	13,938	6,744	51.8
Moncton	56	5	9.5	18,556	8,832	49.8
Québec	334	29	8.6	15,903	7,812	51.5
Trois-Rivières	67	6	8.2	12,526	6,012	50.8
Saguenay	67	4	5.9	13,016	6,504	52.5

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-5

Housing conditions by tenure, Canada and Census Metropolitan Areas (CMAs), 2011[1]

	Incidence of core housing need (%)	
	Owners	Renters
Canada	**6.5**	**26.4**
All CMAs	**6.6**	**27.1**
St. John's	4.8	29.8
Halifax	5.4	26.7
Moncton	4.2	22.7
Saint John	5.1	25.2
Saguenay	1.8	13.5
Québec	2.7	17.7
Sherbrooke	2.3	19.3
Trois-Rivières	2.4	16.5
Montréal	4.1	25.2
Ottawa - Gatineau	4.4	24.7
Kingston	4.9	29.2
Peterborough	6.3	33.2
Oshawa	5.8	29.8
Toronto	10.1	32.4
Hamilton	5.0	27.8
St. Catharines - Niagara	5.5	29.9
Kitchener - Cambridge - Waterloo	4.4	24.8
Brantford	5.9	35.2
Guelph	5.1	25.3
London	5.2	28.9
Windsor	5.1	28.9
Barrie	8.5	35.5
Greater Sudbury/Grand Sudbury	3.5	24.2
Thunder Bay	5.1	25.1
Winnipeg	4.7	23.1
Regina	5.0	30.2
Saskatoon	5.5	28.9
Calgary	6.1	22.1
Edmonton	5.8	25.5
Kelowna	7.5	27.6
Abbotsford - Mission	8.3	31.5
Vancouver	10.8	31.7
Victoria	7.0	29.7

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-6

Housing conditions by household type, 2011[1]

Household type	Number of households (thousands)	Number of households in core housing need (thousands)	Incidence of core housing need (%)	For households in core housing need		
				Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
All households	12,462	1,552	12.5	22,833	10,476	49.4
Family	8,641	774	9.0	28,269	12,492	47.6
One family	8,396	756	9.0	27,958	12,432	47.8
Couple with children	3,761	266	7.1	32,141	14,412	48.5
Couple without children	3,383	163	4.8	24,075	11,196	49.2
Lone parent	1,252	328	26.2	26,496	11,436	46.5
Female lone parent	995	286	28.7	26,432	11,388	46.4
Male lone parent	257	42	16.5	26,922	11,748	47.1
Multiple family	244	18	7.2	41,677	15,096	40.0
Non family	3,822	779	20.4	17,433	8,484	51.1
One person	3,323	718	21.6	16,651	8,244	51.6
Female	1,834	431	23.5	17,113	8,412	50.9
Male	1,489	288	19.3	15,961	7,992	52.6
Two-or-more-person	499	60	12.1	26,736	11,400	45.8

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-7

Housing conditions by selected household[1] type, Canada and Census Metropolitan Areas (CMAs), 2011

	Incidence of core housing need (%)				
	Family Households				Non family households
	All	Couple[2]	Lone parent	Multiple family	
Canada	**9.0**	**6.0**	**26.2**	**7.2**	**20.4**
All CMAs	**10.0**	**6.8**	**27.4**	**7.3**	**20.9**
St. John's	8.2	4.1	29.9	0.0	21.4
Halifax	8.7	4.6	31.0	8.1	21.7
Moncton	5.8	2.7	25.6	0.0	17.6
Saint John	6.5	3.2	23.3	0.0	21.1
Saguenay	3.3	1.6	14.2	0.0	11.5
Québec	3.6	2.2	12.7	4.1	16.9
Sherbrooke	5.7	3.2	19.5	0.0	16.3
Trois-Rivières	4.8	2.1	18.5	0.0	13.5
Montréal	8.4	5.3	22.8	6.6	22.5
Ottawa - Gatineau	7.7	4.8	23.8	6.4	17.0
Kingston	8.0	4.4	29.1	3.8	22.5
Peterborough	9.5	5.6	33.1	6.8	21.7
Oshawa	7.5	4.4	24.5	4.2	20.6
Toronto	14.5	11.2	33.1	8.9	24.0
Hamilton	8.0	4.8	25.1	3.5	19.5
St. Catharines - Niagara	8.1	4.7	26.0	1.4	19.7
Kitchener - Cambridge - Waterloo	7.3	4.4	24.7	4.0	18.2
Brantford	7.8	4.1	27.2	2.1	28.2
Guelph	7.2	4.6	23.5	3.7	18.5
London	9.0	5.3	28.9	3.5	21.0
Windsor	8.9	4.7	28.4	2.3	17.0
Barrie	11.2	7.2	32.8	8.3	22.9
Greater Sudbury/Grand Sudbury	6.8	3.9	22.9	0.0	17.2
Thunder Bay	6.8	3.2	23.7	4.9	17.8
Winnipeg	8.3	4.7	26.3	8.5	14.3
Regina	9.4	4.8	31.7	17.3	17.3
Saskatoon	9.0	5.1	31.3	12.1	19.2
Calgary	7.7	5.7	22.1	5.9	15.6
Edmonton	8.2	5.2	26.4	5.0	18.6
Kelowna	8.5	5.6	29.9	4.8	21.0
Abbotsford - Mission	11.5	7.9	36.4	7.1	21.1
Vancouver	14.0	11.0	35.2	7.4	25.9
Victoria	9.5	5.9	32.4	5.0	23.1

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

[2] Includes couples with and without children.

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

TABLE 1-8

Housing conditions by household type, tenure, and presence of mortgage, Canada, 2011

Household type	Tenure	Number of households[1] (thousands)	Number of households[1] in core housing need (thousands)	Incidence of core housing need (%)	For households[1] in core housing need		
					Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
All households	Owned	8,712	563	6.5	25,632	12,336	50.5
	Mortgaged	5,059	336	6.6	29,866	16,236	57.8
	Not mortgaged	3,654	227	6.2	19,354	6,540	39.7
	Rented	3,750	989	26.4	21,242	9,420	48.7
Family	Owned	6,827	332	4.9	30,395	14,676	51.1
	Mortgaged	4,160	239	5.7	33,458	17,772	56.1
	Not mortgaged	2,667	94	3.5	22,580	6,768	38.3
	Rented	1,813	442	24.3	26,670	10,836	44.9
Couple	Owned	5,908	218	3.7	30,326	14,904	51.9
	Mortgaged	3,549	154	4.3	33,805	18,264	57.0
	Not mortgaged	2,359	64	2.7	21,990	6,840	39.5
	Rented	1,237	210	17.0	27,785	11,412	45.5
Lone parent	Owned	713	103	14.5	29,416	13,944	50.2
	Mortgaged	464	77	16.6	31,705	16,464	54.9
	Not mortgaged	249	26	10.6	22,762	6,612	36.5
	Rented	538	225	41.7	25,151	10,272	44.8
Multiple family	Owned	206	11	5.2	41,330	17,280	44.5
	Mortgaged	147	8	5.3	43,899	21,096	50.5
	Not mortgaged	59	3	4.8	34,262	6,732	27.8
	Rented	38	7	17.9	42,215	11,664	33.0
Non family	Owned	1,885	231	12.2	18,776	8,952	49.6
	Mortgaged	899	98	10.9	21,080	12,480	61.8
	Not mortgaged	987	133	13.5	17,089	6,384	40.6
	Rented	1,937	548	28.3	16,867	8,292	51.8

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-9

Housing conditions by age of primary household maintainer,[1] Canada, 2011

Age of primary household maintainer	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	Distribution of households[2] in core housing need (%)	For households[2] in core housing need		
					Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
Non-senior households (15 to 64 years)	9,574	1,158	12.1	74.6	23,427	10,836	50.5
15 to 29	1,172	177	15.1	11.4	22,866	10,584	50.4
30 to 44	3,214	401	12.5	25.8	26,060	11,916	50.0
45 to 64	5,188	580	11.2	37.4	21,777	10,176	50.8
Senior households (65 years and older)	2,888	394	13.7	25.4	21,090	9,432	46.2
All households	12,462	1,552	12.5	100.0	22,833	10,476	49.4

All figures are rounded.

[1] A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. Where more than one person in a household claims responsibility for such payments, the primary maintainer is the first person listed on the survey form as a maintainer.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-10

Housing conditions by age of primary household maintainer,[1] tenure, and presence of mortgage, Canada, 2011

Age of primary household maintainer	Tenure	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	For households[2] in core housing need		
					Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
All ages	Owned	8,712	563	6.5	25,632	12,336	50.5
	Mortgaged	5,059	336	6.6	29,866	16,236	57.8
	Not mortgaged	3,654	227	6.2	19,354	6,540	39.7
	Rented	3,750	989	26.4	21,242	9,420	48.7
Non-senior households	Owned	6,586	388	5.9	26,993	13,440	52.9
	Mortgaged	4,566	267	5.9	31,080	16,812	57.7
	Not mortgaged	2,020	121	6.0	17,965	5,976	42.2
	Rented	2,988	770	25.8	21,628	9,528	49.2
15 to 29	Owned	454	26	5.7	27,315	14,136	55.4
	Mortgaged	391	21	5.3	29,581	16,236	58.9
	Not mortgaged	63	5	8.6	18,754	6,216	42.3
	Rented	717	151	21.0	22,099	9,972	49.6
30 to 44	Owned	2,163	125	5.8	30,714	15,660	54.3
	Mortgaged	1,860	102	5.5	33,053	17,760	57.4
	Not mortgaged	303	22	7.4	20,066	6,120	40.6
	Rented	1,052	276	26.3	23,957	10,212	48.0
45 to 64	Owned	3,968	237	6.0	25,001	12,192	51.9
	Mortgaged	2,315	144	6.2	29,895	16,212	57.9
	Not mortgaged	1,653	93	5.6	17,411	5,928	42.5
	Rented	1,219	342	28.1	19,542	8,772	50.1
Senior households (65+)	Owned	2,127	175	8.2	22,604	9,876	45.1
	Mortgaged	493	69	14.0	25,153	14,016	57.9
	Not mortgaged	1,634	106	6.5	20,944	7,188	36.8
	Rented	762	220	28.9	19,888	9,072	47.0

All figures are rounded.

[1] A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. Where more than one person in a household claims responsibility for such payments, the primary maintainer is the first person listed on the survey form as a maintainer.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-11

Housing conditions of senior[1] households by tenure and household type, Canada, 2011

Tenure	Household type	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	For households[2] in core housing need		
					Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
Owners	All senior households	2,127	175	8.2	22,604	9,876	45.1
	Family	1,404	55	3.9	29,604	12,432	43.5
	Couple	1,214	38	3.1	29,352	12,636	44.5
	Lone parent	150	15	10.2	28,675	11,532	41.8
	Multiple family	41	2	4.4	42,768	15,816	39.4
	Non family	722	120	16.6	19,397	8,712	45.8
Renters	All senior households	762	220	28.9	19,888	9,072	47.0
	Family	235	33	14.0	28,111	11,160	41.9
	Couple	183	19	10.4	27,468	11,328	42.9
	Lone parent	46	13	28.3	28,119	10,872	41.1
	Multiple family	6	1	12.9	45,036	11,772	31.7
	Non family	527	187	35.5	18,448	8,712	47.9
All senior households		2,888	394	13.7	21,090	9,432	46.2

All figures are rounded.

[1] A senior household is a household whose primary maintainer is 65 years old or older. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. Where more than one person in a household claims responsibility for such payments, the primary maintainer is the first person listed on the survey form as a maintainer.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-12

Housing conditions of off-reserve Aboriginal[1] and Non-Aboriginal households by household type, Canada, 2011

Aboriginal status	Household type	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	Distribution of households in core housing need (%)
All households		12,462	1,552	12.5	100.0
Aboriginal households	All types	503	96	19.0	6.2
	Family households	387	63	16.3	4.1
	Couple	290	27	9.4	1.8
	Lone parent	83	33	40.4	2.1
	Multiple family	14	2	17.2	0.2
	Non family	116	33	28.2	2.1
Non-Aboriginal households	All types	11,959	1,456	12.2	93.8
	Family households	8,253	710	8.6	45.8
	Couple	6,854	401	5.8	25.8
	Lone parent	1,169	295	25.2	19.0
	Multiple family	230	15	6.5	1.0
	Non family	3,706	746	20.1	48.0

All figures are rounded.

[1] An Aboriginal household is defined by CMHC as one of the following:
a) A non-family household in which at least 50% of household members self-identified as Aboriginal; or
b) A family household that meets at least one of two criteria:
- At least one spouse, common-law partner, or lone parent self-identified as an Aboriginal; or
- At least 50% of household members self-identified as Aboriginal.

A person self-identifies as being Aboriginal. Aboriginal identities include North American Indians (both status and non-status), Métis and Inuit.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-13

Housing conditions of off-reserve Aboriginal[1] and Non-Aboriginal households by household type and tenure, Canada, 2011

Aboriginal status	Household type	Tenure	Incidence of core housing need (%)	For households[2] in core housing need		
				Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
All households		Owners	6.5	25,632	12,336	50.5
		Renters	26.4	21,242	9,420	48.7
Aboriginal households	All households	Owners	7.9	29,168	11,136	43.5
		Renters	34.7	24,428	9,144	45.0
	Family households	Owners	6.7	32,534	12,252	43.0
		Renters	34.0	28,817	9,840	41.5
	Couple	Owners	4.8	31,781	12,120	43.5
		Renters	21.9	31,544	10,080	40.2
	Lone parent	Owners	20.4	31,653	12,648	44.3
		Renters	51.8	25,444	9,756	43.4
	Multiple family	Owners	7.9	49,555	10,908	27.0
		Renters	36.2	55,221	8,820	23.3
	Non family	Owners	14.8	20,137	8,136	44.6
		Renters	36.0	16,745	7,920	51.3
Non-Aboriginal households	All households	Owners	6.4	25,479	12,384	50.8
		Renters	25.9	20,990	9,444	49.0
	Family households	Owners	4.8	30,280	14,808	51.5
		Renters	23.6	26,419	10,944	45.4
	Couple	Owners	3.7	30,255	15,036	52.3
		Renters	16.7	27,449	11,520	46.0
	Lone parent	Owners	14.2	29,276	14,028	50.6
		Renters	40.6	25,110	10,344	45.0
	Multiple family	Owners	5.0	40,696	17,760	45.8
		Renters	15.4	37,944	12,600	36.2
	Non family	Owners	12.2	18,738	8,976	49.7
		Renters	28.0	16,874	8,316	51.8

All figures are rounded.

[1] An Aboriginal household is defined by CMHC as one of the following:
a) A non-family household in which at least 50% of household members self-identified as Aboriginal; or
b) A family household that meets at least one of two criteria:
- At least one spouse, common-law partner, or lone parent self-identified as an Aboriginal; or
- At least 50% of household members self-identified as Aboriginal.

A person self-identifies as being Aboriginal. Aboriginal identities include North American Indians (both status and non-status), Métis and Inuit.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-14

Housing conditions by immigrant status of the primary household maintainer,[1] period of immigration and tenure, Canada, 2011

Immigrant status	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	For households[2] in core housing need		
				Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
Non-immigrants	9,511	1,042	11.0	21,094	9,624	49.3
Owners	6,696	356	5.3	23,534	10,860	49.2
Renters	2,815	686	24.4	19,827	8,976	49.3
Non-permanent residents[3]	92	23	25.4	24,025	11,544	52.7
Owners	20	3	14.6	29,212	15,372	55.6
Renters	72	20	28.3	23,282	10,992	52.3
Immigrants[4]	2,860	487	17.0	26,500	12,276	49.4
Owners	1,996	204	10.2	29,244	14,856	52.6
Renters	863	283	32.8	24,523	10,404	47.1
Period of immigration						
Prior to 1986	1,407	182	12.9	23,440	11,052	49.3
Owners	1,121	92	8.2	25,111	12,204	50.0
Renters	286	89	31.3	21,715	9,864	48.5
1986 to 1995	579	106	18.3	28,569	13,092	48.9
Owners	397	47	12.0	32,143	16,368	53.3
Renters	182	58	31.9	25,657	10,416	45.3
1996 to 2000	278	52	18.9	29,623	13,752	49.4
Owners	186	23	12.4	33,601	17,676	55.1
Renters	92	29	31.9	26,506	10,656	44.9
2001 to 2005	315	64	20.3	29,175	13,428	49.4
Owners	187	24	12.7	33,625	17,916	55.9
Renters	128	40	31.3	26,546	10,764	45.5
2006 to 2011[5]	281	83	29.6	26,521	12,084	50.2
Owners	106	17	16.3	31,495	16,848	56.5
Renters	175	66	37.6	25,210	10,812	48.5
All households	12,462	1,552	12.5	22,833	10,476	49.4
Owners	8,712	563	6.5	25,632	12,336	50.5
Renters	3,750	989	26.4	21,242	9,420	48.7

All figures are rounded.

[1] A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. Where more than one person in a household claims responsibility for such payments, the primary maintainer is the first person listed on the survey form as a maintainer.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

[3] Non-permanent resident households include households whose primary maintainer is from another country, who has a work or study permit or who is a refugee claimant, and any non-Canadian-born family member living in Canada with them.

[4] Immigrant households include households whose primary maintainer has been granted the right to live in Canada permanently by immigration authorities.

[5] Includes January 1, 2006 to May 10, 2011.

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

TABLE 1-15

Housing conditions by household income quintile,[1] Canada, 2011

Income quintile	Income range ($)	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	For households[2] in core housing need		
					Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
All households[2]	**All incomes**	**12,462**	**1,552**	**12.5**	**82,945**	**12,504**	**21.9**
Highest	117,161 and up	2,492	0	0.0	191,840	17,892	10.7
Upper	78,209 to 117,160	2,492	2	0.1	95,683	14,436	15.2
Middle	52,354 to 78,208	2,493	24	1.0	64,704	12,156	18.9
Moderate	31,599 to 52,353	2,493	268	10.8	41,787	10,260	24.8
Lowest	Up to 31,598	2,493	1,257	50.4	20,726	7,752	39.8

All figures are rounded.

[1] Households were ranked by their before-tax household income and divided into five equally-sized groups (quintiles). For descriptive purposes, these groups are referred to as follows: lowest-income, moderate-income, middle-income, upper-income, and highest-income.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-16

Housing conditions of household by household income quintile,[1] tenure, and presence of mortgage, Canada, 2011

Income quintile	Tenure	Number of households[2] (thousands)	Number of households[2] in core housing need (thousands)	Incidence of core housing need (%)	For households[2] in core housing need		
					Average household income before taxes ($)	Average shelter cost ($)	Average STIR before taxes (%)
Middle	Owners	1,831	16	0.8	58,189	19,680	34.2
	Owners with mortgage	1,099	13	1.2	57,929	22,524	39.2
	Owners without mortgage	731	3	0.4	59,436	6,024	10.3
	Renters	662	9	1.3	58,723	13,752	23.7
Moderate	Owners	1,494	140	9.3	39,809	18,168	46.1
	Owners with mortgage	734	120	16.3	39,948	19,944	50.4
	Owners without mortgage	760	20	2.6	38,956	7,320	19.4
	Renters	998	129	12.9	38,654	13,152	34.4
Lowest	Owners	998	407	40.7	19,367	10,032	52.7
	Owners with mortgage	324	203	62.6	21,896	13,620	63.4
	Owners without mortgage	675	204	30.3	16,857	6,468	42.0
	Renters	1,494	850	56.9	18,073	8,820	51.2

All figures are rounded.

[1] Households were ranked by their before-tax household income and divided into five equally-sized groups (quintiles). For descriptive purposes, these groups are referred to as follows: lowest-income, moderate-income, middle-income, upper-income, and highest-income.

[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

TABLE 1-17

Housing conditions, Canada, and urban areas, 1991-2011

			All Households[1]		Living in Acceptable Housing[1]		Living in housing below one or more standards[1]			
							Able to access acceptable housing		Unable to access acceptable housing - in core housing need	
	Source	Year	Total (thousands)	Per cent	Total (thousands)	Per cent	Total (thousands)	Per cent	Total (thousands)	Per cent[4]
Canada	NHS	2011	12,462	100	8,620	69.2	2,291	18.4	1,552	12.5
	Census	2006	11,766	100	8,177	69.5	2,095	17.8	1,494	12.7
		2001	10,806	100	7,557	69.9	1,764	16.3	1,485	13.7
		1996	10,028	100	6,799	67.8	1,662	16.6	1,567	15.6
		1991	9,372	100	6,533	69.7	1,569	16.7	1,270	13.6
CMA/CA[2]	NHS	2011	10,295	100	7,013	68.1	1,959	19.0	1,321	12.8
	Census	2006	9,612	100	6,578	68.4	1,772	18.4	1,262	13.1
		2001	8,736	100	6,033	69.1	1,456	16.7	1,247	14.3
		1996	7,994	100	5,331	66.7	1,365	17.1	1,299	16.3
		1991	7,466	100	5,137	68.8	1,283	17.2	1,046	14.0
CMA/CA[2]	SLID[3]	2011	10,920	100	7,282	66.7	2,145	19.6	1,493	13.7[B]
		2010	10,723	100	7,210	67.2	2,102	19.6	1,410	13.2[B]
		2009	10,552	100	7,120	67.5	2,043	19.3	1,389	13.2[B]
		2008	10,479	100	7,043	67.2	2,099	20.0	1,337	12.8[B]
		2007	10,278	100	6,950	67.6	2,084	20.3	1,243	12.1[B]
		2006	10,113	100	6,869	67.9	1,950	19.0	1,295	12.8[B]
		2005	10,018	100	6,842	68.3	1,836	18.2	1,340	13.4[B]
		2004	9,643	100	6,747	69.9	1,587	16.5	1,309	13.6[B]
		2003	9,532	100	6,654	69.8	1,556	16.3	1,322	13.9[B]
		2002	9,429	100	6,567	69.7	1,549	16.4	1,312	13.9[B]

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%. Urban areas comprise Census Metropolitan Areas (CMAs) and Census Agglomerations (CAs), excluding the territories.

[2] Household counts for CMAs and CAs do not include Whitehorse, YK and Yellowknife, NT. SLID-based estimates for 2002-2005 are based on 2001 Census geography, and for 2006-2011 are based on 2006 census geography.

[3] SLID-based estimates are for urban households. Urban households are households living in Census Metropolitan Areas (CMAs) and provincial Census Agglomerations (CAs).

[4] Letters indicate quality of the SLID-based estimates (see text box *Data sources used to estimate housing need - Survey of Labour and Income Dynamics* on page 1-23).

The numbers shown for households in CMAs/CAs based on the Census and on SLID are not comparable. SLID reflects Statistics Canada's estimates of the total number of households, and these are higher than the numbers of households counted by the Census/NHS, since inevitably not every household is counted by the Census/NHS.

Source: CMHC (Census- (1991-2006), NHS- (2011) and SLID- (2002-2011) based housing indicators and data)

Alternative text and data for figures

Figure 1-1: Housing conditions, Canada, 2001-2011[1]

Year	Households in core housing need		Households not living in, but able to access, acceptable housing		Households living in acceptable housing	
	(#)	(%)	(#)	(%)	(#)	(%)
2001	1,485,335	13.7	1,763,615	16.3	7,556,660	69.9
2006	1,494,395	12.7	2,094,725	17.8	8,177,025	69.5
2011	1,552,145	12.5	2,290,790	18.4	8,619,500	69.2

Per cents may not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-2: Household real[1] median income before tax, and unemployment rate, Canada, 1990-2011

Year	Unemployment rate (%)	Household real[1] median income before-tax (2011 constant dollars)
1990	8.1	58,600
1991	10.3	55,300
1992	11.2	55,200
1993	11.4	53,300
1994	10.4	54,200
1995	9.5	53,900
1996	9.6	53,400
1997	9.1	52,800
1998	8.3	54,500
1999	7.6	56,300
2000	6.8	57,100
2001	7.2	57,800
2002	7.7	57,800
2003	7.6	57,700
2004	7.2	58,000
2005	6.8	59,100
2006	6.3	60,900
2007	6.0	61,900
2008	6.1	63,000
2009	8.3	62,500
2010	8.0	61,800
2011	7.4	62,000

All figures are rounded.

[1] Inflation adjusted.

Source: Statistics Canada *(Survey of Consumer Finances* (1990-1993); *Survey of Labour and Income Dynamics* (1994-1997); *Survey of Labour and Income Dynamics* (1998-2011), CANSIM)

Figure 1-3: Households[1] in core housing need by housing standard(s) not met, Canada, 2011

Housing standard(s) not met	Per cent
Affordability only	73.3
Affordability and adequacy	8.2
Affordability and suitability	7.2
Suitability only	4.4
Adequacy only	5.2
Suitability and adequacy	0.7
Affordability, suitability and adequacy	1.0

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Figure 1-4: Households[1] in core housing need by shelter-cost-to-income ratio (STIR), Canada, 2011

Shelter-cost-to-income ratio	Per cent
Less than 30%	10.3
Greater than or equal to 30% but less than 50%	47.5
Greater than or equal to 50% but less than 100%	42.2

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Figure 1-5: Households[1] in core housing need by bedroom shortfall, Canada, 2011

Bedroom shortfall	Per cent
No-bedroom shortfall (not crowded)	86.7
One-bedroom shortfall	10.6
Two-bedroom shortfall	2.2
Three-or-more-bedroom shortfall	0.5

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Figure 1-6: Incidence of core housing need by Province and Territory, 2001, 2006 and 2011[1]

Geography	2001	2006	2011
	(%)	(%)	(%)
Canada	13.7	12.7	12.5
Newfoundland and Labrador	14.6	14.2	11.4
Prince Edward Island	12.9	12.6	9.2
Nova Scotia	15.2	12.1	12.5
New Brunswick	11.2	10.3	9.9
Quebec	12.5	10.6	10.8
Ontario	15.1	14.5	13.4
Manitoba	11.6	11.3	10.3
Saskatchewan	11.5	11.8	13.2
Alberta	10.5	10.1	10.7
British Columbia	15.8	14.6	15.4
Yukon	15.8	16.3	14.6
Northwest Territories	17.4	17.5	15.7
Nunavut	38.8	37.3	39.3

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-7: Incidence of core housing need by Census Metropolitan Area, 2001, 2006 and 2011[1]

Geography	2001	2006	2011
	(%)	(%)	(%)
Vancouver	17.3	17.0	17.7
Toronto	19.1	19.0	16.9
Victoria	13.4	12.4	14.7
Barrie	14.2	13.5	14.0
Abbotsford - Mission	11.5	12.9	13.9
Brantford	15.9	11.4	13.4
All-CMAs	14.7	13.6	13.4
Montréal	14.1	12.6	13.3
Peterborough	13.2	14.0	13.2
Halifax	16.3	13.6	13.0
London	13.2	12.8	12.9
Kingston	15.0	12.7	12.7
Canada	13.7	12.7	12.5
Saskatoon	10.7	9.3	12.4
Kelowna	11.8	11.1	12.2
Regina	10.1	9.6	12.0
St. John's	13.5	13.5	11.9
St. Catharines - Niagara	12.9	12.2	11.6
Hamilton	13.7	12.9	11.3
Edmonton	10.9	10.6	11.3
Windsor	12.8	12.7	11.3
Ottawa	14.5	12.7	11.1
Saint John	11.2	9.6	10.8
Ottawa - Gatineau	13.7	12.1	10.7
Oshawa	12.0	11.6	10.5
Thunder Bay	11.9	10.9	10.5
Guelph	10.7	11.8	10.4
Winnipeg	10.8	10.4	10.3
Kitchener - Cambridge - Waterloo	11.6	10.3	10.3
Calgary	11.2	9.0	10.1
Greater Sudbury/Grand Sudbury	12.4	10.0	10.0
Sherbrooke	12.0	9.5	9.8
Gatineau	11.0	10.3	9.6
Moncton	10.8	10.8	9.5
Québec	12.3	9.3	8.6
Trois-Rivières	12.9	12.3	8.2
Saguenay	11.2	8.2	5.9

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-8: Incidence of core housing need by housing tenure, Canada, 2001, 2006 and 2011[1]

Year	Owners	Renters
	(%)	(%)
2001	6.6	28.3
2006	6.3	27.2
2011	6.5	26.4

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-9: Distribution of core housing need by housing tenure, Canada, 2001, 2006 and 2011[1]

Year	Owners	Renters
	(%)	(%)
2001	31.9	68.1
2006	34.3	65.7
2011	36.3	63.7

May not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-10: Incidence of core housing need and average STIR for owner households by mortgage status, Canada, 2001, 2006 and 2011[1]

Year	Incidence of core housing need		Average STIR for households not in core housing need		Average STIR for households in core housing need	
	With a mortgage	Without a mortgage	With a mortgage	Without a mortgage	With a mortgage	Without a mortgage
	(%)	(%)	(%)	(%)	(%)	(%)
2001	6.6	6.5	21.0	9.7	55.8	37.5
2006	6.5	6.0	21.7	9.9	57.2	38.9
2011	6.6	6.2	21.7	9.8	57.8	39.7

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-11: Incidence of core housing need by household type, Canada, 2001, 2006 and 2011[1]

Household type	2001	2006	2011
	(%)	(%)	(%)
All households	13.7	12.7	12.5
Family households	9.8	9.2	9.0
One-family households	9.8	9.2	9.0
Couples without children	5.6	5.1	4.8
Couples with children	7.2	7.1	7.1
Lone-parent households	29.2	26.5	26.2
Female lone-parent households	32.0	29.2	28.7
Male lone-parent households	16.8	15.2	16.5
Multiple-family households	8.8	8.4	7.2
Non-family households	23.5	21.1	20.4
One-person households	25.1	22.3	21.6
Female one-person households	28.3	24.8	23.5
Male one-person households	20.8	19.2	19.3
Two or more person households	13.1	12.1	12.1

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-12: Distribution of all households[1] and of those in core housing need by household type, Canada, 2011

Household type	Share of all households (%)	Share of households in core housing need (%)
Couple	57	28
Lone parent	10	21
Multiple family	2	1
Non family	31	50

All figures are rounded.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Figure 1-13: Incidence of core housing need by age of the primary household maintainer, Canada, 2001, 2006 and 2011[1]

Year	Incidence of core housing need			
	15-29 years	30-44 years	45-64 years	65 years old or older (senior households)
	(%)	(%)	(%)	(%)
2001	18.6	13.1	11.1	16.9
2006	16.0	12.9	10.9	14.4
2011	15.1	12.5	11.2	13.7

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-14: Distribution of core housing need by age of the primary household maintainer, Canada, 2001, 2006 and 2011[1]

Year	Distribution of core housing need			
	15-29 years	30-44 years	45-64 years	65 years old or older (senior households)
	(%)	(%)	(%)	(%)
2001	14	31	29	26
2006	12	29	34	25
2011	11	26	37	25

May not add up to 100 due to rounding.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-15: Incidence of core housing need for off-reserve Aboriginal households, Canada, 2001, 2006 and 2011[1]

Year	Off-reserve Aboriginal households	Non-Aboriginal households
	(%)	(%)
2001	24.0	13.5
2006	20.4	12.4
2011	19.0	12.2

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-16: Incidence of core housing need by identity[1] of off-reserve Aboriginal households, Canada, 2011[2]

Aboriginal household identity	Incidence of core housing need
	(%)
All off-reserve Aboriginal households	19.0
Status Indian households	23.4
Non-status Indian households	18.6
Métis households	15.3
Inuit households	33.6

[1] The Aboriginal identity of households is based on the identification reported for each of its members. If at least one member of an Aboriginal household identifies as being Inuit, Métis, a Non-status Indian, or Status Indian the household is counted in that group. A household can be counted in more than one Aboriginal group.
[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Figure 1-17: Incidence of core housing need by immigrant status of the household, Canada, 2001, 2006 and 2011[1]

Year	Immigrant households	Non-immigrant households
	(%)	(%)
2001	18.3	12.4
2006	18.2	11.0
2011	17.0	11.0

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-18: Incidence of core housing need by immigrant status and period of immigration of the household, Canada, 2011[1]

Immigrant status and period of immigration of the household	Incidence of core housing need
	(%)
Non-immigrant households	11.0
Non-permanent resident households	25.4
All immigrant households	17.0
Immigrated before 1986	12.9
Immigrated between 1986 and 1995	18.3
Immigrated between 1996 and 2000	18.9
Immigrated between 2001 and 2005	20.3
Immigrated between 2006 and 2011	29.6

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Figure 1-19: Incidence of core housing need by income quintile[1], Canada, 2001, 2006 and 2011[2]

Year	Low household income quintile	Moderate household income quintile	Other household income quintiles
	(%)	(%)	(%)
2001	54.6	12.3	0.6
2006	51.0	11.2	0.4
2011	50.4	10.8	0.4

[1] Households were ranked by their before-tax household income and divided into five equally-sized groups (quintiles). For descriptive purposes, these groups are referred to as follows: lowest-income, moderate-income, middle-income, upper-income, and highest-income.
[2] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

Source: CMHC (Census-based and NHS-based housing indicators and data)

Figure 1-20: Distribution of households[1] in core housing need by household income quintile, Canada, 2011

Income quintile	Distribution of households in core housing need
	(%)
Upper	0.1
Middle	1.6
Moderate	17.3
Lowest	81.0

All figures are rounded.
There are no households in *core housing need* in the highest-income quintile.

[1] Includes only private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter-cost-to-income ratios (STIRs) less than 100%.

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

Annex Figure 1-1: Incidences of urban core housing need based on Census, NHS, and SLID, Canada and Provinces, 2001-2011

	Newfoundland and Labrador			Prince Edward Island			Nova Scotia			New Brunswick		
Year	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)
2001		14.6			12.9			15.2			11.2	
2002	16.4			10.6			13.8			9.2		
2003	15.7			11.9			13.0			9.7		
2004	17.6			11.7			13.5			8.1		
2005	18.1			12.4			10.3			12.0		
2006	15.0	14.2		9.6	12.6		14.1	12.1		11.5	10.3	
2007	14.3			7.0			12.7			8.7		
2008	16.1			7.2			14.6			7.2		
2009	13.3			7.9			14.6			8.7		
2010	13.1			10.8			14.4			8.9		
2011	9.2		11.4	9.1		9.2	12.3		12.5	7.6		9.9

	Quebec			Ontario			Manitoba			Saskatchewan		
Year	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)
2001		12.5			15.1			11.6			11.5	
2002	11.6			15.5			9.4			9.9		
2003	11.6			15.6			8.9			10.2		
2004	10.8			16.0			9.9			9.3		
2005	12.4			15.4			10.0			9.4		
2006	11.3	10.6		14.5	14.5		10.0	11.3		9.9	11.8	
2007	10.3			13.7			9.7			8.0		
2008	10.7			15.0			8.7			10.4		
2009	10.4			15.2			9.1			9.6		
2010	11.1			14.6			9.4			10.0		
2011	10.9		10.8	15.7		13.4	9.8		10.3	10.2		13.2

	Alberta			British Columbia			Canada		
Year	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)
2001		10.5			15.8			13.7	
2002	11.3			17.5			13.9		
2003	10.9			17.1			13.9		
2004	10.2			15.7			13.6		
2005	8.7			14.5			13.4		
2006	8.7	10.1		14.5	14.6		12.8	12.7	
2007	10.5			13.4			12.1		
2008	10.6			13.2			12.8		
2009	9.9			16.5			13.2		
2010	9.1			17.3			13.2		
2011	9.9		10.7	18.2		15.4	13.7		12.5

All figures are rounded.

SLID-based data are unavailable for 2001.

For information on differences between SLID-based, Census-based and NHS-based estimates, see *Data sources used to estimate housing need* on page 1-22.

Source: CMHC (Census-, NHS- and SLID-based housing indicators and data)

Annex Figure 1-2: Incidences of core housing need based on Census, NHS, and SLID, selected Census Metropolitan Areas, 2001-2011

	Halifax			Québec			Montréal			Ottawa-Gatineau		
Year	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)
2001		16.3			12.3			14.1			13.7	
2002	14.9			8.7			13.2			12.4		
2003	13.3			7.5			13.4			15.0		
2004	13.6			8.9			12.1			13.7		
2005	9.9			8.8			13.9			13.6		
2006	14.9	13.6		7.9	9.3		13.2	12.6		13.8	12.1	
2007	12.1			7.9			12.0			10.3		
2008	15.7			6.2			12.9			11.5		
2009	16.1			4.0			12.5			9.1		
2010	15.7			5.4			13.6			10.5		
2011	12.9		13.0	6.4		8.6	12.7		13.3	9.5		10.7

	Toronto			Winnipeg			Regina			Saskatoon		
Year	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)
2001		19.1			10.8			10.1			10.7	
2002	18.5			9.2			10.2			12.0		
2003	17.8			8.7			10.1			10.9		
2004	19.1			9.9			9.9			9.8		
2005	18.8			9.9			8.8			12.0		
2006	17.5	19.0		10.1	10.4		9.0	9.6		13.7	9.3	
2007	16.7			10.5			6.6			10.0		
2008	17.0			9.1			9.0			13.8		
2009	17.5			9.3			9.2			11.6		
2010	17.9			9.5			7.6			13.2		
2011	19.2		16.9	9.7		10.3	10.1		12.0	12.2		12.4

	Calgary			Edmonton			Vancouver		
Year	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)	SLID (%)	Census (%)	NHS (%)
2001		11.2			10.9			17.3	
2002	11.8			12.0			19.4		
2003	12.3			10.6			18.1		
2004	8.8			11.3			17.4		
2005	7.3			9.6			15.1		
2006	9.5	9.0		8.3	10.6		16.5	17.0	
2007	10.7			10.8			14.8		
2008	11.0			10.1			15.5		
2009	9.3			11.6			19.9		
2010	8.4			9.8			20.1		
2011	8.5		10.1	12.8		11.3	20.1		17.7

All figures are rounded.

SLID-based data are unavailable for 2001.

For information on differences between SLID-based, Census-based and NHS-based estimates, see *Data sources used to estimate housing need* on page 1-22.

Source: CMHC (Census-, NHS- and SLID-based housing indicators and data)

Annex Figure 1-3: Incidence of urban core housing need, median depth of housing need and Canadian unemployment rate, 2002-2011

Year	Unemployment rate (%)	Percentage of urban households in core housing need (%)	Median depth of need (2011 constant dollars)
2002	7.7	13.9	2,140
2003	7.6	13.9	2,140
2004	7.2	13.6	2,180
2005	6.8	13.4	2,070
2006	6.3	12.8	2,080
2007	6.0	12.1	2,010
2008	6.1	12.8	2,220
2009	8.3	13.2	2,380
2010	8.0	13.2	2,030
2011	7.5	13.7	2,050

All figures are rounded.

Source: CMHC (SLID-based housing indicators and data); Statistics Canada: *Labour Force Survey* (2002-2011)

2

Demographic Influences on Housing Demand

Henri Masson, Perkins, Quebec, 1971, Oil on canvas, 32" x 46", FAC 1020, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Seniors,[1] immigrants, and Aboriginal people are fast-growing components of Canada's population. In coming years, as baby boomers reach retirement age, growth of the senior population is expected to strengthen. With immigration at its highest sustained level in decades, net migration to Canada is expected to continue to be the main driver of population growth, helping compensate for the skills and experience removed from the labour force when baby boomers retire.

Developments, such as population aging and rising immigration that affect the size, composition, and geographic distribution of populations will ultimately influence the quantity and types of housing demanded. Growth of the adult population fuels household formation, which in turn is the primary determinant of the number of new housing units required. Among other things, population aging has contributed to rising homeownership rates and to growing demand for condominium ownership.

International migration drives population growth in 2012 and 2013

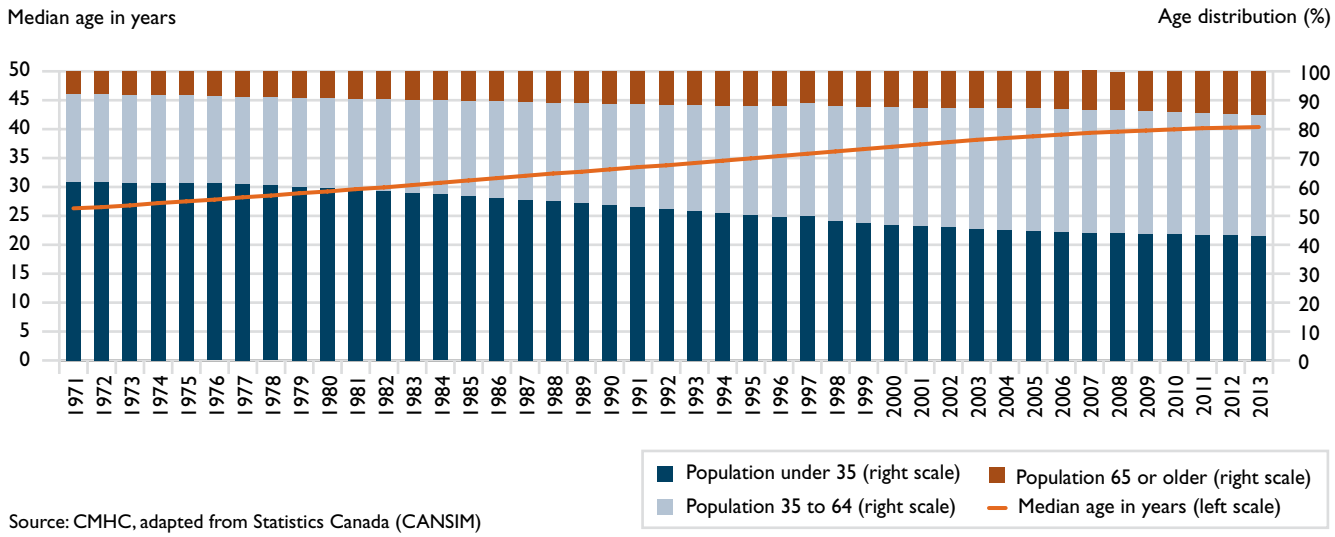
Canada's population has been aging for decades. The median age of Canadians was 40 years in 2013, compared to 26 in 1971 *(see Figure 2-1)*.[2] The oldest members of the large baby boom generation born in the two decades following World War II have passed the age of 65, and the youngest boomers will reach that age by 2030. Since 1996, the number of seniors in Canada has grown at

[1] In this chapter, the term "seniors" refers to people 65 or older.

[2] The median is the middle of a distribution. Half of the population have ages at or above the median, and half have ages at or below the median.

FIGURE 2-1

Median age and age distribution of population, Canada, 1971-2013



Source: CMHC, adapted from Statistics Canada (CANSIM)

three times the rate of non-seniors. By 2036, nearly one in four Canadians (24%) is expected to be 65 or older, compared to about 15% today.[3]

Note on comparability of Census and National Household Survey data (NHS)

Most of the 2011 household data described herein come from the 2011 *National Household Survey*, which replaced the former mandatory "long-form" census. Statistics Canada has cautioned that because of the methodological change from a mandatory to voluntary survey, data from the 2011 NHS may not be strictly comparable to those from earlier censuses *(see also Comparability of data from different sources in the chapter Housing Affordability and Need on page 1-26).*

Despite an aging population and birth rates that have consistently been below replacement level,[4] Canada witnessed a modest increase in population growth in 2012 and 2013 *(see Figure 2-2).* Annual growth rates in these years hit 1.2%, stronger than at any other time since the early 1990s.

High immigration levels and growth in the number of non-permanent residents contributed to the strong growth. About 260,000 immigrants landed in Canada in 2012 and again in 2013, among the highest annual intakes of the past 40 years. Net international migration currently accounts for about two-thirds of population growth in Canada, rising from about 40% in the early 1990s.[5] Natural increase (the difference between births and deaths), the dominant source of population growth in the early 1990s, dropped by almost half during that decade, a time when increasing numbers of baby boomers reached middle age.

[3] Projected growth is derived from Statistics Canada's M1—Medium-growth scenario. *Population Projections for Canada, Provinces and Territories 2009 to 2036,* Catalogue no. 91-520-X. Ottawa: Statistics Canada. 2010 p. 167.

[4] In 2011, the total fertility rate in Canada stood at 1.6 births per woman, well below the level needed (about 2.1 births per woman) for each generation to replace itself. The total fertility rate is an estimate of the average number of live births a woman can be expected to have in her lifetime. For further detail, see www5.statcan.gc.ca/cansim/a26?lang=eng&retrLang=eng&id=1024505&pattern=total+fertility+rate&tabMode=dataTable&srchLan=-1&p1=1&p2=-1 (May, 20, 2014).

[5] Net international migration equals immigration plus the change in non-permanent residents minus net emigration.

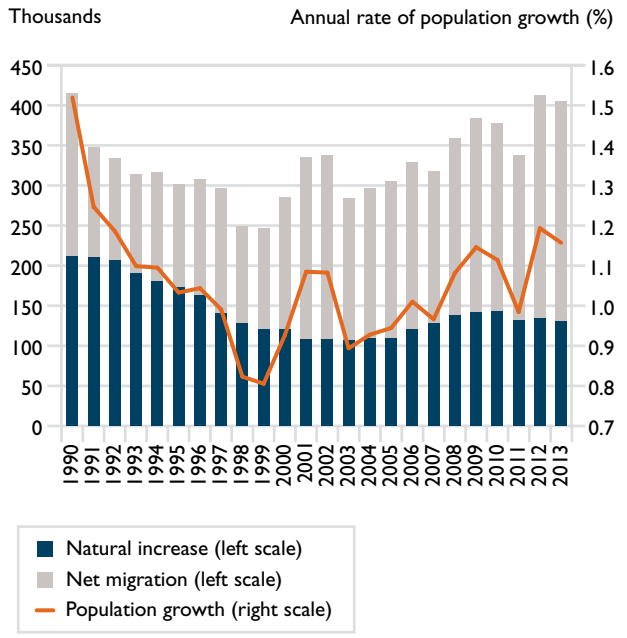
Immigrant settlement becomes more dispersed

Since 1996, the immigrant population of Canada has grown at 3.5 times the rate of the non-immigrant population. Immigrants made up 21% of the population of Canada in 2011, the highest share in 80 years. Shares in 2006 and 2001 were 20% and 18%, respectively.

Immigrants are more likely than other Canadians to live in large urban centres. In 2011, 92% of recent immigrants and 91% of all immigrants in Canada lived in a Census Metropolitan Area (CMA), compared to 63% of non-immigrants *(see Glossary, Household terminology and urban and rural concepts on page 2-18)*.

FIGURE 2-2

Components of population growth, Canada, 1990-2013



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

Source: CMHC, adapted from Statistics Canada (CANSIM)

Fast Facts

- The median age of Canadians was 40 in 2013, compared to 26 in 1971.
- From 1996 to 2011, the number of seniors in Canada grew at three times the rate of non-seniors. By 2036, nearly one in four Canadians (24%) is expected to be 65 or older, compared to about 15% today.
- Between 2006 and 2011, the population identifying as Aboriginal grew four times faster than the non-Aboriginal population.
- The homeownership rate in Canada rose from 68.4% in 2006 to 69.0% in 2011.
- After dropping from 1996 to 2006, the number of renter households in Canada rose by 200,000 from 2006 to 2011 to reach 4.1 million.
- The percentage of households occupying single-detached houses declined from 57% to 55% between 1996 and 2011.
- About 260,000 immigrants landed in Canada in each of 2012 and 2013, among the highest annual intakes of the past 40 years.
- Recent-immigrant households in 2011 spent a higher percentage of their income on shelter than non-immigrants (an average of 30% versus 21% for non-immigrants), were less likely to own their homes (a homeownership rate of 36% versus 70% for non-immigrants), and were much more likely to live in crowded conditions (27% versus 4%).
- Immigrant households accounted for 29% of the increase in owner households between 2001 and 2011.

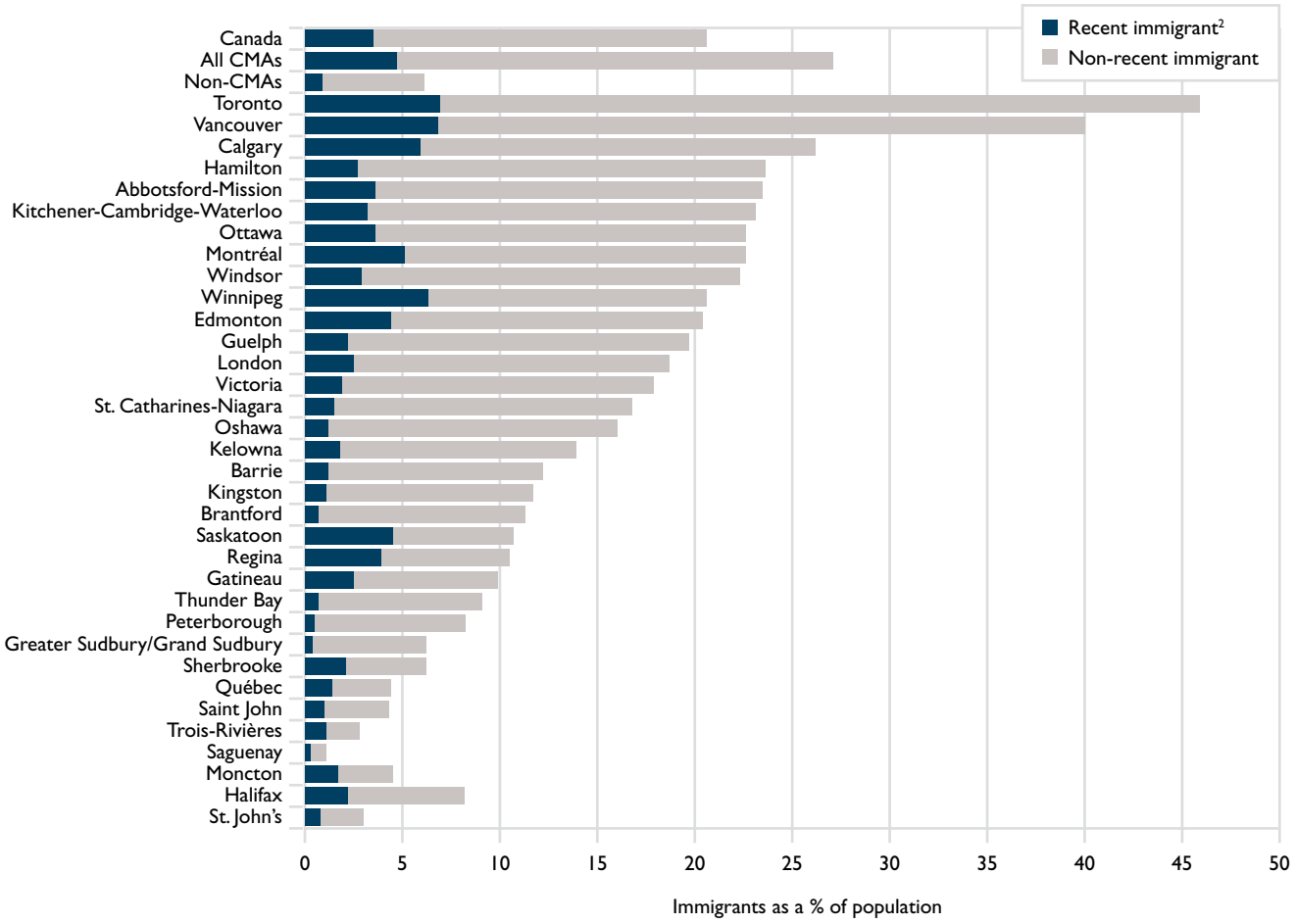
The distribution of immigrants across CMAs is highly uneven. Immigrants made up 46% and 40%, respectively, of the populations of Toronto and Vancouver in 2011, the highest percentages in any CMA *(see Figure 2-3)*. In Montréal, 23% of the population were immigrants. In CMAs in Atlantic Canada, Quebec (excluding Montréal), and Northern Ontario, immigrant shares were under 10%.

Until recently, better than 70% of immigrants to Canada settled in Toronto, Vancouver, or Montréal. Large, established immigrant populations in these communities are part of their appeal to newcomers: the presence of family or friends is an important influence on where immigrants choose to live.[6]

Although these three CMAs still attract the majority of immigrants, their collective pull has diminished somewhat, at least in the cases of Toronto and Vancouver *(see Figure 2-4)*. In 2011, Toronto was home to 33% of all recent immigrants in Canada, compared to 43% in 2001.

FIGURE 2-3

Immigrant share of total population, Canada and CMAs,[1] 2011



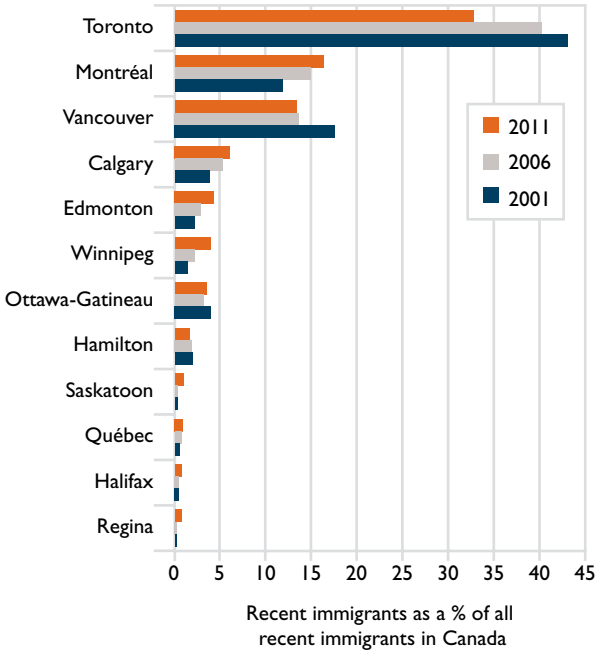
[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.
[2] Recent immigrants landed in Canada from January 1, 2006 through May 10, 2011.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

[6] *Longitudinal Survey of Immigrants to Canada: Process, progress and prospects.* Catalogue no. 89-611-XIE. Ottawa: Statistics Canada, 2003. pp. 13-15. The survey found that the presence of family or friends was the most common reason cited by newcomers for settling where they did.

FIGURE 2-4

Recent immigrant shares, selected CMAs, 2001, 2006 and 2011



Recent immigrants landed in Canada from January 1, 2006 through May 10, 2011.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Vancouver saw its share of recent immigrants slip from 18% to 13%, while Montréal's rose from 12% to 16%. Elsewhere, shares held steady or increased between 2001 and 2011 in most CMAs outside Ontario, with all five Prairie CMAs (Calgary, Edmonton, Winnipeg, Saskatoon, and Regina) showing solid gains. Consequently, recent immigrants make up relatively high proportions of resident immigrant populations in CMAs in Atlantic Canada, Quebec, and the Prairies.

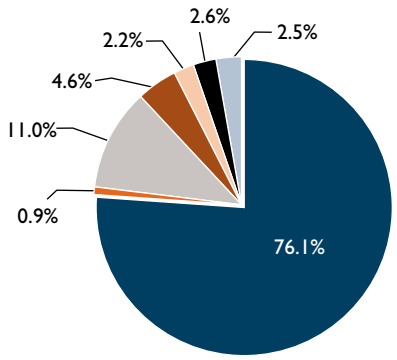
Federal-provincial agreements, under which provinces and territories can actively pursue immigrants with required skills, have contributed to the more dispersed pattern of immigrant settlement in recent years.[7] Immigration is likely to remain the dominant driver of Canada's population growth in coming decades, given low fertility and higher mortality of an aging population.

Immigrants boost both rental and homeownership demand

In 2011, recent-immigrant households accounted for 2.5% of all households in Canada *(see Figure 2-5)*. Following their arrival in Canada, some immigrants may initially have difficulty finding and paying for

FIGURE 2-5

Households by immigrant status of primary household maintainer,[1] Canada, 2011



[1] Immigrant households have primary maintainers who are immigrants. The figure groups immigrant households by length of residence – the approximate number of years since the maintainer landed in Canada. Recent-immigrant households are those whose primary maintainers landed in Canada from January 1, 2006 through May 10, 2011. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

[2] Length of time in Canada.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

[7] Currently under the Provincial Nominee Program, one territory (Yukon) and all provinces except Quebec have agreements with the federal government that let them nominate applicants who want to settle in a specific province or territory and who meet specific criteria set by that province or territory www.cic.gc.ca/english/immigrate/provincial/apply-who.asp (April 4, 2014). Quebec sets its own immigration rules under a separate agreement with the federal government. www.cic.gc.ca/english/immigrate/quebec/index.asp (April 4, 2014).

suitable housing. Housing costs are relatively high in many of the large cities where immigrants traditionally settle, and households maintained by recent immigrants have lower incomes on average than non-immigrant households *(see Figure 2-6)*. As a result, recent immigrant households in 2011 spent higher fractions of their incomes on shelter than non-immigrant households (an average of 30% versus 21% for non-immigrants), were less likely to own their homes (a homeownership rate of 36% versus 70% for non-immigrants), and were much more likely to live in crowded conditions (27% versus 4%).

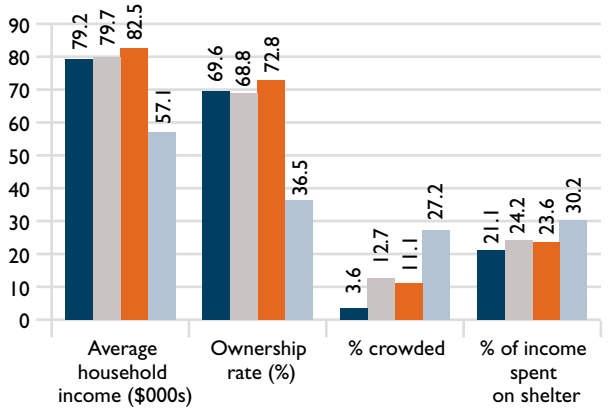
Despite such challenges, the housing conditions of immigrants generally improve the longer they stay in Canada. Incomes and homeownership rates of immigrant households typically rise in the years following landing as newcomers solidify their position in the labour market and build up savings. In 2011, non-recent immigrant households collectively had an average income and a homeownership rate that were above those of non-immigrants.

With immigration expected to continue to be the principal driver of population growth in Canada in the coming years, successive generations of immigrants will make important contributions to housing demand, especially in the larger cities that attract disproportionate numbers of new Canadians. The majority of newcomers will likely continue to rely on rental housing when they first arrive, but many will eventually buy homes as their financial circumstances improve. Nationally, immigrant households accounted for 29% of the increase in owner households between 2001 and 2011.

These and other trends are explored in more detail in the chapter on Newcomers' Housing.

FIGURE 2-6

Immigrant and non-immigrant households, selected statistics, Canada, 2011



Immigrant households have primary maintainers who are immigrants. Recent-immigrant households are those whose primary maintainers landed in Canada from January 1, 2006 through May 10, 2011. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer. Crowded households have fewer bedrooms than required given their size and composition.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Aboriginal population continues to grow rapidly

The Aboriginal population of Canada, which often experiences difficult housing conditions, is also growing rapidly. Among Aboriginal households, lower-than-average incomes contributed in 2011 to relatively low homeownership rates (54% compared to 70% for non-Aboriginal households), and relatively high rates of crowding (11% compared to 6%), and of dwellings in need of major repair (17% compared to 7%) *(see Figure 2-7)*.

In 2011, the number of people in Canada self-identifying as Aboriginal reached 1.4 million, or 4.3% of the general population, up from 3.8% in 2006 and 2.8% in 1996.[8]

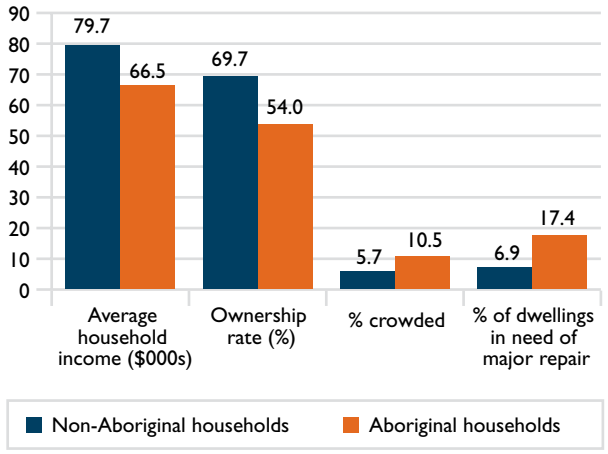
Between 2006 and 2011, the population identifying as Aboriginal grew four times faster than the non-Aboriginal population.

This growth reflected a mix of demographic and non-demographic influences. Comparatively high fertility rates contributed to the increase. In addition, Statistics Canada lists a number of non-demographic factors that can affect

[8] *Aboriginal Peoples in Canada: First Nations People, Métis and Inuit.* Catalogue no. 99-011-X2011001. Ottawa: Statistics Canada, 2013. p. 6.

FIGURE 2-7

Aboriginal and Non-Aboriginal households, selected statistics, Canada, 2011



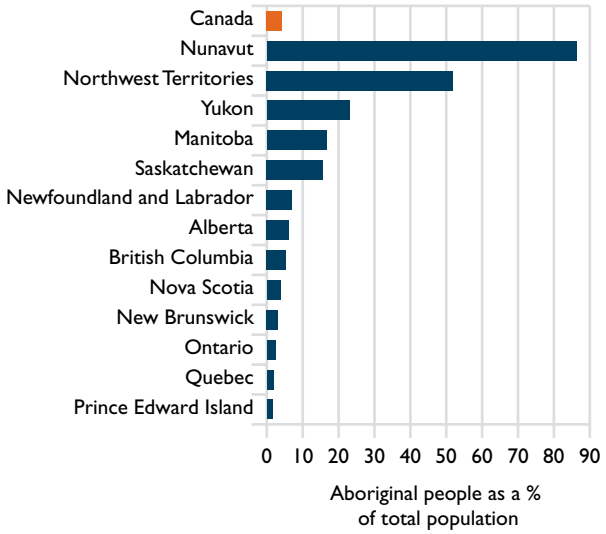
An Aboriginal household is either i) a non-family household in which at least 50% of household members self-identified as Aboriginal people; or ii) a family household that meets at least one of two criteria: a) at least one spouse, common-law partner, or lone parent self-identified as an Aboriginal person; or b) at least 50% of household members self-identified as Aboriginal people.

Crowded households have fewer bedrooms than required given their size and composition.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

FIGURE 2-8

Aboriginal population shares, Canada, Provinces and Territories, 2011



Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

reporting of Aboriginal identity: changes in the wording of survey questions used to identify Aboriginal people, replacement of the mandatory Census with the voluntary *National Household Survey,* legislative changes, differences over time in the list of incompletely enumerated reserves, and changes over time in the readiness of people to report Aboriginal identity.[9]

Given higher fertility rates and lower average life expectancy, the Aboriginal population is younger than the non-Aboriginal population.[10] In 2011, 46% of Aboriginal people were under the age of 25, compared to 29% of non-Aboriginals, and 6% were seniors, compared to 14% of non-Aboriginals.

Aboriginal population concentrations are highest in the North, followed by Manitoba and Saskatchewan. In 2011, Aboriginal people made up 86% of the population of Nunavut, 52% of the Northwest Territories, 23% of Yukon, 17% of Manitoba, and 16% of Saskatchewan *(see Figure 2-8).*

By size, the largest Aboriginal populations were in Ontario (301,000), British Columbia (232,000), and Alberta (221,000) *(see Figure 2-9).* Although Aboriginal people made up only 2% of the total population of Ontario, the Aboriginal population residing in Ontario was more than five times as large as that of all three territories combined.

Large urban centres (CMAs) were home to more than a third (38%) of Aboriginal people in 2011. Another 18% lived in mid-sized centres, leaving 45% in small towns or rural areas.[11] Among CMAs, Winnipeg (11%), Thunder Bay (10%), Regina (10%), and Saskatoon (9%) had the highest percentages of Aboriginal people in their populations. The largest Aboriginal populations were in Winnipeg (78,000), Edmonton (62,000), and Vancouver (52,000).

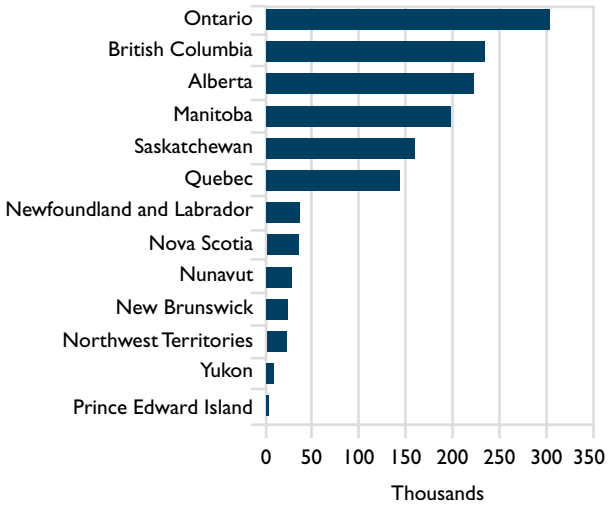
[9] *Aboriginal Peoples Reference Guide National Household Survey, 2011 in Canada: First Nations People, Métis and Inuit.* Catalogue no. 99-011-X2011006. Ottawa: Statistics Canada, 2013. pp. 9-10.

[10] *Aboriginal Peoples in Canada: First Nations People, Métis and Inuit.* Catalogue no. 99-011-X2011001. Ottawa: Statistics Canada, 2013. p. 15.

[11] Percentages do not sum to 100 because of rounding.

FIGURE 2-9

Aboriginal population, Provinces and Territories, 2011



Source: Statistics Canada *(National Household Survey)*

Population aging influences composition of household growth

Changes over time in the size and composition of populations ultimately affect both the volume and types of housing demanded. Stronger growth of the adult population from 2001 to 2011 in comparison to the preceding decade helped raise net household formation in Canada from an annual average of 154,000 between 1991 and 2001 to 176,000 between 2001 and 2011. Higher household formation in turn supported increased housing construction.[12] In addition, the gradual aging of Canada's population contributed to shifts in household composition: from 1971 through 2011, couples with children were the slowest-growing type of household in Canada and one-person households were the fastest-growing.[13] Time eventually transforms couples with children into empty nesters and reduces couples to a surviving member. Average household size during this period fell from 3.5 to 2.5 persons, and one-person households grew to be almost as numerous as couples with children.

The imprint of Canada's baby boomers on the age pattern of household growth is readily discernible. Between 2006 and 2011, the number of households with primary maintainers aged 40 to 44 declined markedly as the youngest baby boomers (the tail end of the boom) moved into their mid-to-late forties *(see Figure 2-10)*.

These baby boomers were succeeded at ages 40 to 44 by the smaller generation born during the late 1960s. In contrast, household growth was strongest at ages 60 to 64, the age reached by the leading edge of the baby boom.

The age pattern of household growth from 2001 to 2006 was very similar to that from 2006 to 2011, but shifted back five years. Accordingly, the biggest decline in household numbers occurred at ages 35-39 as the last (youngest) baby boomers aged into their forties, and the largest increase occurred at ages 55 to 59 with the arrival of the first (oldest) baby boomers.

Growth of senior households to remain strong

Looking to the future, continued aging of baby boomers will have predictable demographic effects.[14] By 2016, the youngest boomers will have surpassed the age of 50, and consequently, the number of households with primary maintainers in their late 40s will decline. At the same time, the oldest boomers, those born during the late 1940s, are in the process of moving past age 65, and the generation born during World War II is moving into its 70s, replacing the smaller pre-war generation.

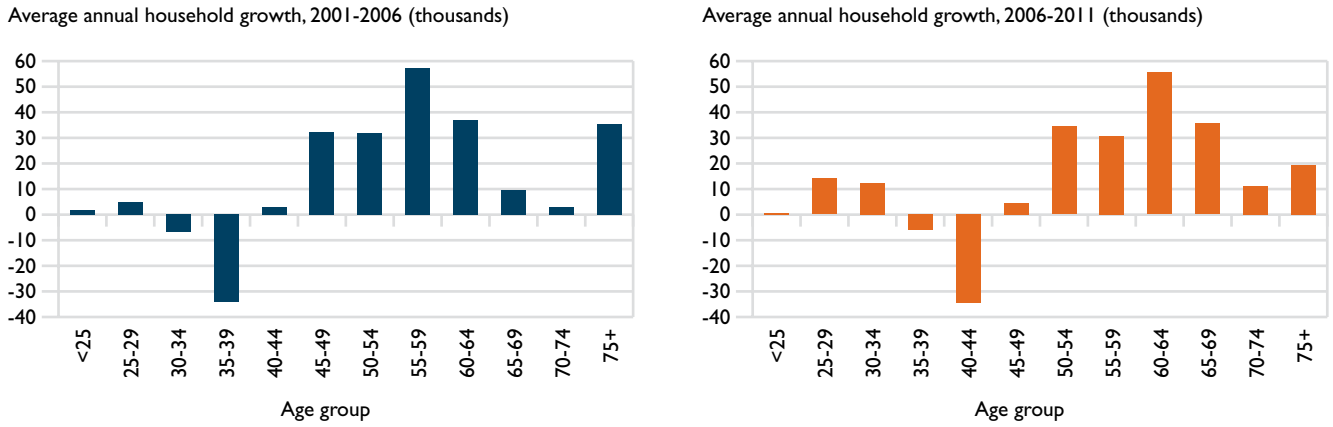
[12] For a detailed discussion of links between household formation and housing construction, see *Canadian Housing Observer 2012.* Ottawa: Canada Mortgage and Housing Corporation, 2012. pp. 4-9 to 4-13. See also *2011 Census/National Household Survey Housing Conditions Series: Issue 1 Demographics and Housing Construction, 1971-2011,* Research Highlight, Socio-economic Series 13-007. Ottawa: Canada Mortgage and Housing Corporation, 2013.

[13] Socio-economic forces, such as low fertility and increased participation of women in the labour force, also played a role in changes in household composition. For more detail, see *Canadian Housing Observer 2013.* Ottawa: Canada Mortgage and Housing Corporation, 2013. pp. 5-5 to 5-6.

[14] Detail about CMHC's latest long-term household projections is available at www.cmhc-schl.gc.ca/en/inpr/rehi/rehi_027.cfm (April 4, 2014).

FIGURE 2-10

Household growth by age of primary maintainer,[1] Canada, 2001-2006 and 2006-2011



[1] A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

These developments will initially boost the growth of seniors aged 65 to 74. Beyond 2016, the growth rate of households with primary maintainers aged 75 or older will accelerate, while aging baby boomers will keep the population of younger seniors growing. Since the youngest baby boomers won't hit age 65 until around 2030, the growth rate of senior households is likely to remain robust for many years to come. Strong growth of the population aged 85 or more, a group susceptible to requiring care in nursing homes or other facilities, will continue well beyond 2030.[15]

Aging population drives recent modest increase in homeownership rate

Because the probability of owning a home rises as people get older—before dropping modestly after the age of 65 *(see Figure 2-11)*—population aging helps account for the virtually uninterrupted increase in the homeownership rate in Canada over the past four decades *(see Figure 2-12)*. Between 2006 and 2011, the homeownership rate edged up from 68.4% to 69.0%.[16]

The gradual maturation of the population—the shift of individuals from age groups with lower probabilities of homeownership to groups with higher probabilities —was an important factor in the rise in the national homeownership rate between 2006 and 2011. Even if age-specific homeownership rates in 2011 had remained unchanged from their 2006 levels, the national homeownership rate would have risen by virtue of the shifting age composition of households: aging, all else being equal, would have produced an increase in the homeownership rate that was about 60% of the change that actually took place.

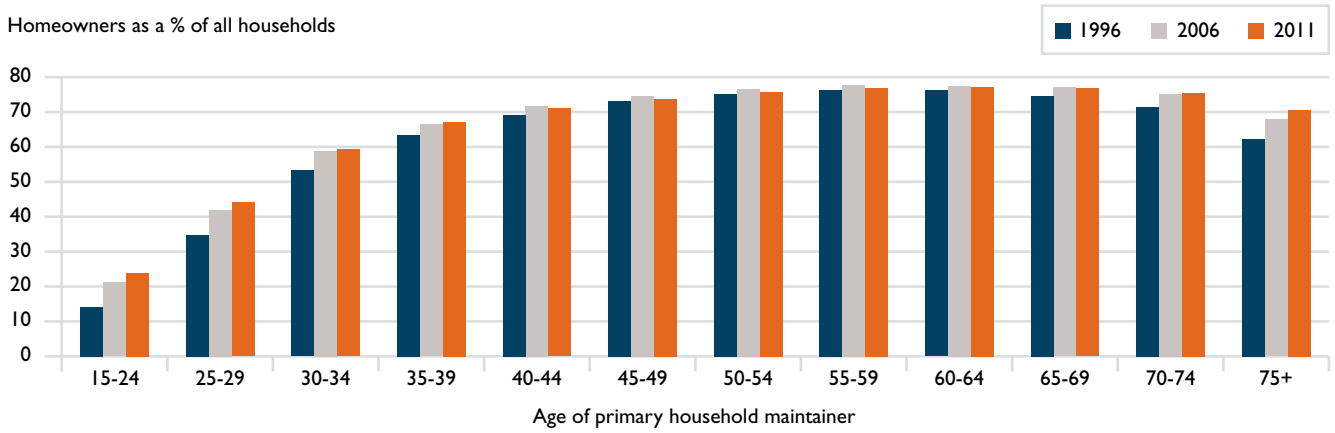
Because the probability of homeownership in each age group did not remain fixed between 2006 and 2011, the rise in the percentage of households owning homes was different (actually somewhat larger) than that expected based on aging alone. The national homeownership rate was boosted by increases in age-specific rates below the age of 40 and at ages 70 or older *(see Figure 2-11)*. Attractive mortgage rates and the appeal of condominium tenure to these age groups helped support homeownership demand.

[15] For more on the demand for collective dwellings, see *Canadian Housing Observer 2013*. Ottawa: Canada Mortgage and Housing Corporation, 2013. pp. 5-12 to 5-13.

[16] According to the Pew Research Center, homeownership rates in recent years ranged from about 44% in Switzerland to 90% or more in parts of Eastern Europe and Singapore. See *Around the world, governments promote home ownership*. Washington D.C.: Drew Desilver, Pew Research Centre, 2003. www.pewresearch.org/fact-tank/2013/08/06/around-the-world-governments-promote-home-ownership/ (August 12, 2014).

FIGURE 2-11

Age-specific homeownership rates, Canada, 1996, 2006, and 2011

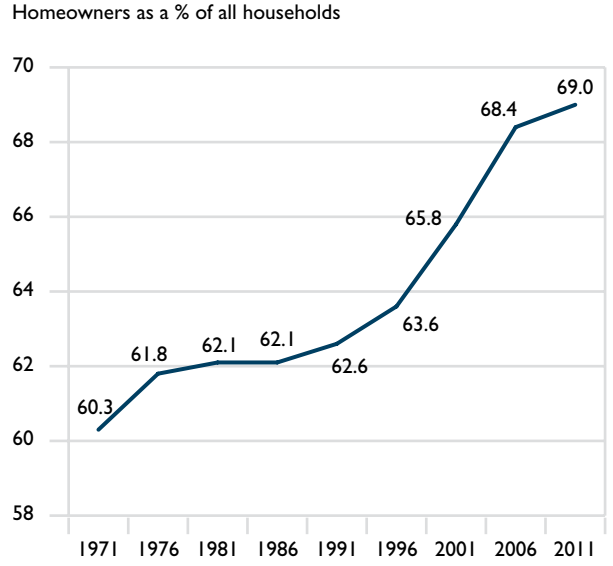


A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

FIGURE 2-12

Homeownership rate, Canada, 1971-2011



Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Homeownership rates through 2006 to 2011 were tempered by the 2008/2009 recession and tightening of lending practices. Income and employment growth slowed, and changes to mortgage insurance rules reduced the maximum amortization period and raised downpayment requirements.[17]

The modest change in the homeownership rate from 2006 to 2011 came on the heels of a decade of exceptionally strong homeownership demand, during which the rate rose by over four percentage points (from 63.6% in 1996 to 68.4% in 2006), more than in the previous quarter century. The strong homeownership market from 1996 to 2006 occurred in conjunction with the emergence of the Canadian economy from the recession and weak recovery that plagued the early 1990s. Low and declining mortgage rates, strong employment gains, and rising disposable incomes brought homeownership within reach of increasing numbers of Canadians. In addition, the Home Buyers' Plan, introduced in 1992, allowed first-time buyers to make tax-free withdrawals from their RRSPs to purchase homes, and mortgage insurance changes reduced down payment requirements.[18]

[17] The maximum amortization period was reduced again in 2012. For a summary of 2008-2012 changes to mortgage insurance rules, see *Financial System Review December 2012* . Ottawa: Bank of Canada, 2012. p. 24.

[18] Introduced in 1992, the First Home Loan Insurance program reduced the minimum down payment for first-time buyers from 10% to 5%, a change that was extended to repeat buyers in 1998.

Aging was therefore not the main factor behind the strong gains in the homeownership rate from 1996 to 2006. During this period, the probability of owning a home rose in every age group. These age-specific increases, linked to positive economic and financial market developments, were the main reason for the rise in the national homeownership rate.

Homeownership rates have increased in every CMA since 1996

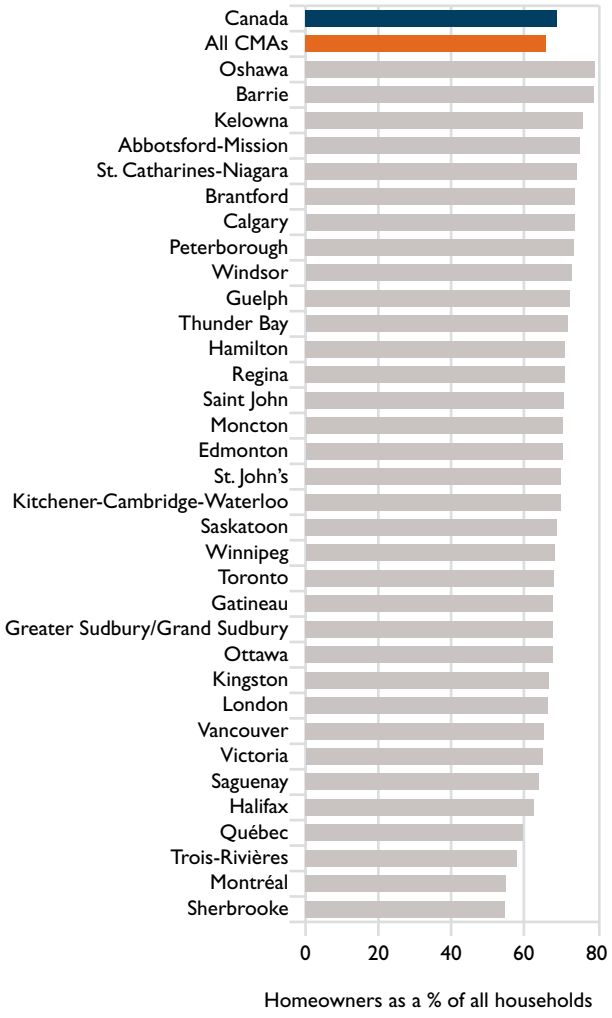
The rate of homeownership varies widely across Canada. In 2011, Oshawa (79.6%) and Barrie (79.3%) had the highest ownership rates among CMAs. Sherbrooke (54.9%) and Montréal (55.0%) had the lowest *(see Figure 2-13).* Homeownership rates were generally low in communities in Quebec, Gatineau being the only metropolitan area in the province with a rate above the CMA average.[19] The strong increase nationally since 1996 in the national homeownership rate was echoed in many CMAs. Rates rose in every CMA between 1996 and 2011, with the largest percentage-point gains occurring in Guelph, Toronto, Ottawa, Calgary, and Oshawa *(see Figure 2-14).*

Immigrants and young households boost rental demand

Until 1996, the number of renter and owner households had both been rising, with renters accounting for nearly a third of household growth in Canada since 1971. The booming homeownership market from 1996 to 2006 brought growth in renter households to a standstill *(see Figure 2-15).* The number of households renting homes in Canada declined slightly during this period after increasing by 1.5 million in the previous 25 years.

FIGURE 2-13

Homeownership rates, Canada and CMAs,[1] 2011



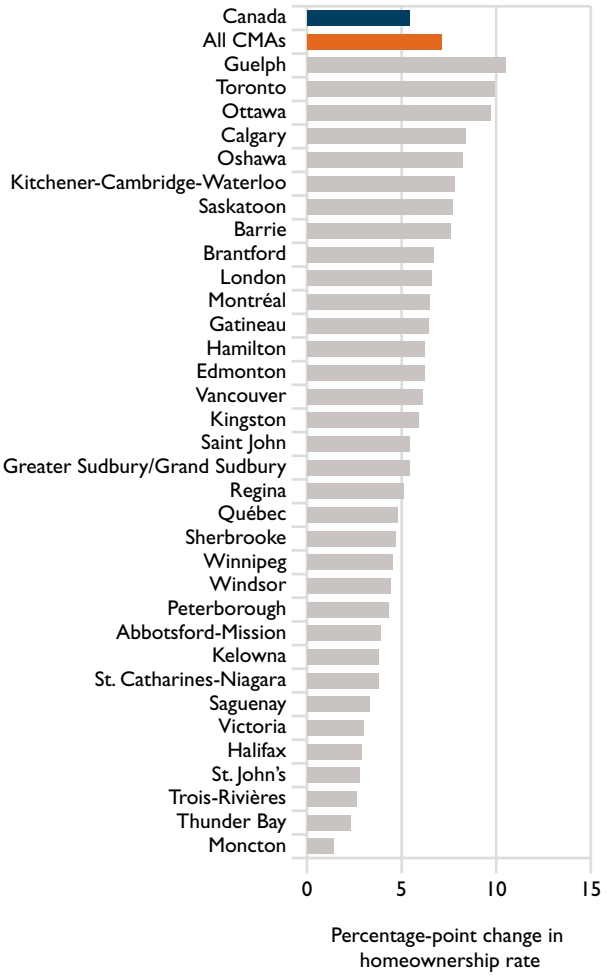
[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

[19] By itself, Gatineau is not a CMA, but rather forms part of the CMA of Ottawa-Gatineau.

FIGURE 2-14

Change in homeownership rates, Canada and CMAs,[1] 1996-2011

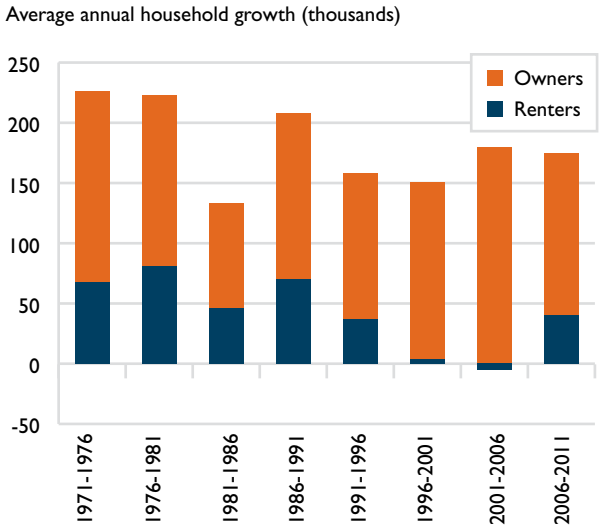


[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.

Source: CMHC, adapted from Statistics Canada *(Census of Canada* and *National Household Survey)*

FIGURE 2-15

Household growth by tenure, Canada, 1971-2011



Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Consistent with the more unsettled economic environment during the period, growth in renting resumed from 2006 to 2011. The number of renter households rose by 200,000 to 4.1 million—23% of the total increase in households. Immigrant households, most of whom tend to rent homes when they first come to Canada, accounted for 40% of the increase in renter households. In addition, rental demand benefitted from growth in households with primary maintainers under the age of 35 *(see right-hand side of Figure 2-10),* a group that had declined from 1991 to 2006 as the baby boom generation aged. Growth of this group is expected to moderate in the future, eventually turning negative from 2021 to 2031.[20]

[20] See tables describing CMHC's long-term household projections at www.cmhc-schl.gc.ca/en/inpr/rehi/rehi_028.cfm (May 8, 2014).

Condominiums are an important source of rental supply

From 2006 to 2011, there were 92,000 housing starts in Canada intended for the rental market, less than half of the growth in renter households.[21] Other sources of supply in the secondary rental market,[22] including accessory apartments, single-detached homes, and condominium rentals, provided the remainder.

In Canada as a whole, 11% of rented homes were condominiums in 2011. In many communities, condominiums are an important source of rental supply, albeit at the upper end of the market. In 2011, rented condominiums accounted for nearly a quarter of all rented homes in Calgary (24.8%) and Vancouver (24.3%). Condominium shares of the rental market were relatively high in many parts of Western Canada as well as in Toronto, places with higher-than-average population growth and relatively high land and housing costs.

Demographic and economic factors contribute to growth of condominium market

The modest rise in the national homeownership rate from 2006 to 2011 masked strong gains in the rate of condominium ownership. In 2011, 8.7% of all households in Canada owned and occupied a condominium, compared to 7.4% in 2006 and 5.8% in 2001 *(see Figure 2-16)*. In contrast, ownership rates for homes other than condominiums were effectively unchanged between 2001 and 2011.

Who rents condominiums?

Renters in condominiums are somewhat younger than other renters. In 2011, 39% of households renting condominiums in Canada had primary maintainers under the age of 35, compared to 30% of other renters. Seniors are overrepresented in the ranks of condominium owners, but that is not the case among condominium renters: in 2011, senior households represented 22% of all households in Canada and 29% of condominium owner-occupants, but only 17% of households renting condominiums. Half the households renting condominiums in 2011 were non-family households: 41% were people living alone and 10% were non-family households of two or more people.

The average monthly shelter cost (rent plus any utilities paid separately) for condominium rentals in 2011 ($1,074) was considerably higher than what other renters paid ($827). Not surprisingly, households renting condominiums had higher average incomes than other renters—$55,621 compared to $44,738.

Demand for condominiums has been growing for decades.[23] In 2011, condominiums represented 12.6% of owner-occupied dwellings in Canada, almost four times their market share (3.3%) in 1981. Population aging, shrinking household sizes, increasing urbanization, and the high cost of housing in some parts of Canada

[21] CMHC's monthly *Starts and Completions Survey* tracks units started, under construction, and completed. The housing start figure refers to the period from July 1, 2006 through June 30, 2011, roughly comparable to the May 2006-to-May 2011 intercensal period to which renter growth data refer. Reference dates for the 2006 Census and 2011 *National Household Survey* were May 16, 2006 and May 10, 2011, respectively.

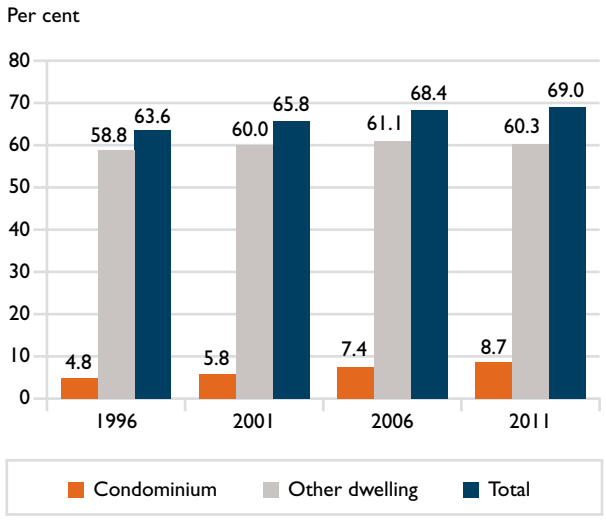
[22] CMHC's *Rental Market Survey* covers the primary rental market, that is, units in purpose-built rental structures of three units or more. The secondary market comprises all other rented homes, including single-detached houses, duplexes (including accessory apartments), semi-detached houses, and freehold row houses.

[23] For a detailed review of condominiums in Canada, see chapter 2 of *Canadian Housing Observer 2013*. Ottawa: Canada Mortgage and Housing Corporation, 2013.

contributed to the strong growth in condominiums, a form of tenure that spares residents direct responsibility for seeing to much of the maintenance and upkeep required to keep their homes in good physical condition. Young people and seniors have relatively high rates of condominium ownership, those aged 75 or older the highest of all.[24]

FIGURE 2-16

Homeownership rates by type of ownership,[1] Canada, 1996-2011



[1] Includes only owner-occupied units.
Percentages may not add to total due to rounding.

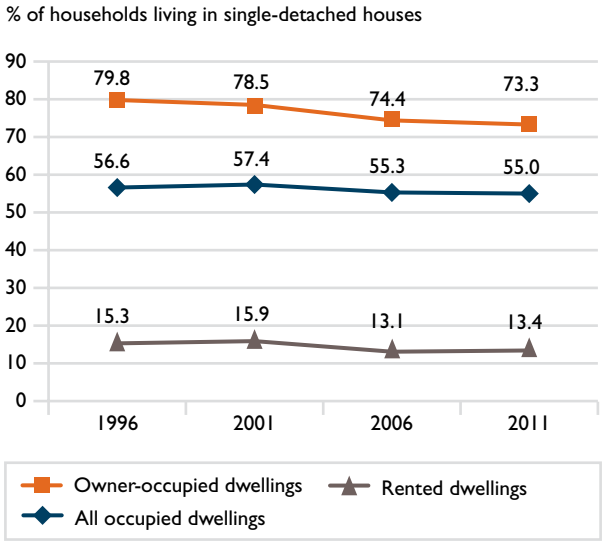
Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Aging baby boomers will support demand for multiple housing

From 1996 to 2011, the percentage of households occupying single-detached houses in Canada as a whole declined slightly from 57% to 55% *(see Figure 2-17)*. The decline in the share of single-detached houses was more pronounced among owner-occupied dwellings — from 80% to 73%.

FIGURE 2-17

Occupancy of single-detached houses, Canada, 1996-2011



Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Since 2008, multiple-unit structures, many of them condominiums, have accounted for more than half the new homes built in Canada, the highest share since the 1970s. The shift towards multiple-unit construction reflected both the aging of the population and increasing urbanization—the growing concentration of Canada's population in relatively expensive, densely populated urban areas.[25]

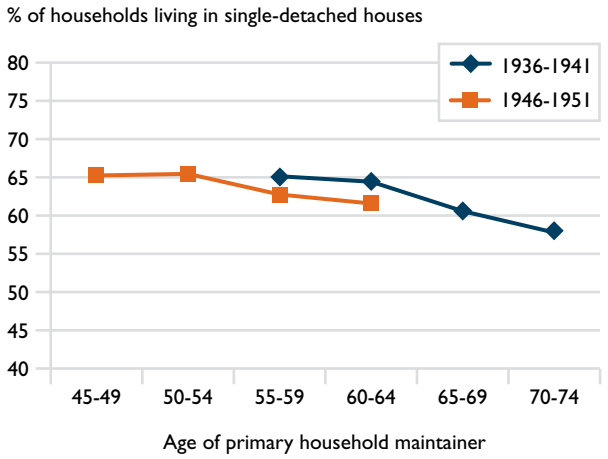
In coming decades, continued aging of baby boomers into their senior years will support demand for multiple-unit housing, including condominiums. Over the past decade and a half, downsizing—movement of aging households from single-detached to multiple-unit housing—occurred, for the most part, after the age of 65 *(see Figure 2-18)*.

[24] *Canadian Housing Observer 2013*. Ottawa: Canada Mortgage and Housing Corporation, 2013. pp. 2-9 to 2-11.

[25] The population living in CMAs has grown faster than the population living outside CMAs: according to annual population estimates (from CANSIM), 70% of the population of Canada lived in a CMA in 2013, compared to 67% in 2001.

FIGURE 2-18

Occupancy of single-detached houses by birth cohort, Canada, 1996-2011



Lines depict occupancy of single-detached houses by two generations (birth cohorts) of household maintainers in 1996, 2001, 2006, and 2011. Birth cohorts comprise individuals born during a given period. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Recently, however, shifts out of single-detached houses into multiple-unit housing have begun somewhat earlier. For example, households maintained by those born in the period from 1936 to 1941 did not exhibit any appreciable reduction in single-detached occupancy until maintainers reached the age of 65, whereas the generation born ten years later from 1946 to 1951 showed lower rates of single-detached occupancy as early as age 55. The increasing availability and popularity of condominiums may have contributed to the earlier movement out of detached homes.

Regardless of differences across generations, the transition to multiple-unit housing has generally been modest and gradual, a testament to the popularity of detached homes and the tendency of most aging people to want to remain in those homes.[26] Even among senior households, detached houses remain the most common housing form. Accordingly, as baby boomers contend increasingly with age-related infirmities in coming decades, demand for home adaptations and support services to enable them to continue living comfortably in their homes is likely to increase. So too will demand for seniors residences that provide support services, such as meals and housekeeping, and for nursing homes that provide long-term care.

[26] Seniors are less likely to move than other age groups. See *Canadian Housing Observer 2013*. Ottawa: Canada Mortgage and Housing Corporation, 2013. pp. 2-16 to 2-17.

Annex

Henri Masson, Perkins, Quebec, 1971, Oil on canvas, 32" x 46", FAC 1020, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Glossary

Glossary

Household terminology and urban and rural concepts

Aboriginal household:
i) a non-family household (see definition below) in which at least 50% of household members self-identified as Aboriginal people; or ii) a family household (see definition below) that meets at least one of two criteria: a) at least one spouse, common-law partner, or lone parent self-identified as an Aboriginal person; or b) at least 50% of household members self-identified as Aboriginal people.

Census Metropolitan Area (CMA):
an urban area with a total population of at least 100,000 and an urban core population of at least 50,000.

Collective dwelling:
a dwelling of a commercial, institutional, or communal nature, such as a rooming house, hotel, hospital, nursing home, jail, and group home.

Crowded household:
a household with fewer bedrooms than it requires. The number of bedrooms required is based on both the size and the composition of the household *(see also text box Acceptable housing and core housing need in the chapter Housing Affordability and Need)*.

Family household:
a household that contains at least one census family (a couple with or without children or a lone parent living with one or more children).

Household:
one or more people who occupy a private dwelling and do not have a usual place of residence elsewhere in Canada. Foreign residents visiting Canada, members of the Armed Forces of another country stationed in Canada and their family members living with them, and government representatives of another country and their family members are not included in census counts. Non-permanent residents—people who are lawfully in Canada on a temporary basis—are counted by the Census.

Household growth:
the change in the number of households between two years (often referred to as net household formation).

Immigrant household:
a household with a primary household maintainer (see definition below) who is an immigrant.

Mid-sized centre:
a mid-sized centre is a Census Agglomeration (CA) – a community with an urban core population of 10,000 or more that is not big enough to qualify as a Census Metropolitan Area (CMA).

Non-family household:
a person living alone, or two or more people who share a dwelling and who do not constitute a family.

Non-permanent resident:
a person from another country who has a work or study permit or who is a refugee claimant and any non-Canadian-born family member living in Canada with him or her.

Non-recent immigrant household:
an immigrant household with a primary household maintainer (see definition below) who is not a recent immigrant (see definition below).

Primary household maintainer:
the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Private dwelling:
a dwelling that is not a collective dwelling (as defined above).

Recent immigrant or newcomer:
Recent immigrants in 2011 are defined as those landing in Canada from January 1, 2006 through May 10, 2011 (Census Day). Recent immigrants in 2006 are those who landed from January 1, 2001 through May 16, 2006 (Census Day). Recent immigrants in 2001 are those who landed from January 1, 1996 through May 15, 2001 (Census Day).

Recent immigrant or newcomer household:
a household with a primary household maintainer (as defined above) who is a recent immigrant.

Small town or rural area:
any part of Canada that does not fall within a CMA or mid-sized centre (Census Agglomeration).

Alternative text and data for figures

Figure 2-1: Median age and age distribution of population, Canada, 1971-2013

Year	Median age in years	Population under 35 (%)	Population 35 to 64 (%)	Population 65 or older (%)
1971	26.2	61.7	30.2	8.0
1972	26.4	61.6	30.2	8.1
1973	26.7	61.5	30.2	8.2
1974	27.1	61.4	30.2	8.3
1975	27.4	61.4	30.2	8.5
1976	27.7	61.2	30.2	8.6
1977	28.1	60.9	30.3	8.8
1978	28.4	60.5	30.5	9.0
1979	28.8	60.1	30.7	9.2
1980	29.1	59.7	30.9	9.4
1981	29.5	59.3	31.1	9.6
1982	29.8	58.6	31.6	9.7
1983	30.2	58.0	32.1	9.9
1984	30.6	57.4	32.6	10.0
1985	31.0	56.8	32.9	10.2
1986	31.4	56.2	33.3	10.5
1987	31.8	55.6	33.6	10.7
1988	32.2	55.0	34.0	10.9
1989	32.5	54.5	34.4	11.1
1990	32.9	53.8	34.9	11.3
1991	33.3	53.2	35.4	11.5
1992	33.6	52.5	35.9	11.6
1993	34.0	51.8	36.4	11.7
1994	34.4	51.1	37.0	11.8
1995	34.8	50.4	37.6	12.0
1996	35.2	49.7	38.2	12.1
1997	35.6	49.0	38.8	12.2
1998	36.0	48.2	39.5	12.3
1999	36.4	47.5	40.1	12.4
2000	36.8	46.9	40.6	12.5
2001	37.2	46.4	41.0	12.6
2002	37.6	46.0	41.3	12.7
2003	38.0	45.6	41.6	12.8
2004	38.3	45.2	41.9	12.9
2005	38.6	44.8	42.2	13.0
2006	38.9	44.4	42.3	13.2
2007	39.2	44.2	42.4	13.4
2008	39.4	44.0	42.4	13.6
2009	39.6	43.8	42.3	13.9
2010	39.8	43.6	42.3	14.1
2011	40.0	43.4	42.1	14.4
2012	40.1	43.3	41.9	14.9
2013	40.2	43.1	41.6	15.3

Source: CMHC, adapted from Statistics Canada (CANSIM)

Figure 2-2: Components of population growth, Canada, 1990-2013

Year	Natural increase	Net migration	Annual rate of population growth (%)
1990	210,672	203,685	1.5
1991	210,490	135,792	1.3
1992	206,140	127,704	1.2
1993	190,373	123,127	1.1
1994	179,695	136,204	1.1
1995	172,609	129,039	1.0
1996	162,687	145,220	1.1
1997	140,092	155,638	1.0
1998	127,435	121,790	0.8
1999	120,663	125,450	0.8
2000	119,683	164,761	0.9
2001	107,993	226,873	1.1
2002	107,661	230,161	1.1
2003	106,618	176,594	0.9
2004	108,933	187,441	0.9
2005	109,364	194,996	1.0
2006	120,593	207,548	1.0
2007	127,091	190,332	1.0
2008	137,170	220,675	1.1
2009	141,582	241,216	1.2
2010	142,235	234,468	1.1
2011	131,983	205,523	1.0
2012	134,117	277,415	1.2
2013	130,581	273,411	1.2

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

Source: CMHC, adapted from Statistics Canada (CANSIM)

Figure 2-3: Immigrant share of total population, Canada and CMAs,[1] 2011

Geography	Recent immigrant[2] (% of population)	Non-recent immigrant (% of population)
Canada	3.5	17.1
All CMAs	4.7	22.4
Non-CMAs	0.9	5.2
Toronto	6.9	39.0
Vancouver	6.8	33.2
Calgary	5.9	20.3
Hamilton	2.7	20.9
Abbotsford-Mission	3.6	19.9
Kitchener-Cambridge-Waterloo	3.2	19.9
Ottawa	3.6	19.0
Montréal	5.1	17.5
Windsor	2.9	19.4
Winnipeg	6.3	14.3
Edmonton	4.4	16.0
Guelph	2.2	17.5
London	2.5	16.2
Victoria	1.9	16.0
St. Catharines-Niagara	1.5	15.3
Oshawa	1.2	14.8
Kelowna	1.8	12.1
Barrie	1.2	11.0
Kingston	1.1	10.6
Brantford	0.7	10.6
Saskatoon	4.5	6.2
Regina	3.9	6.6
Gatineau	2.5	7.4
Thunder Bay	0.7	8.4
Peterborough	0.5	7.7
Greater Sudbury/Grand Sudbury	0.4	5.8
Sherbrooke	2.1	4.1
Québec	1.4	3.0
Saint John	1.0	3.3
Trois-Rivières	1.1	1.7
Saguenay	0.3	0.8
Moncton	1.7	2.8
Halifax	2.2	6.0
St. John's	0.8	2.2

[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.
[2] Recent immigrants landed in Canada from January 1, 2006 through May 10, 2011.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 2-4: Recent immigrant shares, selected CMAs, 2001, 2006 and 2011

Geography	2001 (%)	2006 (%)	2011 (%)
Toronto	43.13	40.35	32.83
Montréal	11.85	14.90	16.32
Vancouver	17.61	13.67	13.34
Calgary	3.78	5.22	6.08
Edmonton	2.18	2.87	4.29
Winnipeg	1.39	2.17	3.89
Ottawa-Gatineau	3.96	3.16	3.48
Hamilton	1.94	1.87	1.61
Saskatoon	0.33	0.30	0.99
Québec	0.55	0.76	0.92
Halifax	0.46	0.46	0.71
Regina	0.18	0.24	0.70

Recent immigrants landed in Canada from January 1, 2006 through May 10, 2011.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-5: Households by immigrant status of primary household maintainer,[1] Canada, 2011

Immigrant status and length of time in canada	%
Non-immigrant	76.1
Non-permanent resident	0.9
Immigrant (25+ years[2])	11.0
Immigrant (15-24 years[2])	4.6
Immigrant (10-14 years[2])	2.2
Immigrant (5-9 years[2])	2.6
Recent immigrant (< 5 years[2])	2.5

[1] Immigrant households have primary maintainers who are immigrants. The figure groups immigrant households by length of residence—the approximate number of years since the maintainer landed in Canada. Recent-immigrant households are those whose primary maintainers landed in Canada from January 1, 2006 through May 10, 2011. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

[2] Length of time in Canada.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 2-6: Immigrant and non-immigrant households, selected statistics, Canada, 2011

	Non-immigrant households	Immigrant households	Non-recent immigrant households	Recent immigrant households
Average household income ($)	79,228	79,717	82,503	57,121
Ownership rate (%)	69.6	68.8	72.8	36.5
% crowded	3.6	12.7	11.1	27.2
% of income spent on shelter	21.1	24.2	23.6	30.2

Immigrant households have primary maintainers who are immigrants. Recent-immigrant households are those whose primary maintainers landed in Canada from January 1, 2006 through May 10, 2011. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer. Crowded households have fewer bedrooms than required given their size and composition.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 2-7: Aboriginal and Non-Aboriginal households, selected statistics, Canada, 2011

	Non-Aboriginal households	Aboriginal households
Average household income	79,700	66,500
Ownership rate (%)	69.7	54.0
% crowded	5.7	10.5
% of dwellings in need of major repair	6.9	17.4

An Aboriginal household is either i) a non-family household in which at least 50% of household members self-identified as Aboriginal people; or ii) a family household that meets at least one of two criteria: a) at least one spouse, common-law partner, or lone parent self-identified as an Aboriginal person; or b) at least 50% of household members self-identified as Aboriginal people.

Crowded households have fewer bedrooms than required given their size and composition.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 2-8: Aboriginal population shares, Canada, Provinces and Territories, 2011

Geography	Aboriginal people as a % of total population
Canada	4.3
Nunavut	86.3
Northwest Territories	51.9
Yukon	23.1
Manitoba	16.7
Saskatchewan	15.6
Newfoundland and Labrador	7.1
Alberta	6.2
British Columbia	5.4
Nova Scotia	3.7
New Brunswick	3.1
Ontario	2.4
Quebec	1.8
Prince Edward Island	1.6

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 2-9: Aboriginal population, Provinces and Territories, 2011

Geography	Aborginal population
Ontario	301,430
British Columbia	232,285
Alberta	220,695
Manitoba	195,895
Saskatchewan	157,740
Quebec	141,915
Newfoundland and Labrador	35,800
Nova Scotia	33,845
Nunavut	27,365
New Brunswick	22,620
Northwest Territories	21,160
Yukon	7,705
Prince Edward Island	2,230

Source: Statistics Canada *(National Household Survey)*

Figure 2-10: Household growth by age of primary maintainer,[1] Canada, 2001-2006 and 2006-2011

Age Group	Average annual household growth, 2001-2006	Average annual household growth, 2006-2011
<25	1,891	458
25-29	4,837	13,921
30-34	-6,788	12,189
35-39	-34,082	-6,123
40-44	2,936	-34,501
45-49	32,258	4,372
50-54	31,772	34,343
55-59	57,211	30,535
60-64	36,998	55,436
65-69	9,613	35,443
70-74	2,867	11,116
75+	35,385	19,166

[1] A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-11: Age-specific homeownership rates, Canada, 1996, 2006, and 2011

Age of primary household maintainer	Homeowners as a % of all households, 1996	Homeowners as a % of all households, 2006	Homeowners as a % of all households, 2011
15-24	14.1	21.1	23.8
25-29	34.8	41.9	44.1
30-34	53.2	58.8	59.2
35-39	63.3	66.5	67.1
40-44	69.2	71.7	71.0
45-49	73.1	74.5	73.8
50-54	75.1	76.5	75.7
55-59	76.3	77.8	76.9
60-64	76.2	77.5	77.2
65-69	74.6	77.0	76.7
70-74	71.5	75.1	75.5
75+	62.2	67.9	70.5

A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-12: Homeownership rate, Canada, 1971-2011

Year	Homeowners as a % of all households
1971	60.3
1976	61.8
1981	62.1
1986	62.1
1991	62.6
1996	63.6
2001	65.8
2006	68.4
2011	69.0

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-13: Homeownership rates, Canada and CMAs,[1] 2011

Geography	Homeowners as a % of all households
Canada	69.0
All CMAs	66.1
Oshawa	79.6
Barrie	79.3
Kelowna	76.2
Abbotsford-Mission	75.4
St. Catharines-Niagara	74.5
Brantford	74.0
Calgary	73.9
Peterborough	73.7
Windsor	73.1
Guelph	72.6
Thunder Bay	72.0
Hamilton	71.4
Regina	71.2
Saint John	71.0
Moncton	70.6
Edmonton	70.6
St. John's	70.3
Kitchener-Cambridge-Waterloo	70.2
Saskatoon	69.1
Winnipeg	68.4
Toronto	68.3
Gatineau	68.0
Greater Sudbury/Grand Sudbury	68.0
Ottawa	67.9
Kingston	67.0
London	66.7
Vancouver	65.5
Victoria	65.1
Saguenay	64.1
Halifax	62.8
Québec	59.7
Trois-Rivières	58.0
Montréal	55.0
Sherbrooke	54.9

[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 2-14: Change in homeownership rates, Canada and CMAs,[1] 1996-2011

Geography	Percentage-point change in homeownership rate
Canada	5.4
All CMAs	7.1
Guelph	10.5
Toronto	9.9
Ottawa	9.7
Calgary	8.4
Oshawa	8.2
Kitchener-Cambridge-Waterloo	7.8
Saskatoon	7.7
Barrie	7.6
Brantford	6.7
London	6.6
Montréal	6.5
Gatineau	6.4
Hamilton	6.2
Edmonton	6.2
Vancouver	6.1
Kingston	5.9
Saint John	5.4
Greater Sudbury/Grand Sudbury	5.4
Regina	5.1
Québec	4.8
Sherbrooke	4.7
Winnipeg	4.5
Windsor	4.4
Peterborough	4.3
Abbotsford-Mission	3.9
Kelowna	3.8
St. Catharines-Niagara	3.8
Saguenay	3.3
Victoria	3.0
Halifax	2.9
St. John's	2.8
Trois-Rivières	2.6
Thunder Bay	2.3
Moncton	1.4

[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-15: Household growth by tenure, Canada, 1971-2011

Tenure	1971-76	1976-81	1981-86	1986-91	1991-96	1996-01	2001-06	2006-11
Renters	67,456	80,947	45,778	70,008	37,324	405	-5,734	39,945
Owners	158,861	142,141	87,788	138,431	120,950	146,522	179,878	135,213

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-16: Homeownership rates by type of ownership,[1] Canada, 1996-2011

Type of ownership	1996 (%)	2001 (%)	2006 (%)	2011 (%)
Condominium	4.8	5.8	7.4	8.7
Other dwelling	58.8	60.0	61.1	60.3
Total	63.6	65.8	68.4	69.0

[1] Includes only owner-occupied units.

Percentages may not add to total due to rounding.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-17: Occupancy of single-detached houses, Canada, 1996-2011

Year	Percentage of households living in single-detached houses		
	All occupied dwellings (%)	Owner-occupied dwellings (%)	Rented dwellings (%)
1996	56.6	79.8	15.3
2001	57.4	78.5	15.9
2006	55.3	74.4	13.1
2011	55.0	73.3	13.4

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Figure 2-18: Occupancy of single-detached houses by birth cohort, Canada, 1996-2011

Birth cohort	Percentage of households living in single-detached houses					
	Age of primary maintainer, 45-49 (%)	Age of primary maintainer, 50-54 (%)	Age of primary maintainer, 55-59 (%)	Age of primary maintainer, 60-64 (%)	Age of primary maintainer, 65-69 (%)	Age of primary maintainer, 70-74 (%)
1936-41	-	-	65.1	64.4	60.6	57.8
1946-51	65.2	65.5	62.8	61.6	-	-

Birth cohorts comprise individuals born during a given period. A household maintainer is the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

Housing Markets

Henri Masson, Rivière-au-Renard, Gaspé, 1961, Oil on canvas, 18" x 24", FAC 0997, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

This chapter presents housing market developments in 2013.

Canadian housing starts remained above the 1955 to 2013 historical average, despite a decrease of 12.5% in 2013

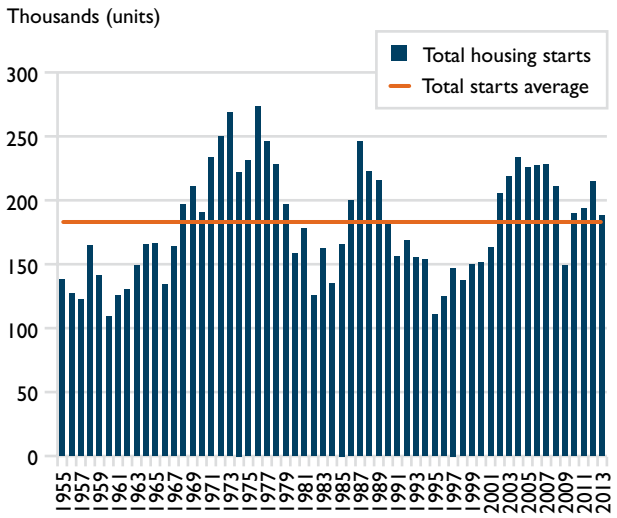
Housing starts declined by 12.5% in 2013 to 187,923 units. However, the decline registered in 2013 followed a roughly decade-long interval during which annual activity generally exceeded the 1955 to 2013 historical average of 181,000 units.[1] From 2003 to 2013 the average annual rate of housing starts stood at 207,258 units, despite this period having included reduced housing starts in 2009, due to the 2008–2009 economic downturn. From 2010 to 2011, recovery in economic conditions supported the return of housing starts to levels closer to the 1955 to 2013 historical average. The variability of housing starts was exemplified by the increase registered in 2012 to levels reminiscent of the expansionary period of the early 2000s. However, the moderation in housing starts in 2013 brought the level of activity back closer to its historical average *(see Figure 3-1).*

[1] Household formation ultimately drives the pace of housing construction because a larger number of households tend to require a larger housing stock to accommodate it. Other factors, including fluctuations in the pace of employement and income growth can drive short-term fluctuations between the level of construction and household formation. While the rate of household formation is the best benchmark against which to measure short-term fluctuations in new construction, estimates of household formation are based on Census estimates that are not available on a timely basis. As a result, more readily available data on the historical average rate of new private dwelling construction are often used as a proxy for the rate of household formation.

For more detailed discussion on household formation in Canada and its relationship to housing construction, see the chapter on *Demographic Influences on Housing Demand* in this edition of the Observer.

FIGURE 3-1

Total housing starts, Canada, 1955-2013



Source: CMHC *(Starts and Completions Survey)*

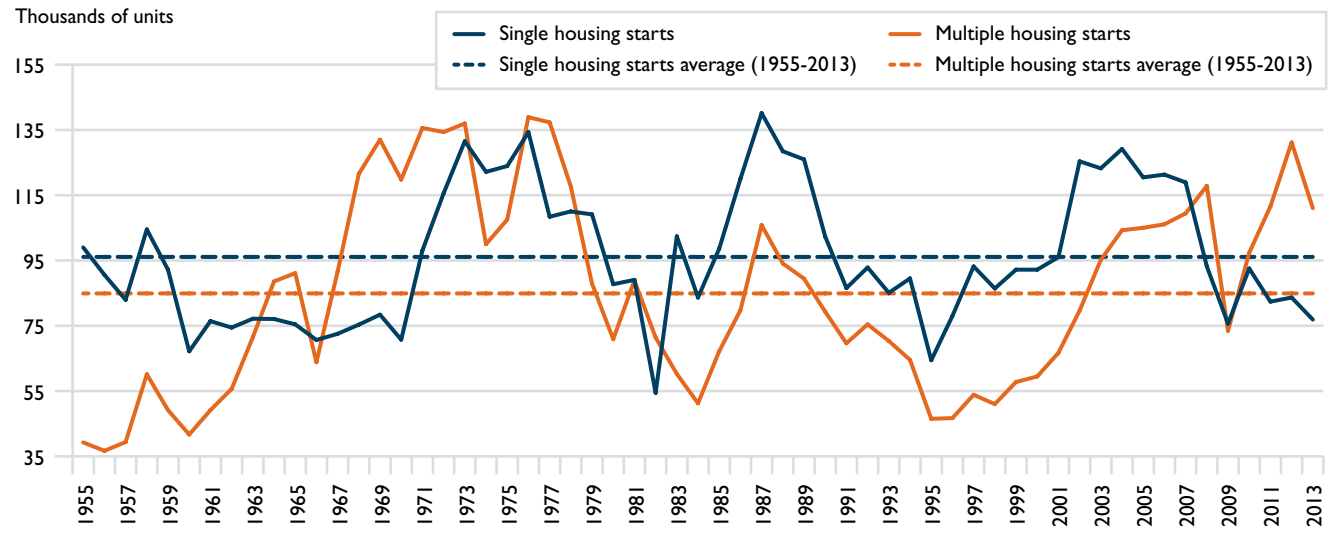
Rising multiple-unit inventories contributed to the decline of housing starts in 2013

The reduction in total housing starts in 2013 was led by a decline of 15.3% in multiple housing starts. Multiple starts consist of semi-detached, row, and apartment units. Lower multiple starts in 2013 were largely due to a downturn in condominium starts. Despite declining in 2013 to 111,030 units, multiple housing starts posted their fourth highest level since 1990 *(see Figure 3-2)* and remained well-above the 1955 to 2013 annual average level of 84,909 units.[2]

Single-detached housing starts, on the other hand, registered a smaller decline of 8.1% from 83,657 units in 2012 to 76,893 units in 2013, below their 1955 to 2013 average of 96,099 units.

FIGURE 3-2

Single and multiple housing starts, Canada, 1955-2013



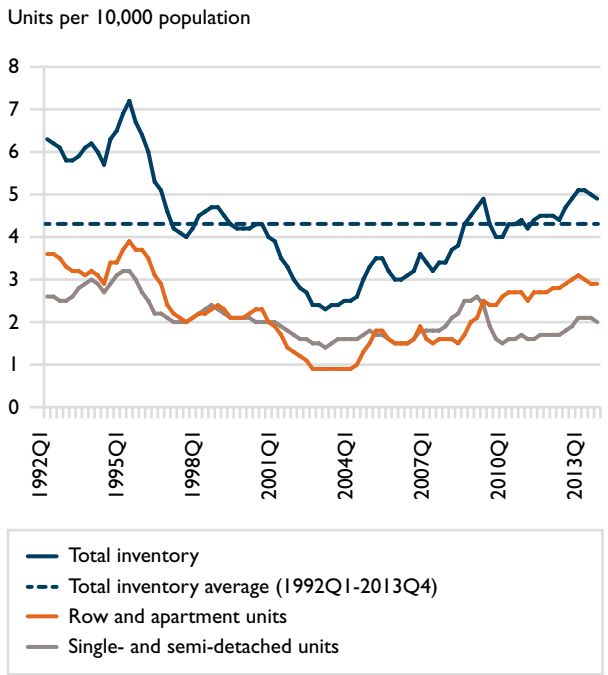
Source: CMHC *(Starts and Completions Survey)*

[2] Figure 3-2 shows that multiple housing starts reached a recent peak in 2012 that was reminiscent of highs last seen in the late 1960s and throughout the 1970s. However, multiple starts activity in the earlier period was driven by growth in purpose-built rental apartments, which subsequently moderated. The more recent upward trend in multiple housing starts, since the mid-1990s, has been driven by growth in condominium starts instead of purpose-built rental apartments. See the section, *"Condominiums play a significant role in the Canadian housing market as they account for an increasing share of the housing supply" on page 3-4,* for further information.

The level of completed and unabsorbed row and apartment unit inventory per 10,000 population trended steadily higher since 2008, and stood at 2.9 at the end of 2013, above the 1992 to 2013 historical average of 2.3 units *(see Figure 3-3)*.[3] This encouraged builders to moderate the pace of new construction of multiple units in 2013, particularly of apartment units, as the decrease in multiple housing starts was mainly due to lower apartment starts, which includes purpose-built rental apartments and condominium apartments. Apartment starts declined by 18.2% in 2013 to 78,493 units, which nonetheless left the level of apartment starts nearly 50% above the 1990 to 2013 average level of 52,695. Starts of row housing units registered a relatively modest decline of 4.7% in 2013 to 19,993, which was still 10% above the 1990 to 2013 historical average of 18,144.

FIGURE 3-3

Inventory of completed and unabsorbed housing units per 10,000 population, Canada, 1992-2013



Source: CMHC *(Starts and Completions Survey)*

Fast Facts

- Housing starts declined by 12.5% in 2013 to 187,923 units, following a roughly decade-long interval during which annual activity generally exceeded the 1955 to 2013 historical average of 181,000 units. Developments in 2013 brought the level of housing starts activity back closer to its historical average.
- The inventory of completed and unabsorbed housing units increased in 2013, mainly due to growth in the unabsorbed inventory of multiple units.
- Sales of existing homes through the Multiple Listing Service® (MLS®) totalled 457,761 units in 2013, essentially unchanged from the 2012 level of 454,341 sales, remaining well above the 1980 to 2013 annual average of 339,313. However, when adjusted for population, the level of MLS® sales per 10,000 population stood at 130 units, above but closer to the 1980 to 2013 annual average of 112 sales.
- The average MLS® price increased at an annual rate of 8.1% during the 1999 to 2007 sellers' market period. With the emergence of balanced market conditions from 2007 to 2013 that remained near the threshold of a sellers' market, the average MLS® price increased at an annual rate of 3.2% over this period.
- On the purpose-built primary rental market, an increase in the number of rental starts contributed to a slight increase in the national vacancy rate, from 2.8% in 2012 to 2.9% in 2013. However, despite the increase in the supply of purpose-built rental units in 2013, the vacancy rate remained below its 1990 to 2013 historical average of 3.2%. Since 2002, vacancy rates have been low by historical standards and very stable, remaining within a relatively narrow range of 2.0% to 3.0%.

[3] A unit is defined as "absorbed" when a binding, non-conditional agreement is made to buy the dwelling.

The inventory of completed and unabsorbed single- and semi-detached units per 10,000 population stood at 2.0 units in the fourth quarter of 2013, essentially on par with the 1992 to 2013 historical average of 2.1 units.

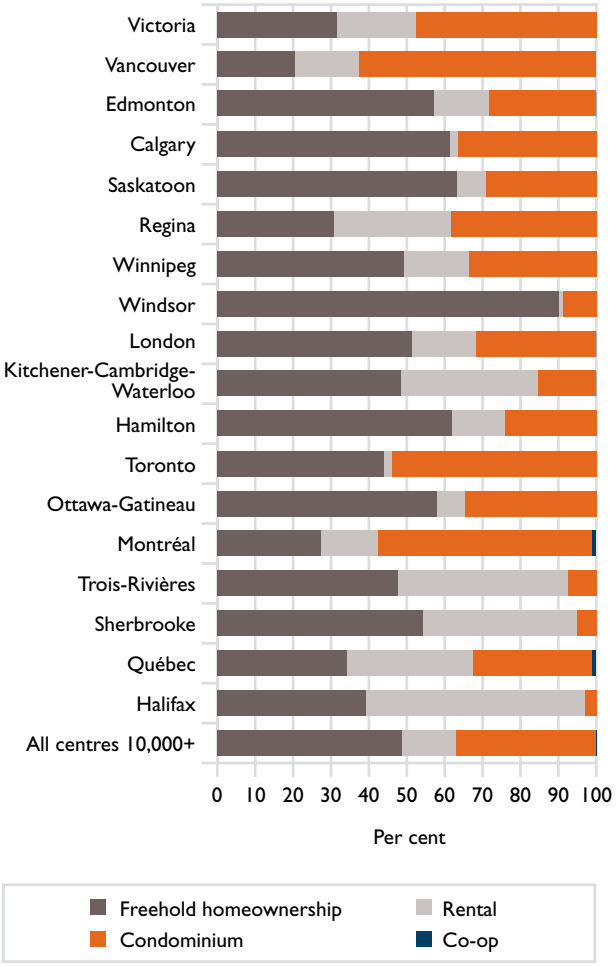
Condominiums play a significant role in the Canadian housing market as they account for an increasing share of the housing supply

Lower apartment starts in 2013 were due to a decline in condominium starts. Condominium starts decreased from 77,693 units in 2012 to 62,794 in 2013, a decline of 19.2%. However, the decline in condominium construction in 2013 nonetheless left the level of condominium starts nearly 50% above the 1990 to 2013 average.

Condominium apartment starts have become a major component of overall housing starts activity. In the early 1990s, less than one out of five housing starts was a condominium. This proportion has gradually trended higher, so that by 2013 more than one start out of three was a condominium. In 2013, the share of condominium starts was the highest in Vancouver at 62.6%, followed by Montréal at 56.3% and Toronto at 53.9% *(see Figure 3-4)*. This long-term trend toward a higher share of condominium starts, especially in higher-priced urban centres, is likely due to the relatively lower price of condominium apartment units compared to freehold single-detached dwellings. In addition, in most large urban centres, the secondary rental condominium market has become an increasingly important complement to purpose-built rental housing. While the share of condominium starts has trended higher, the share of purpose-built rental starts has trended lower, from over 20% of total starts in the early 1990s to 14% by 2013. In 2013, the share of purpose-built rental starts in Vancouver (16.8%) and Montréal (15%) was similar to the national average, and well-below the national average in Toronto, at 2.1%. In addition, vacancy rates for rental condominiums in most Census Metropolitan Areas (CMAs) covered by CMHC's secondary rental market surveys are generally low and stable.[4] This suggests that, in addition to ownership demand, stronger demand for condominium-based rental accommodation has supported the expansion of this type of tenure.

FIGURE 3-4

Share of starts by intended tenure,[1] all urban centres 10,000+ and selected CMAs, 2013



[1] A freehold title is an interest in land that gives the holder full and exclusive ownership of the land and building for an indefinite period.

See CMHC's *Housing Information Monthly* for more information at www.cmhc.ca/housingmarketinformation.

Source: CMHC *(Starts and Completions Survey)*

[4] We conduct a survey of the secondary rental market as part of our Fall *Rental Market Survey*. See CMHC's *Fall 2013 Rental Market Report —Canada Highlights,* available for free download at www.cmhc.ca/housingmarketinformation. This report includes further details on the purpose-built and secondary condominium rental markets in selected CMAs.

Highlights from CMHC's Condominium Owners Survey

In 2013, we gathered new data on a segment of domestic condominium investment activity in Toronto and Vancouver, as information on condominium investment in Canada was rather limited. While the results of the *Condominium Owner Surveys* (COS) are not representative of other markets or all types of investors, the survey helped to shed some light on the profile and purchasing motivations of a segment of condominium investors in Toronto and Vancouver. The survey did not cover Canadian households that own condominium units in Toronto or Vancouver but do not reside in these CMAs. Foreign investors, and corporate investors were also not covered by the survey.

A total of 42,426 households were surveyed in Toronto and Vancouver. Of those that own at least one condominium, 82.9% own a condominium and reside in it and 17.1% own their primary residence and at least one secondary condominium unit. This latter group of condominium owners are considered to be condominium investors and are referred to as "COS investors" in this report.

About half of COS investors in Toronto and Vancouver rent out their last purchased unit, while one-third have their last unit occupied by family.

Among COS investors, 58.4% expected to keep their secondary unit for more than five years at the time of the survey. However, 11.9% reported that they originally bought their last secondary unit with the intention of reselling it for a profit within a year of purchase.

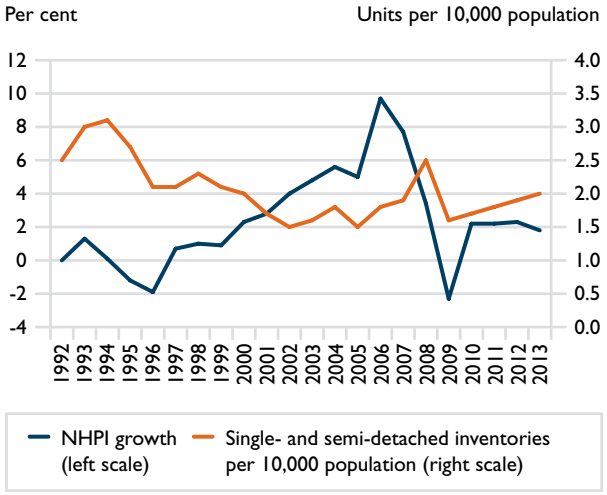
CMHC's *Condominium Owners Report* is available for free download at www.cmhc.ca/housingmarketinformation.

Stability in recent years in the inventory of completed and unabsorbed single- and semi-detached units supported moderation in the growth of the New Housing Price Index from mid-2000s peak

Statistics Canada's New Housing Price Index (NHPI),[5] measures the change in the selling price of new single-detached residential homes. It is based on housing specifications that remain constant between periods in order to control for changes in the quality of new homes. Periods when the inventory decreases tend to precede or coincide with periods of acceleration in NHPI growth, while periods of increasing inventory tend to be followed by periods of weaker NHPI growth or declines in the index *(see Figure 3-5)*. For example, from 2005 to 2008, the inventory of completed and unabsorbed single-

FIGURE 3-5

Inventory of completed and unabsorbed single- and semi-detached housing units per 10,000 population and growth in the New Housing Price Index, Canada, 1992-2013



Source: CMHC *(Starts and Completions Survey)*, Statistics Canada (CANSIM)

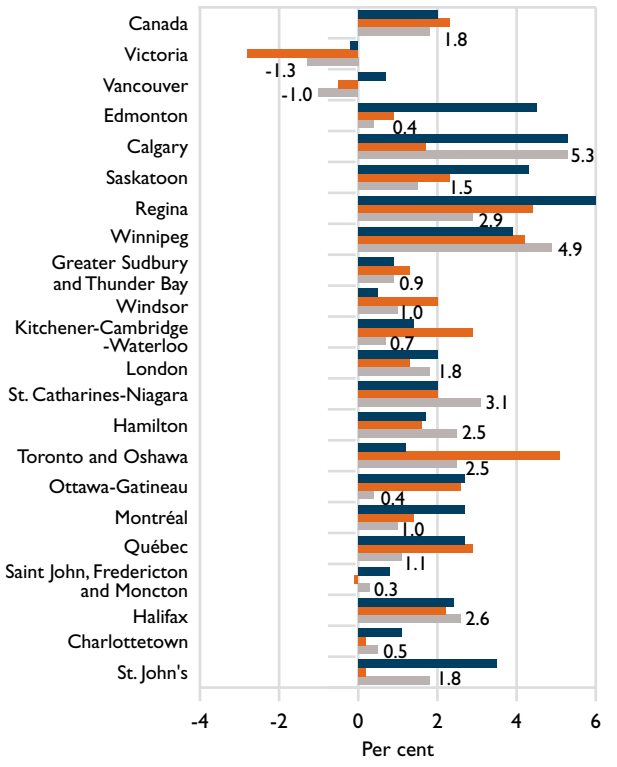
[5] For more information, see *Capital Expenditure Price Statistics,* Catalogue number 62-007-X (Ottawa: Statistics Canada, October 31, 2013). The NHPI does not provide coverage for all CMAs as defined in the 2011 Census. In addition, some geographic regions that are covered by the NHPI are not currently defined as a specific CMA (according to the 2011 Census definition), and some individual CMAs are aggregated in the NHPI. As a result, the urban centres covered by the NHPI are referred to as "Metropolitan Areas" by Statistics Canada rather than as "Census Metropolitan Areas". For consistency with the nomenclature adopted for the previous discussion of existing home markets, NHPI localities are referred to here as "urban centres".

and semi-detached homes increased from 1.5 units per 10,000 population to 2.5 units, reflecting the negative impact on housing demand from the global economic downturn that commenced during that period. As a result, the annual growth in the NHPI went from a high of 9.7% in 2006 to a low of -2.3% by 2009. From 2009 to 2013, the inventory of completed and unabsorbed single- and semi-detached homes essentially stabilized at levels close to the 1992 to 2013 average of 2.0 units per 10,000 population. This was followed, from 2010 to 2013, by very stable NHPI growth at levels in line with the 1992 to 2013 historical annual average of 2.4%.

In 2013, NHPI growth was led by Calgary and Winnipeg, which registered respective gains of 5.3% and 4.9% *(see Figure 3-6)*. Among the surveyed centres, only Victoria (-1.3%) and Vancouver (-1.0%) registered declines in 2013. The decline in Vancouver followed two slight declines in 2012 and 2011, while Victoria registered a sixth consecutive decline in 2013, although the pace of decline moderated from the -2.8% in 2012.

FIGURE 3-6

Changes in Statistics Canada's New Housing Price Index (%), urban centres, 1990-2013 average, and 2012 and 2013 values



Note: Value for Canada is based on the average of 21 urban centres covered by this index.

Source: Statistics Canada (CANSIM)

Starts increased in only two provinces in 2013

Across the country, only Alberta and Manitoba recorded increases in housing starts in 2013 *(see Figure 3-7)*. Alberta saw a 7.8% increase in total housing starts, leaving starts above their 1990 to 2013 historical average. Rising wages and employment opportunities, driven by investments in the energy sector, encouraged elevated levels of in-migration to Alberta in 2013. These positive factors helped lift demand for new homes and supported a decline in the inventory of completed and unabsorbed homes. Manitoba's low unemployment rate helped support an increase in housing starts in 2013, which left the level of housing starts further above its historical average than it had been in 2012.

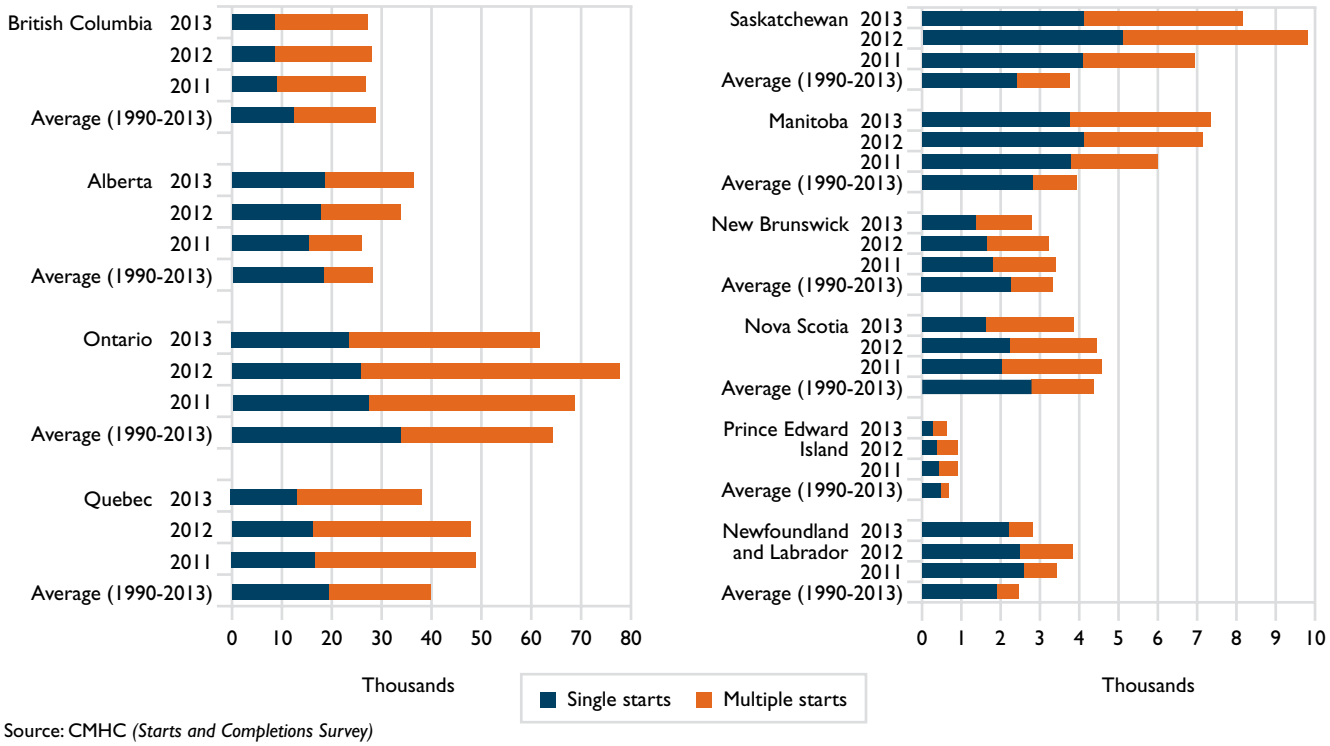
Saskatchewan was the one Prairie province to register a decline in housing starts in 2013. This decline reflected the response of builders to a growing inventory of completed and unabsorbed homes; however, strong employment gains and heightened levels of in-migration to Saskatchewan continued to support a level of housing starts well above the 1990 to 2013 historical average.

Housing starts in British Columbia remained relatively stable in 2013 at levels essentially on par with the 1990 to 2013 average. Economic growth in 2013 was little changed from the 2012 pace, while remaining essentially on par with the average pace of Canadian GDP growth, a pattern that has existed in British Columbia for several years, and has supported the stability of housing starts in the province.

In 2013, Ontario registered a 20% decline in housing starts. However, this followed a strong gain in 2012 that drove activity in Ontario to levels further above the 1990 to 2013 average, particularly in the condominium part of the multiple starts segment. In 2013, increasing levels of completed and unabsorbed housing inventory encouraged builders to lower their level of new construction activity, particularly of condominium apartment units. As a result, total housing starts in 2013 returned to levels closer to, but still above, the historical average in Ontario.

FIGURE 3-7

Housing starts by Province, 2011 to 2013 levels and 1990 to 2013 average



Source: CMHC *(Starts and Completions Survey)*

Housing starts in Quebec decreased also by 20% in 2013. Similar to developments in Ontario, the decline in Quebec follows levels of activity in recent years that exceeded the 1990 to 2013 average, particularly with respect to multiple housing starts. Increasing inventory of completed and unabsorbed units in 2013 likewise encouraged builders in Quebec to reduce the level of housing starts to levels that were roughly 4% below the historical average level.

In the Atlantic provinces, continuing weakness in economic conditions and relatively slow population growth was accompanied by declines in housing starts in Prince Edward Island (-32%), Newfoundland and Labrador (-26%), New Brunswick (-14%) and Nova Scotia (-13%). With the exception of Newfoundland and Labrador, the declines recorded in 2013 left the level of housing starts in the Atlantic provinces below their respective 1990 to 2013 average levels.

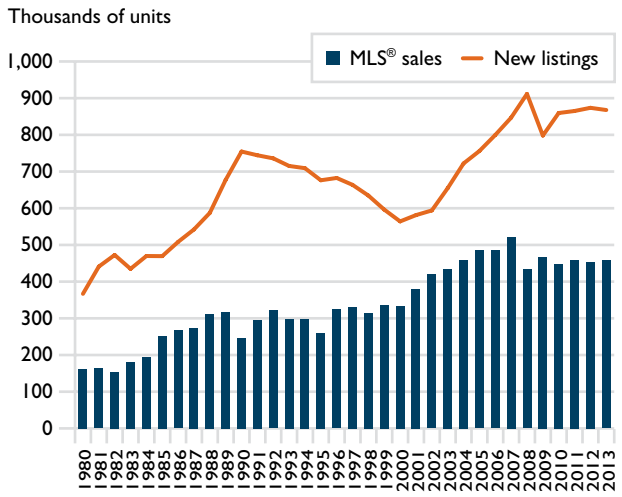
Sales of existing homes remained relatively stable in 2013

In 2013, sales of existing homes through the Multiple Listing Service® (MLS®) totalled 457,761 units, essentially unchanged from the 2012 level of 454,341 sales, remaining well above the 1980 to 2013 annual average of 339,313. When adjusted for population, the level of MLS® sales per 10,000 population stood at 130 units, above but closer to the 1980 to 2013 annual average of 112 sales.

While demand for existing homes held steady in 2013, the supply of new listings of existing homes decreased by 0.7% to 866,890 units, after an upward trend observed from 2009 to 2012 *(see Figure 3-8)*. The level of new listings in 2013 exceeded the 1980 to 2013 annual average of 663,236 new listings. The level of new listings per 10,000 population in 2013 stood at 247 units, close to the 1980 to 2013 historical average level of 222 new listings per 10,000 population.

FIGURE 3-8

MLS® sales and new listings, Canada, 1980-2013



Source: Canadian Real Estate Association (CREA)
MLS® is a registered trademark for CREA

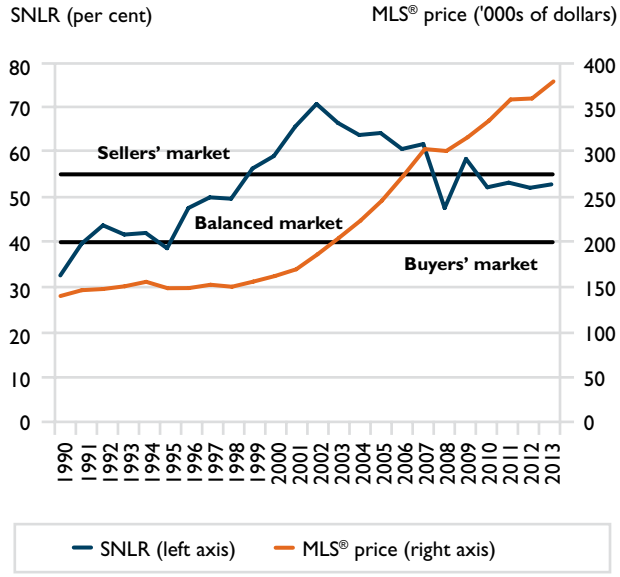
The sales-to-new-listings ratio (SNLR) is often used as a rough barometer of the state of the housing market. Historically, time periods with a national sales-to-new-listings ratio below 40% have been associated with a buyers' market, with the nominal average Canadian house price rising more slowly than the rate of inflation. Conversely, time periods with a national SNLR above 55% have been associated with a sellers' market, and the average Canadian house price rising more rapidly than inflation. When the SNLR is between these two thresholds, the housing market is considered to be in balance from a national perspective, and the national average house price is expected to rise at a rate similar to inflation.[6]

The market was in balanced conditions, from a national perspective, throughout 2013, with a sales-to-new-listings ratio of 52.8 for the whole year *(see Figure 3-9)*. This was toward the upper end of balanced market conditions, near the 55% threshold of sellers' market conditions. Market conditions have been in balance but close to sellers' market conditions since 2010.

Price growth in Canada has responded to changing market conditions *(see Figure 3-9)*. Market conditions gradually moved from buyers' to balanced market conditions during the 1990s as housing demand was supported by improvement in economic fundamentals. Price growth was restrained over this period, as indicated by the relatively flat trend in the average MLS® price level that characterized the 1990s. At the turn of the century, market conditions entered sellers' market territory, where they remained until the economic downturn pushed housing markets back into balanced market conditions in 2008. During the 1999 to 2007 sellers' market period, the average MLS® price increased at an annual rate of 8.1%. With the emergence of balanced market conditions in recent years that are near the threshold of a sellers' market, the average MLS® price increased at an annual rate of 3.2% from 2007 to 2013.

FIGURE 3-9

MLS® sales-to-new-listings ratio (SNLR) and average MLS® price, Canada, 1990-2013



Source: Canadian Real Estate Association (CREA);
MLS® is a registered trademark for CREA

[6] These thresholds reflect calculations by CMHC.

Overview of house price differential between Canada and the United States from 2000 to 2013

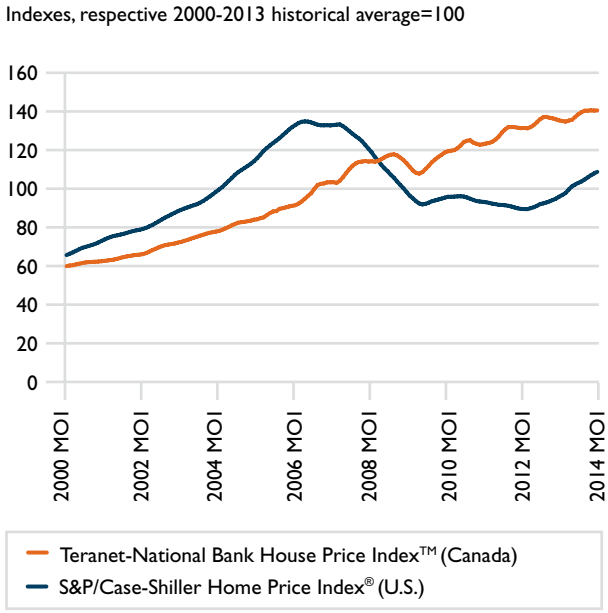
Concerns over a potential emergence of a sharp housing correction, such as the one seen in the U.S., have been persistent in Canada following several years of building activity that saw housing starts climb to levels that were well-above their average level since 1955. Figure 3-10 illustrates the divergent experience of the Canadian and U.S. housing markets from 2000 to 2013 by comparing changes in the level of house prices. The price measure used for Canada is the Teranet-National Bank House Price Index™, while the price measure used for the U.S. is the S&P/Case-Shiller® Home Price Index.[7]

The U.S. and Canadian housing markets have followed very different trends since 2000. From 2000 to roughly mid-2006, house prices increased in both Canada and the U.S. during a time of increasing housing activity; however, U.S. prices grew much more rapidly than Canadian house prices *(see Figure 3-10)*. From 66 in January 2000, the U.S. index increased to a peak of 135 in April 2006, an increase of more than 100%. In contrast, the Canadian index increased from 60 in January 2000 to 95 in April 2006, an increase of 58%.

In the U.S., home prices held steady near the 2006 peak index value of 135 for a few months before declining sharply beginning in early 2007. U.S. home prices fell to 92 by mid-2009, a decline of about 32% from the 2006 peak. Following several years of recovery in U.S. economic and financial conditions, the U.S. index began to register gains in house prices in the first half of 2012, reaching a value of 109 by December 2013, still well-below the 2006 peak.

FIGURE 3-10

Comparison of quality-adjusted house price indexes in Canada and the United States, January 2000 to December 2013



Source: Teranet and National Bank, S&P Dow Jones Inc.
Calculations by CMHC

In contrast, the Canadian housing market continued to experience about two years of steady price gains while U.S. house prices were declining, continuing the trend of more gradual price growth in Canada from the first half of the 2000s. This trend continued until August 2008, when the index reached a value of 118. Canada then experienced a relatively brief and mild downturn in home prices amidst a global economic downturn over 2008 to 2009, declining to 108 by April 2009, a decline

[7] The price measures used in Figure 3-10 for Canada and the U.S. both control for changes in the quality and mix of types of homes sold, allowing for better comparability relative to other available measures that are based on respective local currencies. In Figure 3-10, each measures has been indexed to its respective historical average value from January 2000 to December 2013, so as to allow price changes to be measured against the historical average. Relative to the base value of 100, the indices show the per cent change in price levels from the 13-year average. For example, an index value of 110 would indicate that home prices were 10% above the historical average price level.

of 9%. As economic conditions improved, the Canadian housing market entered a period of relatively stable house price growth that permitted price levels to recover by December 2009, or roughly a year and a quarter after the initial downturn in Canada, unlike the U.S. experience, where price levels remained below pre-recessionary levels in 2013, some 8 years after the initial downturn.

Comparing house prices in the U.S. and Canada: controlling for differences due to exchange rates, inflation and other factors that affect the purchasing power of homebuyers

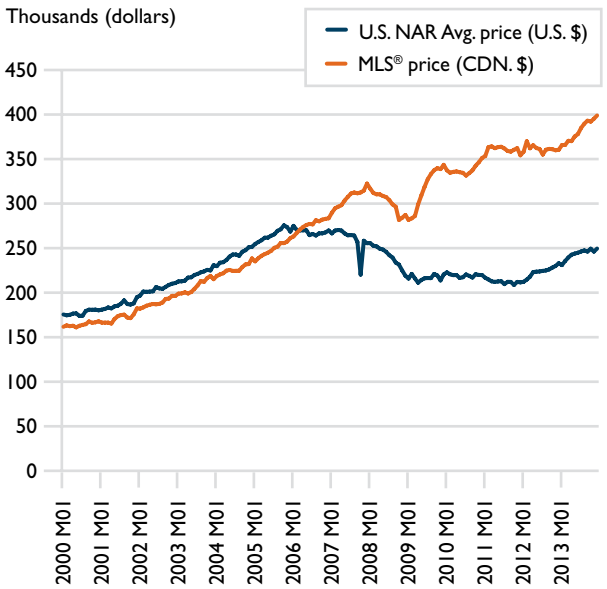
The cross-country comparability of house price measures can also be enhanced by considering exchange rates and differences in overall inflationary environments between the U.S. and Canadian economies.[8]

Figure 3-11 illustrates that Canadian house prices have significantly exceeded U.S. house prices since the 2007-2008 downturn. This is the expected consequence of the divergent history described above. It is important to note that the price gap in 2013 between the U.S. and Canada is largest when prices are measured in their respective local currencies *(see Figure 3-11).*

Figure 3-12 compares the same house price measures shown in Figure 3-11 while adjusting for differences in price levels between the U.S. and Canada. In particular, Figure 3-12 uses estimates of the Comparative Price Level (CPL) between the two countries to adjust for differences in the exchange rate and inflationary environments which affect prices and income that impact purchasing power. Once these adjustments are taken into account, Canadian and U.S. house price levels converge somewhat, however, the U.S. price continues to remain below the Canadian price. This Canadian "premium" could be a cause for concern, because it may indicate that house prices in Canada are overvalued. CMHC is analyzing these differences, in order to understand the reasons for the price differential, be they structural, temporary or reflective of relative overvaluation in Canada.

FIGURE 3-11

Comparison of house price measures in Canada and the United States, using local currencies, January 2000 to December 2013

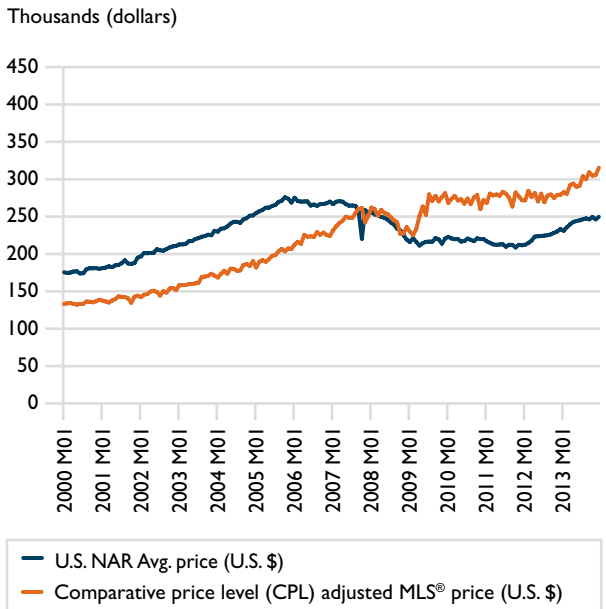


Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark for CREA. U.S. National Association of Realtors (NAR)

[8] The price measures used for Canada and the U.S. in Figure 3-11 are based on their respective local currencies. In Figure 3-12, the Canadian price measure is adjusted using estimates of the Comparative Price Levels (CPL) between the U.S. and Canada from the OECD. A CPL estimate permits the comparison of the cost of the same basket of goods in different currencies without distortions caused by the exchange rate or differences in the inflationary environment between countries. For example, if Country A has a CPL of 0.90 with Country B, this means that a unit of Country A's currency would only buy 90% of the reference basket of goods that Country B's currency buys when the exchange rate and inflationary environment are taken into account. The OECD provides updated estimates of CPLs between various countries, including between the U.S. and Canada, in its monthly statistical publication, *Main Economic Indicators,* which is available on the OECD's website. See www.oecd-ilibrary.org/economics/main-economic-indicators_22195009 (October 23, 2014) for further information.

FIGURE 3-12

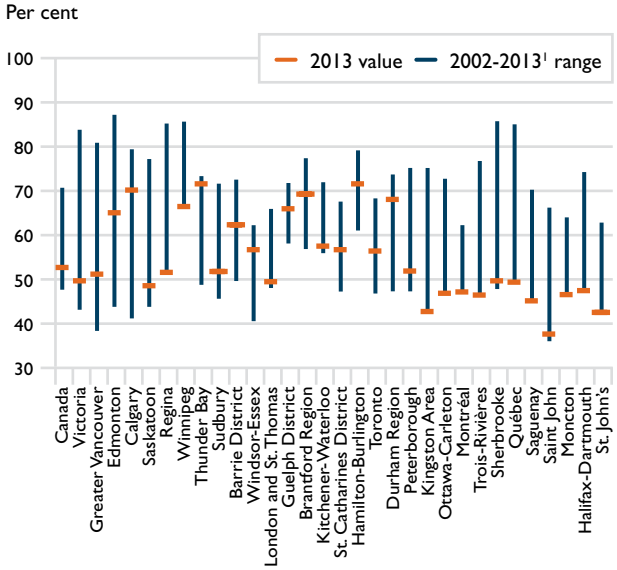
Comparison of house price measures in Canada and the United States, with Canada adjusted for comparative price levels, January 2000 to December 2013



Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark for CREA. U.S. NAR, OECD. Calculations by CMHC

FIGURE 3-13

Sales-to-new-listings ratio (SNLR), Canada and selected urban centres, 2002-2013 range[1] and 2013 value



[1] Minimums and maximums for Montréal are for the 2004-2013 period.

Source: Canadian Real Estate Association (CREA). The geographic definitions used by CREA differ from those used by Statistics Canada. Quebec Federation of Real Estate Boards (QFREB) by the Centris® System

Housing market conditions varied across the country in 2013

The SNLR threshold values that mark the rough boundaries between balanced, buyers' and sellers' markets reflect historical experience at the aggregate Canadian level. As a result, SNLR thresholds for particular sub-markets may not coincide precisely with the aggregate national thresholds, reflecting the diversity of housing markets across Canada. Nonetheless, in 2013, most centres in eastern Ontario, Quebec and Atlantic Canada saw SNLR values at the low ends of their 2002-2013 ranges,[9] generally indicating balanced markets *(see Figure 3-13)*. Centres elsewhere in Ontario, Manitoba and Saskatchewan, displayed a high degree of variability with respect to market conditions in 2013. In 2013, market conditions tended to be tighter in Alberta and were generally balanced in British Columbia.

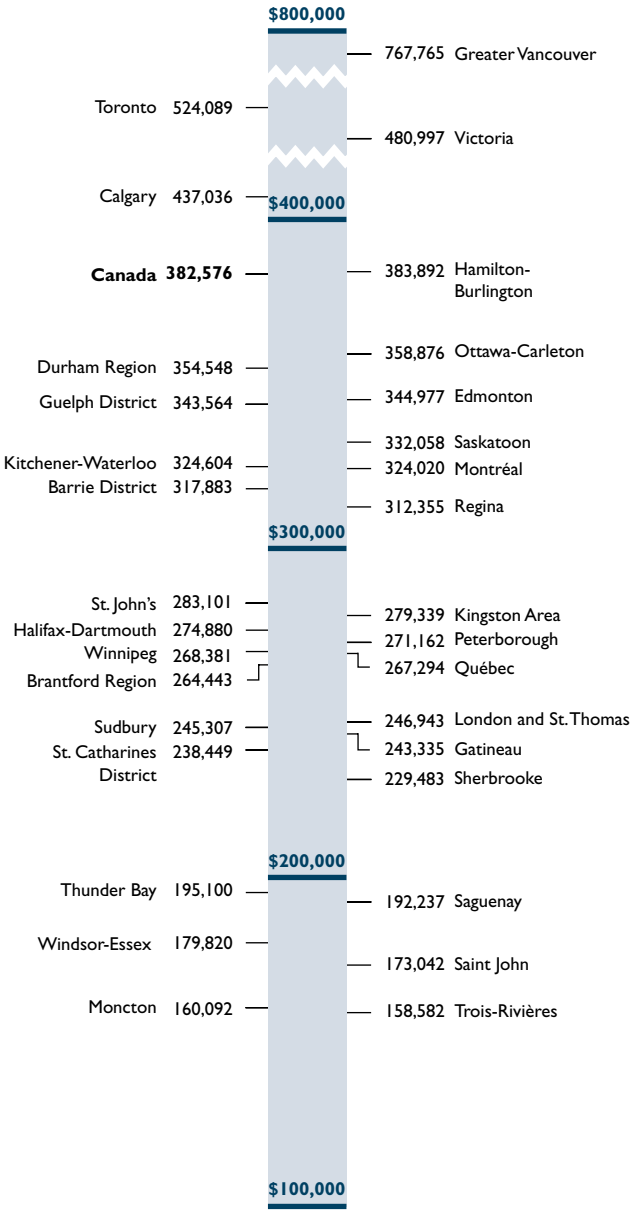
The mortgage-payment-to-income ratio remained in line with its historical average, despite growth in the average MLS® house price

Over the course of 2013, the relative stability in sales combined with the slight decline in new listings led to an increase of 5.3% in the average MLS® price from $363,469 in 2012 to $382,576 *(see Figures 3-14 and 3-15)*. Greater Vancouver recorded the highest average resale price of all major urban centres at $767,765, followed by Toronto at $524,089 and Victoria at $480,997. The lowest average resale prices in 2013 were in Trois-Rivières ($158,582) and Moncton ($160,092).

[9] The use of a shorter range of data here reflects data availability.

FIGURE 3-14

Average resale price, Canada and urban centres, 2013 (dollars)

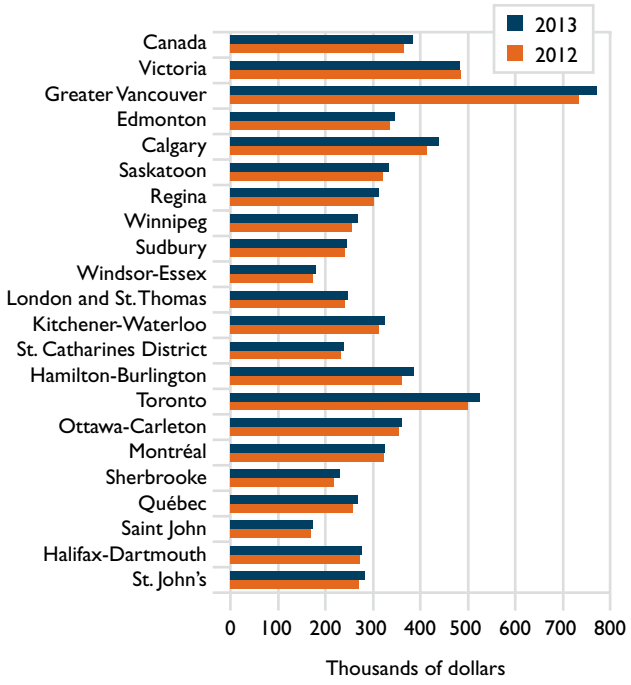


Note: The geographic definitions used by CREA differ from those used by Statistics Canada.

Source: CREA (MLS®) MLS® is a registered trademark of the Canadian Real Estate Association. QFREB by the Centris® System. The Centris® System contains all the listings of Quebec real estate brokers

FIGURE 3-15

Average resale price, Canada and selected urban centres, 2012 and 2013



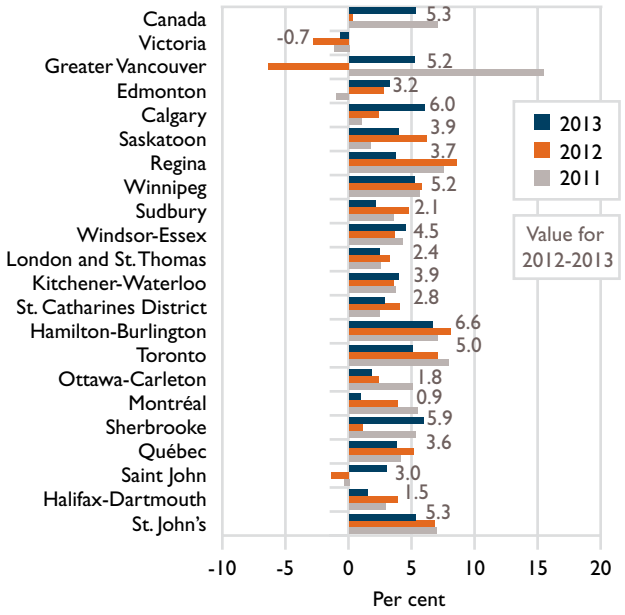
Source: Canadian Real Estate Association (CREA). The geographic definitions used by CREA differ from those used by Statistics Canada. Quebec Federation of Real Estate Boards (QFREB) by the Centris® System

In most urban centres, house prices increased in 2013 by more than the national rate of inflation of 1.3% *(see Figure 3-16)*. While balanced market conditions generally imply a level of house price growth that is similar to inflation, the fact that market conditions have stabilized at the high end of the balanced market range in recent years has led to house price growth that exceeds inflation, but by a smaller margin than would likely be observed under actual sellers' market conditions. Regionally, Hamilton-Burlington saw the highest increase in its average MLS® price (6.6%), followed by Calgary (6.0%) and Sherbrooke (5.9%). Victoria was the only major urban centre to post a decrease in its average MLS® price in 2013 (-0.7%).[10]

[10] Annual data on MLS® average prices by Metropolitan Area can be found in Appendix A Table 6.

FIGURE 3-16

Changes in average resale prices, Canada and selected urban centres, 2011-2013



Source: Canadian Real Estate Association (CREA). The geographic definitions used by CREA differ from those used by Statistics Canada. Quebec Federation of Real Estate Boards (QFREB) by the Centris® System

The mortgage-payment-to-income ratio indicates the financial accessibility of housing by taking into account additional variables beyond house prices that affect the costs of carrying a mortgage on a home, including mortgage rates and amortization periods, in order to estimate the size of a typical mortgage payment as a share of income.

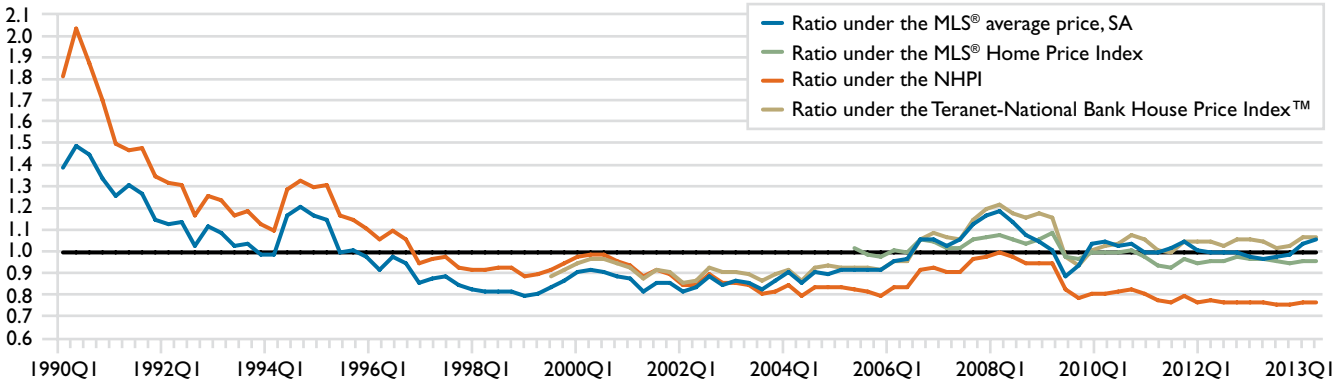
The mortgage-payment-to-income ratio was near its historical average in 2013, where it has stabilized since about the first quarter of 2011, despite increases registered in recent years in various house price measures, including the MLS® average price measure *(see Figure 3-17)*. This ratio takes into account mortgage interest rates and amortization, and is superior to a simple price-to-income ratio in measuring the capacity of households to access or maintain homeownership.[11]

The main factor that kept the level of the mortgage payment-to-income ratio in 2013 in line with its 1990-2013 average value, despite increasing house prices, was the low level of mortgage interest rates when compared to historical experience. More generally, the trend towards lower interest rates over the period 1990-2013 largely explains the declining trend in the mortgage payment-to-income ratio since the early 1990s.

FIGURE 3-17

Indexes of the mortgage payment-to-income ratio under alternative price measures, Canada, 1990-2013

Indexes of the mortgage payment-to-income ratio, respective 1990-2013 average = 1.0



Note: Assumes a 20% down payment, with the mortgage amortized over 25 years, with interest determined by the chartered banks' posted 5-year mortgage interest rate. The measure of income used is per capita disposable income.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark for CREA. Statistics Canada, Teranet-National Bank House Price Index™. Calculations by CMHC

[11] See CMHC's *Housing Now Canada, March 2014 edition* for more information, available at www.cmhc.ca/housingmarketinformation/ (May 8, 2014).

Vacancy rates increased slightly in 2013, but remained below the historical average

Based on data from our *Rental Market Survey*, the average vacancy rate in Canada's centres of 10,000 or more inhabitants increased slightly, to 2.9% in October 2013, from 2.8% in October 2012 *(see Table 3-1 on page 3-20)*. Between October 2012 and October 2013, starts of purpose-built rental apartments increased by 3.7%. Any completions during this period of these or earlier starts would have added to the rental supply, placing upward pressure on the national vacancy rate. Despite the slight increase in the vacancy rate in 2013, it remained below the 1990 to 2013 average rate of 3.2%. Since 2002, vacancy rates have been low by historical standards and very stable, remaining within a relatively narrow range of 2.0 to 3.0%. The strong demand for rental units that has been evident since 2002, as indicated by the low and stable vacancy rate for purpose-built rental apartments, coincides with the growth of the secondary condominium rental apartment segment, particularly in larger urban centres.

The stability of the vacancy rate in 2013 when compared to 2012 resulted to some extent from rental housing demand being supported by higher net immigration and a small increase in full-time employment among people aged 15 to 24, along with this demand being largely accommodated by the increase in the supply of rental units.[12]

Between October 2012 and October 2013, the vacancy rate decreased in British Columbia and Alberta, while increasing in the other provinces. In October 2013, the vacancy rate for purpose-built rental housing was lowest in Alberta (1.6%), British Columbia and Manitoba (both at 2.4%), and highest in New Brunswick (8.9%), and Prince Edward Island (7.1%).

Our October 2013 *Rental Market Survey* also included condominium apartments offered for rent in 11 CMAs.[13] Vacancy rates in these condominium apartments ranged from a high of 5.9% in Québec, to a low of 0.7% in Saskatoon *(see Table 3-2 on page 3-20)*.

Average rents for two-bedroom apartments increased 2.5%

In October 2013, the average monthly rent for a two-bedroom apartment in new and existing purpose-built structures across the 35 major centres surveyed by us increased by 2.5% from October 2012 *(see Table 3-1 on page 3-20)*. This rent increase was measured only for two-bedroom apartments in structures common to both the 2012 and 2013 surveys.[14] This exceeded the 2.2% rent increase that was observed between October 2011 and October 2012.

Across all centres with at least 10,000 population, the average rent for a two-bedroom apartment was $894 in October 2013. Across CMAs, the lowest average rent was $555 in Trois-Rivières, followed by Saguenay at $571 and Sherbrooke at $591, while the highest average rent was $1,281 in Vancouver, followed by Calgary at $1,224 and Toronto at $1,213 *(see Figure 3-18)*.

Stable employment and income growth supported housing activity in 2013

The return to more historically typical levels of housing starts activity, at the national level, in 2013 accompanied stability in national employment and in per capita disposable income growth since the 2008-2009 economic downturn. In 2013, real (i.e., inflation-adjusted) income and employment growth were at or close to their 1990 to 2013

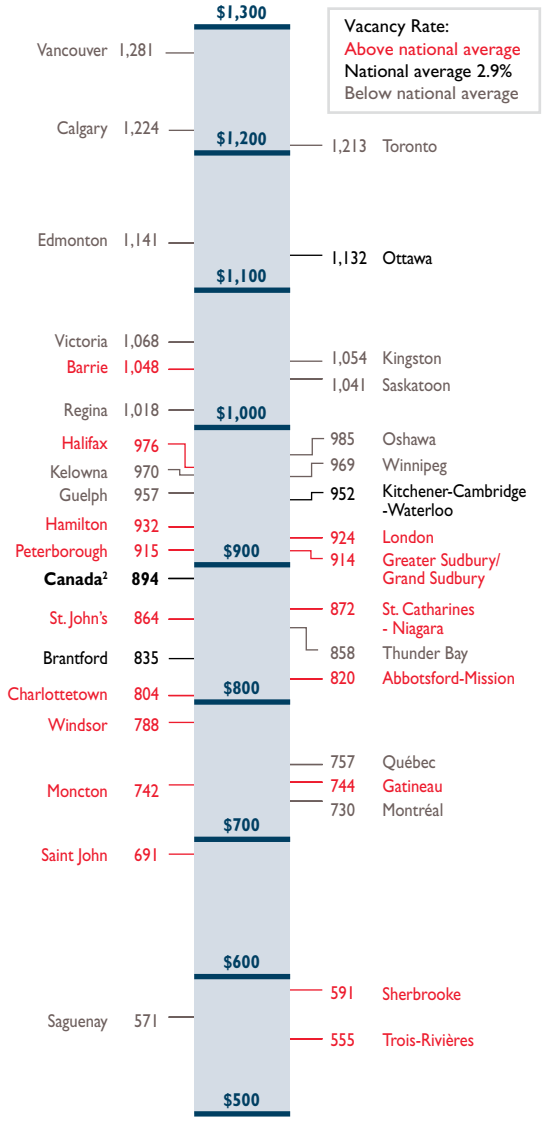
[12] See: CMHC's *Rental Market Report – Canada Highlights* available at /www.cmhc.ca/housingmarketinformation/ (May 8, 2014).

[13] These include the CMAs of Victoria, Vancouver, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa-Gatineau, Montréal and Québec. The Ottawa-Gatineau CMA is treated as two separate markets.

[14] The *Rental Market Survey* tracked changes in rent levels from 2012 to 2013 based on a fixed sample (i.e., structures that were included in the sample in both years). This is a more reliable indicator of rent movement as it excludes new units coming onto the rental market which could skew the overall measure of changes in rents, especially in smaller markets.

FIGURE 3-18

Average rents[1] and vacancy rates for two-bedroom apartments, Canada and Metropolitan Areas, 2013



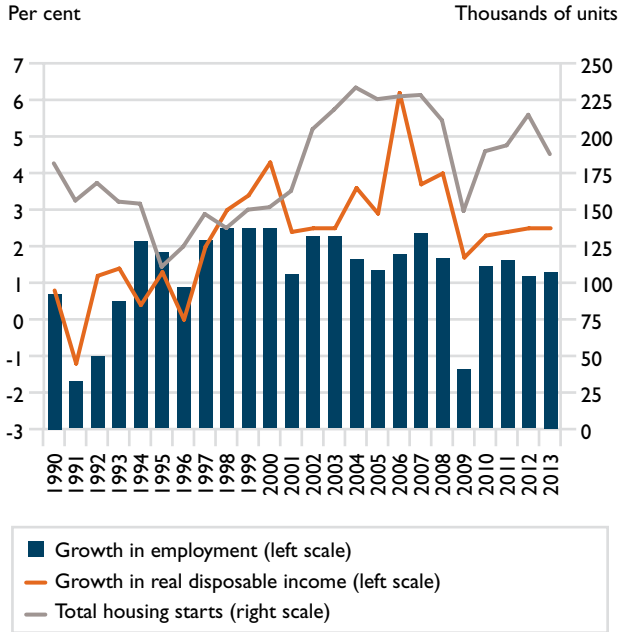
[1] In privately initiated apartment structures with at least three units.
[2] Only includes provincial data.

Source: CMHC (*Rental Market Survey*)

average levels. Specifically, in 2013, real per capita disposable income increased by 2.5%, the same pace as in 2012 and slightly above the 1990 to 2013 average of 2.3% *(see Figure 3-19)*. Employment in Canada increased by 1.3%, slightly above the 2012 pace and in line with the average historical pace of growth since 1990. This led to a decline in the unemployment rate, from 7.3% in 2012 to 7.1% in 2013. Economic conditions varied across regions in 2013, as provinces in the Prairie region saw gains in GDP, employment and net migration that exceeded the national average, which helped support generally stronger housing activity in the Prairies.

FIGURE 3-19

Annual growth in employment and real disposable income per capita, and total housing starts, Canada, 1990-2013

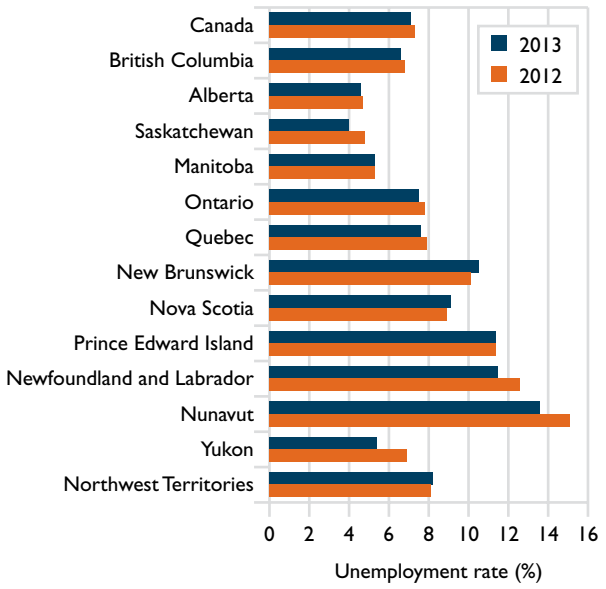


Source: CMHC *(Starts and Completions Survey)*; Statistics Canada (CANSIM)

The unemployment rate also varied across the country in 2013, with the Prairie provinces and B.C. registering unemployment rates below the national average. However, across the country, most provinces and territories saw slightly lower unemployment rates than in 2012 *(see Figure 3-20)*.

FIGURE 3-20

Unemployment rate, Canada, Provinces and Territories, 2012-2013



Source: Statistics Canada (CANSIM)

Housing-related expenditures contributed nearly $322 billion to Canadian Gross Domestic Product (GDP)[15]

In 2013, housing-related expenditures contributed about $322 billion to Canadian Gross Domestic Product (GDP), representing 17.1% of total GDP *(see Figure 3-21)*. This represents a slight moderation from the 17.3% recorded in 2012 and is also lower than the 1990 to 2013 average of 17.6%. From 1990 to 1994, this ratio was near the 20% mark before trending down until 2000. Housing-related expenditures include housing-related consumption (i.e., paid rent plus imputed rent[16] and expenditures on maintenance and repairs), and residential investment (i.e., the value of new construction, renovations and the transfer costs associated with the sale of existing homes, including real estate commissions, legal fees and land transfer fees).[17]

Housing-related consumption increased by 3.1% in 2013, to about $195 billion, a pace similar to that in 2012. Residential investment grew modestly in 2013, by 1.0% to $128 billion, continuing the recovery in housing investment that began in 2010, and contributing 6.8% to GDP, close to the previous high of 7.0% in 2007, prior to the 2008-2009 economic downturn.

[15] The information on housing-related GDP is based on data available as at April 11, 2014. Note that direct comparison with years previous to 2012 is not possible for all variables due to changes in 2012 to national accounting methods at Statistics Canada. For further details, see Statistics Canada's *Canadian System of National Accounts 2012 Historical Revision,* available at www.statcan.gc.ca/nea-cen/hr2012-rh2012/start-debut-eng.htm (April 11, 2014).

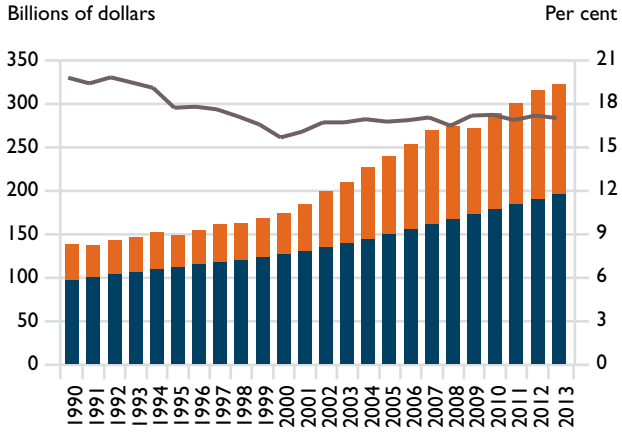
[16] The housing-related spending of tenants is typically calculated by aggregating the rents paid. Owners are treated as though they are paying an "imputed" rent to themselves, based on what they would be able to charge if they rented their dwelling to someone else. This means that owners without mortgages are treated in the same way as owners with mortgages and the contribution of owner-occupied housing to overall economic activity is not understated.

[17] Housing-related investment is composed of the three categories of expenditure that Statistics Canada defines as investment in residential structures for the purposes of the National Accounts (i.e. the value of new residential construction, renovations to existing structures and ownership transfer costs). In particular, since new construction and renovations of existing structures add to Canada's existing capital stock, these expenditures are defined as investment instead of consumption. Ownership transfer costs of the existing capital stock are included in investment because it is a type of spending that directly facilitates investment transactions. See Statistics Canada's *System of Macroeconomic Accounts Glossary,* available at www.statcan.gc.ca/nea-cen/gloss/index-eng.htm (October 23, 2014).

Housing-related consumption is based on CMHC calculations and includes those categories of household spending on housing-related goods and services that do not add to the residential capital stock. Instead, these categories reflect the final consumption of some of the existing stock of residential goods and services. For example, expenditure on rent in 2013 represented the dollar value of the rental services that flowed from the owners of the existing stock of rental dwellings to renters in 2013, it did not represent new additions to the stock of rental dwellings. Renovations add value to the existing residential stock (for example, through additions or improvements to an existing dwelling); repairs by definition only maintain the existing stock of dwellings, but do not expand it. For this reason, renovations are considered housing-related investment, and repairs are considered housing-related consumption.

FIGURE 3-21

Housing-related spending, by type, and as a percentage of Gross Domestic Product, Canada, 1990-2013



Source: CMHC, adapted from Statistics Canada

Investment in new dwellings decreased by 1.7% in 2013 to $57 billion, marking the first pause in the increase that began in 2010 when the value of investment in new dwellings rose 21.7% over the previous year to a total of $48 billion. In 2013, investment in new dwellings accounted for 3.0% of GDP, remaining close to the level of 3.3% registered in 2007, prior to the 2008-2009 economic downturn. Expenditures on home renovations continued to grow in 2013, reaching $47 billion, an increase of 3.1% from the previous year. Total expenditures on renovation represented 2.5% of GDP in 2013, exceeding the 1990 to 2013 average of 2%. Transfer costs totalled $23.5 billion in 2013, a 3.5% increase from 2012. Transfer costs, as a percentage of GDP, totalled 1.3% in 2013, compared to 1.2% in 2012, and above the 1990 to 2013 average of 1.0%.

Annex

Henri Masson, Rivière-au-Renard, Gaspé, 1961, Oil on canvas, 18" x 24", FAC 0997, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Tables

Tables

TABLE 3-1

Monthly rents and vacancy rates, Canada[1] and Provinces, 2013

	Monthly rent[2] (two-bedroom apartments)		Vacancy rate[2] (apartment structures of 3+ units)	
	Level ($)	Fixed sample rent growth (%)	Level (%)	Change (percentage points)
Canada[1]	**894**	**2.5**	**2.9**	**0.1**
British Columbia	1,087	1.8	2.4	-0.3
Alberta	1,158	6.1	1.6	-0.4
Saskatchewan	998	3.8	3.0	0.8
Manitoba	937	4.6	2.4	0.8
Ontario	1,059	2.7	2.6	0.1
Quebec	699	1.7	3.1	0.1
New Brunswick	715	1.0	8.9	2.0
Nova Scotia	929	1.1	3.7	0.3
Prince Edward Island	790	1.2	7.1	2.1
Newfoundland and Labrador	784	5.2	2.7	0.5

[1] Data for Canada refer to all centres with at least 10,000 people for the rent level and vacancy rate, while the fixed sample rent growth rate is a CMA total only.

[2] For rent and vacancy rates, levels are for October 2013; changes are from October 2012 to October 2013. The percentage change in monthly rent is based on a fixed sample; i.e., on structures included in the sample in both years. Rent statistics are for two-bedroom apartment units, while vacancy rates include all bedroom-types in apartment structures of three or more units.

Source: CMHC *(Rental Market Survey)*, Fall 2013

TABLE 3-2

Rental condominium apartment vacancy rates, average rents and percentage of condominium apartments rented out, selected CMAs, October 2012 and October 2013

	Vacancy rate (%)		Average rent (2-bedroom) ($)		Percentage of condominium apartments rented out (%)	
	Oct-12	Oct-13	Oct-12	Oct-13	Oct-12	Oct-13
Victoria	2.2	2.1	1,368	1,270	20.7	21.5
Vancouver	1.0	1.1	1,662	1,580	25.9	26.3
Edmonton	2.5	1.1	1,286	1,292	31.8	32.2
Calgary	2.1	1.0	1,355	1,400	30.4	30.1
Saskatoon	0.9	0.7	N/A	N/A	20.6	20.0
Regina	1.9	1.4	N/A	N/A	25.2	22.8
Winnipeg	1.3	1.5	1,160	1,089	14.5	13.9
Toronto	1.2	1.8	1,592	1,752	22.6	26.1
Ottawa-Gatineau (Ont. part)	3.2	3.6	1,271	1,432	20.7	24.0
Montréal	2.7	2.7	1,027	1,121	11.0	12.1
Québec	2.2	5.9	1,022	980	9.0	9.9

N/A indicates that data are not available.

Rent statistics are for two-bedroom apartment units, while vacancy rates include all bedroom-types in apartment structures of three or more units.

Source: CMHC *(Rental Market Survey)*, Fall 2013

Alternative text and data for figures

Figure 3-1: Total housing starts, Canada, 1955-2013

Year	Total starts level
1955	138,276
1956	127,311
1957	122,340
1958	164,632
1959	141,345
1960	108,858
1961	125,577
1962	130,095
1963	148,624
1964	165,658
1965	166,565
1966	134,474
1967	164,123
1968	196,878
1969	210,415
1970	190,528
1971	233,653
1972	249,914
1973	268,529
1974	222,123
1975	231,456
1976	273,203
1977	245,724
1978	227,667
1979	197,049
1980	158,601
1981	177,973
1982	125,860
1983	162,645
1984	134,900
1985	165,826

Year	Total starts level
1986	199,785
1987	245,986
1988	222,562
1989	215,382
1990	181,630
1991	156,197
1992	168,271
1993	155,443
1994	154,057
1995	110,933
1996	124,713
1997	147,040
1998	137,439
1999	149,968
2000	151,653
2001	162,733
2002	205,034
2003	218,426
2004	233,431
2005	225,481
2006	227,395
2007	228,343
2008	211,056
2009	149,081
2010	189,930
2011	193,950
2012	214,827
2013	187,923
Total starts average	181,008

Source: CMHC *(Starts and Completions Survey)*

Figure 3-2: Single and multiple housing starts, Canada, 1955-2013

Year	Single housing starts	Multiple housing starts
1955	99,003	39,273
1956	90,620	36,691
1957	82,955	39,385
1958	104,508	60,124
1959	92,178	49,167
1960	67,171	41,687
1961	76,430	49,147
1962	74,443	55,652
1963	77,158	71,466
1964	77,079	88,579
1965	75,441	91,124
1966	70,642	63,832
1967	72,534	91,589
1968	75,339	121,539
1969	78,404	132,011
1970	70,749	119,779
1971	98,056	135,597
1972	115,570	134,344
1973	131,552	136,977
1974	122,143	99,980
1975	123,929	107,527
1976	134,313	138,890
1977	108,403	137,321
1978	110,029	117,638
1979	109,117	87,932
1980	87,721	70,880
1981	89,071	88,902
1982	54,457	71,403
1983	102,385	60,260
1984	83,651	51,249
1985	98,624	67,202
1986	120,008	79,777
1987	140,139	105,847
1988	128,465	94,097

Year	Single housing starts	Multiple housing starts
1989	125,968	89,414
1990	102,315	79,315
1991	86,567	69,630
1992	92,851	75,420
1993	85,099	70,344
1994	89,509	64,548
1995	64,425	46,508
1996	77,996	46,717
1997	93,186	53,854
1998	86,431	51,008
1999	92,190	57,778
2000	92,184	59,469
2001	96,026	66,707
2002	125,374	79,660
2003	123,227	95,199
2004	129,171	104,260
2005	120,463	105,018
2006	121,313	106,082
2007	118,917	109,426
2008	93,202	117,854
2009	75,659	73,422
2010	92,554	97,376
2011	82,392	111,558
2012	83,657	131,170
2013	76,893	111,030
Single housing starts average (1955-2013)	96,066	-
Multiple housing starts average (1955-2013)	-	84,909

Source: CMHC *(Starts and Completions Survey)*

Figure 3-3: Inventory of completed and unabsorbed housing units per 10,000 population, Canada, 1992-2013

Year	Total inventory	Row and apartment units	Single- and semi-detached units
1992Q1	6.3	3.6	2.6
1992Q2	6.2	3.6	2.6
1992Q3	6.1	3.5	2.5
1992Q4	5.8	3.3	2.5
1993Q1	5.8	3.2	2.6
1993Q2	5.9	3.2	2.8
1993Q3	6.1	3.1	2.9
1993Q4	6.2	3.2	3.0
1994Q1	6.0	3.1	2.9
1994Q2	5.7	2.9	2.7
1994Q3	6.3	3.4	2.9
1994Q4	6.5	3.4	3.1
1995Q1	6.9	3.7	3.2
1995Q2	7.2	3.9	3.2
1995Q3	6.7	3.7	3.0
1995Q4	6.4	3.7	2.7
1996Q1	6.0	3.5	2.5
1996Q2	5.3	3.1	2.2
1996Q3	5.1	2.9	2.2
1996Q4	4.6	2.4	2.1
1997Q1	4.2	2.2	2.0
1997Q2	4.1	2.1	2.0
1997Q3	4.0	2.0	2.0
1997Q4	4.2	2.1	2.1
1998Q1	4.5	2.2	2.2
1998Q2	4.6	2.2	2.3
1998Q3	4.7	2.3	2.4
1998Q4	4.7	2.4	2.3
1999Q1	4.5	2.3	2.2
1999Q2	4.3	2.1	2.1
1999Q3	4.2	2.1	2.1
1999Q4	4.2	2.1	2.1
2000Q1	4.2	2.2	2.1
2000Q2	4.3	2.3	2.0
2000Q3	4.3	2.3	2.0
2000Q4	4.0	2.0	2.0
2001Q1	3.9	1.9	2.0
2001Q2	3.5	1.7	1.9
2001Q3	3.3	1.4	1.8
2001Q4	3.0	1.3	1.7
2002Q1	2.8	1.2	1.6
2002Q2	2.7	1.1	1.6
2002Q3	2.4	0.9	1.5
2002Q4	2.4	0.9	1.5

Year	Total inventory	Row and apartment units	Single- and semi-detached units
2003Q1	2.3	0.9	1.4
2003Q2	2.4	0.9	1.5
2003Q3	2.4	0.9	1.6
2003Q4	2.5	0.9	1.6
2004Q1	2.5	0.9	1.6
2004Q2	2.6	1.0	1.6
2004Q3	3.0	1.3	1.7
2004Q4	3.3	1.5	1.8
2005Q1	3.5	1.8	1.7
2005Q2	3.5	1.8	1.7
2005Q3	3.2	1.6	1.6
2005Q4	3.0	1.5	1.5
2006Q1	3.0	1.5	1.5
2006Q2	3.1	1.5	1.5
2006Q3	3.2	1.6	1.6
2006Q4	3.6	1.9	1.8
2007Q1	3.4	1.6	1.8
2007Q2	3.2	1.5	1.8
2007Q3	3.4	1.6	1.8
2007Q4	3.4	1.6	1.9
2008Q1	3.7	1.6	2.1
2008Q2	3.8	1.5	2.2
2008Q3	4.3	1.7	2.5
2008Q4	4.5	2.0	2.5
2009Q1	4.7	2.1	2.6
2009Q2	4.9	2.5	2.4
2009Q3	4.3	2.4	1.9
2009Q4	4.0	2.4	1.6
2010Q1	4.0	2.6	1.5
2010Q2	4.3	2.7	1.6
2010Q3	4.3	2.7	1.6
2010Q4	4.4	2.7	1.7
2011Q1	4.2	2.5	1.6
2011Q2	4.4	2.7	1.6
2011Q3	4.5	2.7	1.7
2011Q4	4.5	2.7	1.7
2012Q1	4.5	2.8	1.7
2012Q2	4.4	2.8	1.7
2012Q3	4.7	2.9	1.8
2012Q4	4.9	3.0	1.9
2013Q1	5.1	3.1	2.1
2013Q2	5.1	3.0	2.1
2013Q3	5.0	2.9	2.1
2013Q4	4.9	2.9	2.0
Total inventory average (1992Q1-2013Q4)	4.3		

Source: CMHC *(Starts and Completions Survey)*

Figure 3-4: Share of starts by intended tenure,[1] all urban centres 10,000+ and selected CMAs, 2013

Census Metropolitan Area	Freehold homeownership (%)	Rental (%)	Condominium (%)	Co-op (%)
Victoria	31.6	20.6	47.8	0
Vancouver	20.5	16.8	62.6	0
Edmonton	57.1	14.5	28.4	0
Calgary	61.4	1.9	36.7	0
Saskatoon	63.2	7.6	29.3	0
Regina	30.8	30.8	38.5	0
Winnipeg	49.2	17.2	33.6	0
Windsor	90.1	1.1	8.8	0
London	51.4	16.7	31.9	0
Kitchener-Cambridge-Waterloo	48.4	36.1	15.5	0
Hamilton	61.9	13.8	24.3	0
Toronto	44.0	2.1	53.9	0
Ottawa-Gatineau	58.0	7.3	34.7	0
Montréal	27.4	15.0	56.3	1.3
Trois-Rivières	47.6	45.0	7.4	0
Sherbrooke	54.1	40.8	5.1	0
Québec	34.3	33.1	31.5	1.0
Halifax	39.1	58.0	3.0	0
All centres 10,000+	48.7	14.3	36.9	0.2

[1] A freehold title is an interest in land that gives the holder full and exclusive ownership of the land and building for an indefinite period.

See CMHC's *Housing Information Monthly* for more information at www.cmhc.ca/housingmarketinformation.

Source: CMHC *(Starts and Completions Survey)*

Figure 3-5: Inventory of completed and unabsorbed single- and semi-detached housing units per 10,000 population and growth in the New Housing Price Index, Canada, 1992-2013

Year	Single- and semi-detached inventories per 10,000 population (units)	NHPI growth (%)
1992	2.5	0.0
1993	3.0	1.3
1994	3.1	0.1
1995	2.7	-1.2
1996	2.1	-1.9
1997	2.1	0.7
1998	2.3	1.0
1999	2.1	0.9
2000	2.0	2.3
2001	1.7	2.8
2002	1.5	4.0
2003	1.6	4.8
2004	1.8	5.6
2005	1.5	5.0
2006	1.8	9.7
2007	1.9	7.7
2008	2.5	3.4
2009	1.6	-2.3
2010	1.7	2.2
2011	1.8	2.2
2012	1.9	2.3
2013	2.0	1.8

Source: CMHC *(Starts and Completions Survey)*, Statistics Canada (CANSIM)

Figure 3-6: Changes in Statistics Canada's New Housing Price Index, urban centres, 1990-2013 average and 2012 and 2013 values

	1990-2013 average (%)	2012 (%)	2013 (%)
Canada	2.0	2.3	1.8
Victoria	-0.2	-2.8	-1.3
Vancouver	0.7	-0.5	-1.0
Edmonton	4.5	0.9	0.4
Calgary	5.3	1.7	5.3
Saskatoon	4.3	2.3	1.5
Regina	6.0	4.4	2.9
Winnipeg	3.9	4.2	4.9
Greater Sudbury and Thunder Bay	0.9	1.3	0.9
Windsor	0.5	2.0	1.0
Kitchener-Cambridge-Waterloo	1.4	2.9	0.7
London	2.0	1.3	1.8
St. Catharines-Niagara	2.0	2.0	3.1
Hamilton	1.7	1.6	2.5
Toronto and Oshawa	1.2	5.1	2.5
Ottawa-Gatineau	2.7	2.6	0.4
Montréal	2.7	1.4	1.0
Québec	2.7	2.9	1.1
Saint John, Fredericton and Moncton	0.8	-0.1	0.3
Halifax	2.4	2.2	2.6
Charlottetown	1.1	0.2	0.5
St. John's	3.5	0.2	1.8

Note: Value for Canada is based on the average of 21 urban centres covered by this index.

Source: Statistics Canada (CANSIM)

Figure 3-7: Housing starts by Province, 2011 to 2013 levels and 1990 to 2013 average

	Number of single starts	Number of multiple starts
British Columbia		
2013	8,522	18,532
2012	8,333	19,132
2011	8,867	17,533
Average (1990-2013)	12,461	16,381
Alberta		
2013	18,431	17,580
2012	17,493	15,903
2011	15,193	10,511
Average (1990-2013)	17,983	9,825
Ontario		
2013	23,270	37,815
2012	25,567	51,175
2011	26,884	40,937
Average (1990-2013)	33,391	30,258
Quebec		
2013	13,144	24,614
2012	16,059	31,308
2011	16,544	31,833
Average (1990-2013)	19,205	20,215

Figure 3-7: Housing starts by Province, 2011 to 2013 levels and 1990 to 2013 average (continued)

	Number of single starts	Number of multiple starts
Saskatchewan		
2013	4,184	4,106
2012	5,171	4,797
2011	4,152	2,879
Average (1990-2013)	2,455	1,346
Manitoba		
2013	3,820	3,645
2012	4,169	3,073
2011	3,831	2,252
Average (1990-2013)	2,859	1,132
New Brunswick		
2013	1,376	1,467
2012	1,697	1,602
2011	1,823	1,629
Average (1990-2013)	2,306	1,082
Nova Scotia		
2013	1,639	2,280
2012	2,258	2,264
2011	2,045	2,599
Average (1990-2013)	2,827	1,606
Prince Edward Island		
2013	282	354
2012	387	554
2011	431	509
Average (1990-2013)	476	231
Newfoundland and Labrador		
2013	2,225	637
2012	2,523	1,362
2011	2,612	876
Average (1990-2013)	1,937	564

Source: CMHC *(Starts and Completions Survey)*

Figure 3-8: MLS® sales and new listings, Canada, 1980-2013

The Figure shows the level of yearly MLS® sales and new listings over the 33-year period, 1980 to 2013. Annual sales trended upward over the period to a high of 522,495 in 2007 before declining to 433,058 in 2008 and increasing to 457,761 in 2013. The number of new listings dropped steadily from 1990 to 2000 before reversing the trend and increasing to a high of 910,794 in 2008, declining again in 2009 and levelling out at 866,890 in 2013.

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca.

Source: CREA (MLS®) MLS® is a registered trademark of the Canadian Real Estate Association

Figure 3-9: MLS® sales-to-new-listings ratio (SNLR) and average MLS® price, Canada, 1990-2013

The Figure shows the condition of the Canadian housing market over time as it moved through periods of buyers' market, sellers' market and balanced market conditions. Prior to 1999, the market was primarily in balanced conditions, occasionally experiencing buyers' market conditions. In 1999, the market entered a period of sellers' market conditions until 2008, when it returned to balanced, where it has remained, except for a slight sellers' market in 2009. The Figure also shows the average MLS® price over the period has grown steadily from $142,000 in 1990 to $382,576 in 2013.

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca.

Source: CREA (MLS®) MLS® is a registered trademark of the Canadian Real Estate Association

Figure 3-10: Comparison of quality-adjusted house price indexes for Canada and the United States (average index value from January 2000 to December 2013 = 100, respectively)

Year and Month	Teranet-National Bank House Price Index™ (Canada)	S&P/Case-Shiller Home Price Index® (United States)
2000 January	59.94	65.64
2000 February	60.26	66.35
2000 March	60.39	67.07
2000 April	60.84	67.86
2000 May	61.17	68.68
2000 June	61.58	69.43
2000 July	61.84	69.90
2000 August	62.01	70.38
2000 September	62.13	70.87
2000 October	62.20	71.44
2000 November	62.32	72.15
2000 December	62.46	72.95
2001 January	62.66	73.77
2001 February	62.89	74.47
2001 March	63.10	75.10
2001 April	63.36	75.59
2001 May	63.74	75.89
2001 June	64.24	76.28
2001 July	64.63	76.67
2001 August	64.97	77.15
2001 September	65.22	77.67
2001 October	65.54	78.10
2001 November	65.74	78.48
2001 December	65.90	78.74
2002 January	66.14	79.19
2002 February	66.66	79.73
2002 March	67.40	80.47
2002 April	68.21	81.24
2002 May	68.92	82.17
2002 June	69.64	83.12
2002 July	70.26	84.10
2002 August	70.78	85.02
2002 September	71.08	85.82
2002 October	71.37	86.69
2002 November	71.63	87.50
2002 December	72.10	88.35
2003 January	72.43	89.05
2003 February	72.98	89.69
2003 March	73.48	90.30

Year and Month	Teranet-National Bank House Price Index™ (Canada)	S&P/Case-Shiller Home Price Index® (United States)
2003 April	74.07	90.86
2003 May	74.61	91.45
2003 June	75.11	91.95
2003 July	75.69	92.73
2003 August	76.17	93.65
2003 September	76.72	94.78
2003 October	77.20	95.91
2003 November	77.49	97.11
2003 December	77.82	98.37
2004 January	78.11	99.59
2004 February	78.76	100.84
2004 March	79.48	102.42
2004 April	80.17	103.97
2004 May	81.05	105.54
2004 June	81.75	107.21
2004 July	82.42	108.57
2004 August	82.69	109.64
2004 September	82.88	110.70
2004 October	83.19	111.77
2004 November	83.47	112.94
2004 December	84.01	114.24
2005 January	84.14	115.85
2005 February	84.75	117.62
2005 March	85.14	119.59
2005 April	86.29	121.03
2005 May	87.39	122.38
2005 June	88.23	123.67
2005 July	88.39	124.88
2005 August	89.6	126.14
2005 September	89.89	127.64
2005 October	90.34	129.11
2005 November	90.81	130.59
2005 December	91.16	131.91
2006 January	91.45	132.96
2006 February	92.28	134.01
2006 March	93.42	134.65
2006 April	94.78	134.82
2006 May	96.31	134.74
2006 June	97.70	134.29
2006 July	100.00	133.72
2006 August	101.88	133.13
2006 September	102.54	132.83
2006 October	102.71	132.80

Year and Month	Teranet-National Bank House Price Index™ (Canada)	S&P/Case-Shiller Home Price Index® (United States)
2006 November	103.30	132.87
2006 December	103.32	132.75
2007 January	103.37	132.94
2007 February	103.03	133.16
2007 March	104.09	133.29
2007 April	105.99	132.35
2007 May	108.17	131.15
2007 June	110.11	129.75
2007 July	111.88	128.44
2007 August	113.09	127.11
2007 September	113.83	126.00
2007 October	114.05	124.59
2007 November	114.34	122.59
2007 December	114.05	120.75
2008 January	114.20	118.82
2008 February	113.98	116.49
2008 March	114.41	114.57
2008 April	115.21	112.48
2008 May	116.17	110.61
2008 June	117.08	109.08
2008 July	117.60	107.26
2008 August	117.79	105.71
2008 September	117.28	103.80
2008 October	116.16	101.95
2008 November	114.83	100.23
2008 December	113.15	98.31
2009 January	111.31	96.35
2009 February	109.37	94.99
2009 March	108.16	93.49
2009 April	107.81	92.36
2009 May	108.59	91.87
2009 June	110.24	92.19
2009 July	111.86	92.79
2009 August	113.81	93.54
2009 September	115.15	93.96
2009 October	116.52	94.42
2009 November	117.54	94.87
2009 December	118.78	95.38
2010 January	119.37	95.83
2010 February	119.68	95.83
2010 March	119.96	95.92
2010 April	120.96	96.03
2010 May	122.36	96.08

Year and Month	Teranet-National Bank House Price Index™ (Canada)	S&P/Case-Shiller Home Price Index® (United States)
2010 June	124.13	95.95
2010 July	124.83	95.46
2010 August	125.10	94.83
2010 September	123.86	94.22
2010 October	123.26	93.61
2010 November	122.78	93.39
2010 December	122.98	93.21
2011 January	123.39	93.00
2011 February	123.72	92.66
2011 March	124.32	92.25
2011 April	125.48	92.02
2011 May	127.03	91.66
2011 June	129.07	91.59
2011 July	130.70	91.43
2011 August	131.86	91.16
2011 September	131.92	90.78
2011 October	131.86	90.29
2011 November	131.55	89.84
2011 December	131.34	89.54
2012 January	131.47	89.46
2012 February	131.25	89.43
2012 March	131.84	89.91
2012 April	132.88	90.41
2012 May	134.40	91.14
2012 June	136.05	92.03
2012 July	137.00	92.40
2012 August	137.21	92.90
2012 September	136.72	93.47
2012 October	136.39	94.17
2012 November	135.89	94.88
2012 December	135.38	95.85
2013 January	134.99	96.78
2013 February	134.74	97.75
2013 March	135.26	99.57
2013 April	135.59	101.20
2013 May	137.09	102.12
2013 June	138.51	103.02
2013 July	139.54	103.72
2013 August	140.39	104.77
2013 September	140.39	105.86
2013 October	140.58	106.99
2013 November	140.46	107.92
2013 December	140.54	108.72

Source: Teranet and National Bank, S&P Dow Jones Inc. Calculations by CMHC

Figure 3-11: Comparison of house price measures in Canada and the United States, using local currencies, January 2000 to December 2013

The Figure shows the level of MLS® average resale prices for Canada from January 2000 to December 2013, measured in Canadian dollars. The Figure also shows the level of average resale prices for the U.S. over the same time period, using data from the U.S. National Association of Realtors, measured in U.S. dollars. The average resale price in Canada has exceeded the average price in the U.S. since April 2006, with the gap widening from $893 in April 2006 to $149,378 by December 2013.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark for CREA. U.S. National Association of Realtors (NAR)

Figure 3-12: Comparison of house price measures in Canada and the United States, with Canada adjusted for comparative price levels, January 2000 to December 2013

The Figure shows the level of MLS® average resale prices for Canada from January 2000 to December 2013, adjusted using estimates of the Comparative Price Levels (CPL) between the U.S. and Canada from the OECD. This allows the average price in Canada to be measured in U.S. dollars. The Figure also shows the average resale prices for the U.S. over the same time period, using data from the U.S. National Association of Realtors, measured in U.S. dollars. Once adjusted for CPL and expressed in U.S. currency, the average resale price in Canada does not exceed the average price in the U.S. prior to September 2007, and the gap is smaller, widening from $3,141 in September 2007 to $65,519 by December 2013.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark for CREA. U.S. NAR, OECD. Calculations by CMHC

Figure 3-13: Sales-to-new-listings ratio (SNLR), Canada and selected urban centres, 2002-2013 range[1] and 2013 value

The Figure shows housing market conditions for 31 urban centres over the period 2002 to 2013. By 2013, the majority of urban centres were experiencing balanced or near-balanced housing conditions.

[1] Minimums and maximums for Montréal are for the 2004-2013 period.

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca. Please visit the Quebec Federation of Real Estate Brokers website to obtain data by the Centris® System at www.centris.ca.

Source: Canadian Real Estate Association (CREA). The geographic definitions used by CREA differ from those used by Statistics Canada. Quebec Federation of Real Estate Boards (QFREB) by the Centris® System

Figure 3-14: Average resale price, Canada and urban centres, 2013

The Figure shows the average resale prices for 32 urban centres in 2013. Average prices in the majority of urban centres were between $200,000 and $400,000. Greater Vancouver, Toronto, Victoria and Calgary all experienced average prices above $400,000 and 6 urban centres experienced average prices between $100,000 and $200,000. These were Thunder Bay, Windsor-Essex, Saguenay, Trois-Rivières, Saint John and Moncton.

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

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca. Please visit the Quebec Federation of Real Estate Brokers website to obtain data by the Centris® System at www.centris.ca.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark of the Canadian Real Estate Association. QFREB by the Centris® System. The Centris® System contains all the listings of Quebec real estate brokers

Figure 3-15: Average resale price, Canada and selected urban centres, 2012 and 2013

The Figure shows the average resale prices for 21 urban centres in 2012 and 2013. Average prices in the majority of urban centres were between $200,000 and $400,000 over this period. Victoria, Vancouver, Toronto and Calgary all experienced average prices above $400,000, while Saint John and Windsor-Essex experienced average prices between $100,000 and $200,000.

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

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca. Please visit the Quebec Federation of Real Estate Brokers website to obtain data by the Centris® System at www.centris.ca.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark of the Canadian Real Estate Association. QFREB by the Centris® System. The Centris® System contains all the listings of Quebec real estate brokers

Figure 3-16: Changes in average resale prices, Canada and selected urban centres, 2011-2013

The Figure shows the changes in average resale prices in 21 urban centres over the period 2010 to 2011, 2011 to 2012 and the period 2012 to 2013. Victoria experienced a decline in resale prices in 2011, 2012 and 2013, compared to the previous year. Vancouver experienced a decline in prices from 2011 to 2012 and an increase from 2012 to 2013. All urban centres except for Victoria experienced an increase in prices from 2012 to 2013. The greatest price increases from 2012 to 2013 were recorded in Hamilton-Burlington (6.6%) and Calgary (6.0%).

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca. Please visit the Quebec Federation of Real Estate Brokers website to obtain data by the Centris® System at www.centris.ca.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark of the Canadian Real Estate Association. QFREB by the Centris® System. The Centris® System contains all the listings of Quebec real estate brokers

Figure 3-17: Indexes of the mortgage payment-to-income ratio under alternative price measures, Canada, 1990-2013

The Figure shows the level of the mortgage-payment-to-income ratio for Canada from 1990 to 2013 under alternative housing price measures, including the MLS® average price, the MLS® Home Price Index, the Teranet-National Bank House Price Index™ and Statistic Canada's New Housing Price Index. The historical average value of the ratio is given a value of 1.0. Under the MLS® average price, the ratio declined from a peak of 1.5 in the third quarter of 1990 to 1.1 in the fourth quarter of 2013. Under the MLS® Home Price Index, the ratio has held steady at 1.0 for most periods, including the fourth quarter of 2013. Under the Teranet-National Bank House Price Index™, the ratio declined from a peak of 1.2 in the fourth quarter of 2008 to 1.1 in the fourth quarter of 2013. Under Statistics Canada's New Housing Price Index, the ratio declined from a peak of 2.0 in the second quarter of 1990 to 0.8 in the fourth quarter of 2013.

Note: Calculations assume a 20% down payment, with the mortgage amortized over 25 years, with interest determined by the chartered banks' posted 5-year mortgage interest rate. The measure of income used is per capita disposable income.

Please visit the Canadian Real Estate Association (CREA) website to obtain MLS® data at www.crea.ca.

Source: Canadian Real Estate Association (CREA); MLS® is a registered trademark of the Canadian Real Estate Association, Statistics Canada, Teranet-National Bank House Price Index™. Calculations by CMHC

Figure 3-18: Average rents[1] and vacancy rates for two-bedroom apartments, Canada and Metropolitan Areas, 2013

Geography	Average rent ($)	Vacancy Rate	
		(%)	Above, below or at national average
Vancouver	1,281	1.7	below
Calgary	1,224	1.0	below
Toronto	1,213	1.6	below
Edmonton	1,141	1.4	below
Ottawa	1,132	2.9	at national average
Victoria	1,068	2.8	below
Kingston	1,054	2.3	below
Barrie	1,048	3.0	above
Saskatoon	1,041	2.7	below
Regina	1,018	1.8	below
Oshawa	985	2.1	below
Halifax	976	3.2	above
Kelowna	970	1.8	below
Winnipeg	969	2.5	below
Guelph	957	1.9	below
Kitchener-Cambridge-Waterloo	952	2.9	at national average
Hamilton	932	3.4	above
London	924	3.3	above
Peterborough	915	4.8	above
Greater Sudbury/Grand Sudbury	914	3.4	above
Canada[2]	894	2.9	at national average
St. Catharines - Niagara	872	4.1	above
St. John's	864	3.2	above
Thunder Bay	858	2.6	below
Brantford	835	2.9	at national average
Abbotsford-Mission	820	3.2	above
Charlottetown	804	7.9	above
Windsor	788	5.9	above
Québec	757	2.3	below
Gatineau	744	5.1	above
Moncton	742	9.1	above
Montréal	730	2.8	below
Saint John	691	11.4	above
Sherbrooke	591	5.3	above
Saguenay	571	2.8	below
Trois-Rivières	555	5.1	above

[1] In privately initiated apartment structures with at least three units.
[2] Only includes provincial data

Source: CMHC *(Rental Market Survey)*

Figure 3-19: Annual growth in employment and real disposable income per capita, and total housing starts, Canada, 1990-2013

Year	Growth in employment (%)	Growth in real disposable income (%)	Total housing starts (units)
1990	0.7	0.8	181,630
1991	-1.8	-1.2	156,197
1992	-1.0	1.2	168,271
1993	0.5	1.4	155,443
1994	2.1	0.4	154,057
1995	1.8	1.3	110,933
1996	0.9	0.0	124,713
1997	2.1	2.0	147,040
1998	2.5	3.0	137,439
1999	2.5	3.4	149,968
2000	2.5	4.3	151,653
2001	1.2	2.4	162,733
2002	2.4	2.5	205,034
2003	2.4	2.5	218,426
2004	1.7	3.6	233,431
2005	1.3	2.9	225,481
2006	1.8	6.2	227,395
2007	2.4	3.7	228,343
2008	1.7	4.0	211,056
2009	-1.6	1.7	149,081
2010	1.4	2.3	189,930
2011	1.6	2.4	193,950
2012	1.2	2.5	214,827
2013	1.3	2.5	187,923

Source: CMHC *(Starts and Completions Survey)*; Statistics Canada (CANSIM)

Figure 3-20: Unemployment rate, Canada, Provinces and Territories, 2012 and 2013

Geography	Unemployment rate 2012 (%)	Unemployment rate 2013 (%)
Canada	7.3	7.1
British Columbia	6.8	6.6
Alberta	4.7	4.6
Saskatchewan	4.8	4.0
Manitoba	5.3	5.3
Ontario	7.8	7.5
Quebec	7.9	7.6
New Brunswick	10.1	10.5
Nova Scotia	8.9	9.1
Prince Edward Island	11.4	11.4
Newfoundland and Labrador	12.6	11.5
Nunavut	15.1	13.6
Yukon	6.9	5.4
Northwest Territories	8.1	8.2

Source: Statistics Canada (CANSIM)

Figure 3-21: Housing-related spending, by type, and as a percentage of Gross Domestic Product, Canada, 1990-2013

Year	Housing-related consumption (billions of dollars)	Housing-related investment (billions of dollars)	Housing-related spending as a percentage of GDP (%)
1990	96.04	41.59	19.92
1991	99.45	36.64	19.53
1992	102.59	39.71	19.95
1993	105.79	39.47	19.59
1994	108.93	42.23	19.22
1995	111.50	35.95	17.85
1996	113.85	39.32	17.92
1997	116.73	43.14	17.74
1998	119.53	42.10	17.25
1999	122.41	44.88	16.70
2000	125.65	47.89	15.80
2001	129.07	54.68	16.19
2002	133.54	65.36	16.84
2003	138.30	71.19	16.84
2004	143.54	82.50	17.06
2005	148.89	89.36	16.89
2006	154.51	98.16	16.99
2007	160.20	108.87	17.18
2008	166.15	107.25	16.61
2009	171.58	99.67	17.31
2010	177.35	111.24	17.36
2011	183.02	116.20	17.00
2012	188.66	126.31	17.31
2013	194.51	127.54	17.14

Source: CMHC, adapted from Statistics Canada

4

Housing Finance

Henri Masson, Montreal from Place Ville Marie, 1965, Watercolour, wax and crayon on paper, 18" x 23", FAC 1009, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Overview of Canada's housing finance system

The housing finance system in Canada can be characterized by three sets of activities: mortgage lending, mortgage loan insurance, and mortgage funding *(see Figure 4-1)*.

Various types of lenders make up the Canadian mortgage lending market and fall into three main categories: federally-regulated financial institutions (e.g., banks, trust and loan companies, and insurance companies), provincially-regulated financial institutions (credit unions, caisses populaires and provincial trust and loan companies), and non-depository financial intermediaries.

Federally-regulated financial institutions are under the supervision of the Office of the Superintendent of Financial Institutions (OSFI) and are required to purchase mortgage loan insurance for "high-ratio" mortgages that have a loan-to-value ratio of 80% or more; i.e., where the down payment is less than 20% of the value of the property being mortgaged. Mortgage loan insurance may be supplied by either us or a private mortgage insurer.

Lenders rely on a variety of sources for mortgage funding, including deposits, our securitization[1] programs, covered bonds, the private securitization market, and other wholesale funding *(see Figure 4-1)*.

[1] Securitization is the process of grouping contractual loans, such as residential mortgages, and selling the consolidated assets as securities to investors. Payments on the underlying debt; i.e., the mortgage principal and interest payments, are passed through to the investors. Securities backed by mortgage loans are also called mortgage-backed securities.

Residential mortgage lending market

Total residential mortgage credit outstanding[2] in Canada continued to grow, but at a slower pace than in previous years. As of May 2014,[3] it stood at $1.235 trillion, an increase of 5.1% from May 2013, compared to 5.0% growth in the previous 12 months. This is below the average annual growth rate of 8.5% for the decade 2003-2013, indicating a moderation of growth in the mortgage lending market.

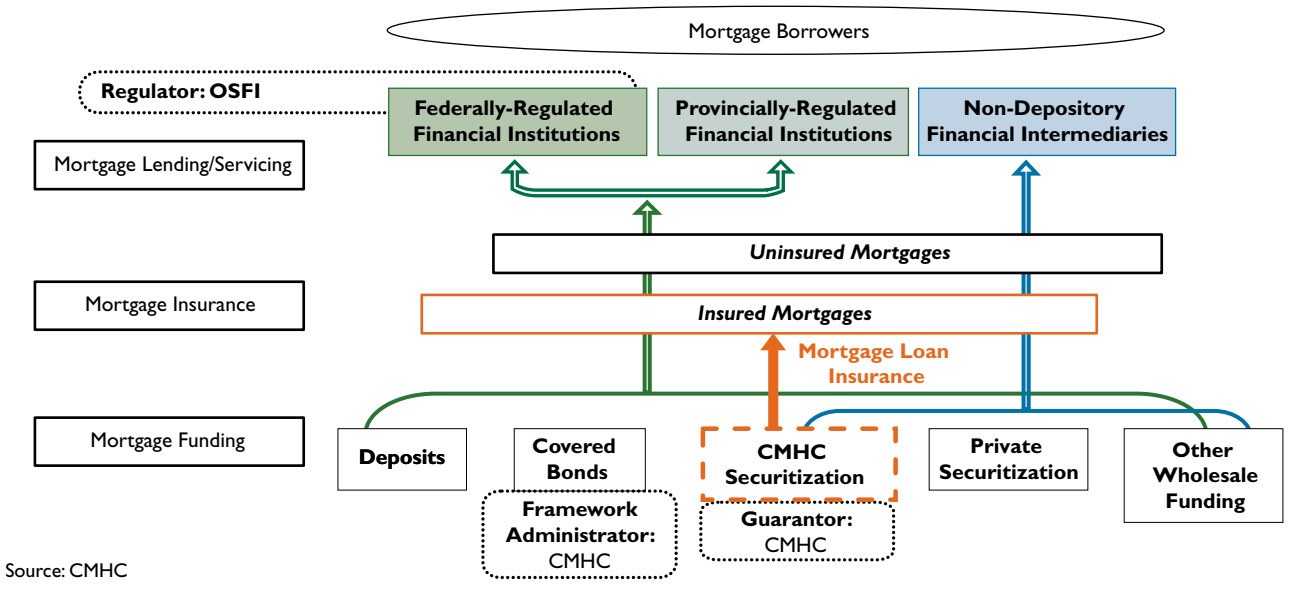
Recent reports have suggested that, while housing market activity (sales, prices) are still robust, mortgage credit growth is moderating as borrowers are increasing their prepayments of mortgage principal *(see Contracted and expected amortization periods were shortened, below).*[4] Moreover, changes in government regulations for the high-ratio mortgage market in recent years have contributed to a lower average loan-to-value ratio and shorter amortization periods in new mortgages, which have also been factors in slower overall mortgage credit growth relative to previous years.

Household debt-service ratios stabilized at lower than historical levels

Since 2007, Canadians' ability to service their total debt and their mortgage debt has improved; that is, Canadian households allocate a smaller part of their income to paying interest on their loans. In 2013, the average mortgage debt-service ratio (DSR)—i.e., the ratio of annual mortgage debt-service interest costs to annual disposable income—stood at 3.66%, a slight decline compared to 3.70% in 2012, and lower than the historical average of 4.1%[5] since 2000 *(see Figure 4-2).* Historically low mortgage rates have been a large factor in the lower mortgage DSR.

FIGURE 4-1

Canada's housing finance system



Source: CMHC

[2] The Bank of Canada reports Home Equity Lines of Credit (HELOCs) data under consumer credit, rather than residential mortgage credit. However, lenders may include HELOCs in their mortgage credit data in their regulatory filings.

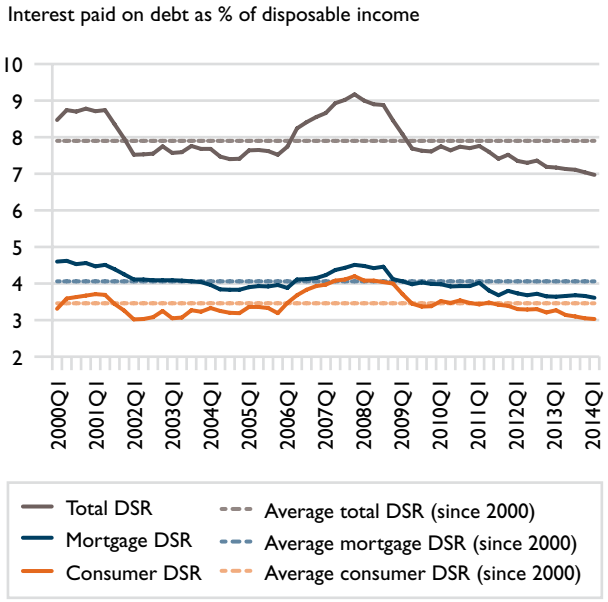
[3] Weekly Financial Statistics. Ottawa: Bank of Canada, May 16, 2014. www.bankofcanada.ca/wp-content/uploads/2014/05/wfs160514.pdf (June 6, 2014).

[4] Explaining the Moderation in Canadian Mortgage Borrowing. Toronto: TD Economics, September 2014. www.td.com/document/PDF/economics/special/CanadianMortgageMarket.pdf (Sept. 12, 2014).

[5] Average from 2000 to 2014 Q1.

FIGURE 4-2

Quarterly household debt-service ratios, 2000 Q1-2014 Q1



Source: Statistics Canada (CANSIM)

The total DSR, which includes both mortgage and consumer debt, was 7.11% in 2013, a decrease from 7.30% in 2012, and has been in a declining trend since 2008.

The mortgage DSR measure captures only interest paid on mortgage debt; in practice, the actual burden of mortgage debt includes principal repayments. The Bank of Canada calculates a mortgage debt-service ratio that includes both mortgage interest plus an estimate of mortgage principal repayments.[6] In recent years, this ratio has remained fairly stable between 6.0% and 6.5%, but has not fallen with the historically low mortgage interest rates of the past few years.

Variable and short-term rates remained stable

The Bank of Canada maintained the target for the overnight rate at 1% throughout 2013. The stability of the overnight rate strongly influenced the stability of variable mortgage rates. The Bank of Canada's "estimated variable mortgage rate" averaged 2.93% during 2013, a slight

Fast Facts

- Total residential mortgage credit outstanding stood at $1.235 trillion in May 2014, an increase of 5.1% from May 2013.
- The proportion of residential mortgages that were three months or more in arrears continued trending down to 31 one-hundredths of 1% (0.31%) in 2014 Q1, below its historical average of 35 one-hundredths of 1% (0.35%) from 2000 to 2013.
- Recent surveys of the residential mortgage market indicate that, of all residential mortgage holders, about two-thirds had a fixed-rate mortgage, and 83% had a remaining amortization period of less than 25 years.
- Mortgage insurance plays an important role in Canada by helping consumers purchase homes with a minimum down payment of 5% at interest rates comparable to those paid by buyers with a 20% (or higher) down payment.
- There were $80.2 billion of market *National Housing Act* Mortgage Backed Securities (NHA MBS) issued in 2013 and total NHA MBS outstanding increased to $406.7 billion by the end of June 2014.
- There were $38.7 billion of Canada Mortgage Bonds (CMB) issued in 2013 and CMB outstanding rose to $207.4 billion by the end of June 2014.
- In 2013, lenders issued $13.2 billion of covered bonds under Canada's new Covered Bonds Legal Framework, bringing the total amount of covered bonds outstanding at the end of 2013 to $70.4 billion.

[6] Financial System Review. Ottawa: Bank of Canada, June 2014. www.bankofcanada.ca/wp-content/uploads/2014/06/fsr-june2014.pdf (September 12, 2014).

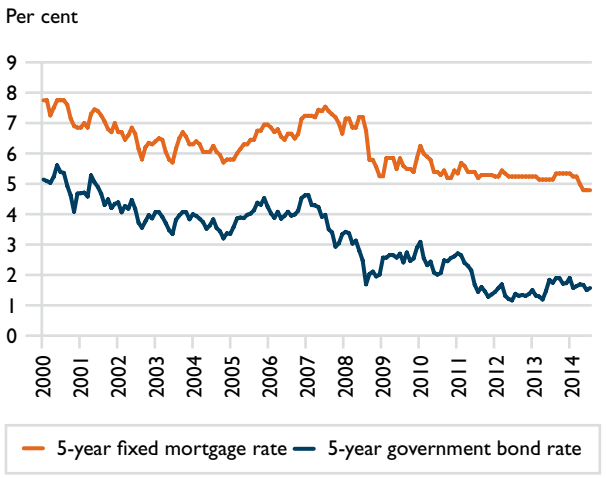
decline from 3.0% in 2012.[7] In early 2013, borrowers benefited from a posted one-year fixed mortgage rate that reached its lowest level—3.0%—since 1980 *(see Glossary: Some common mortgage terminology on page 4-20).* Overall in 2013, it averaged 3.08%, compared to 3.17% in 2012.[8] During the first half of 2014, the average posted one-year fixed mortgage rate was 3.14%, in comparison to an average of 3.02% during the first half of 2013.

Five-year fixed mortgage rates remained low

Government bond yields are one of the key factors influencing longer-term fixed mortgage rates. For example, posted 5-year fixed mortgage rates have generally been correlated with the 5-year government bond yield *(see Figure 4-3).*

FIGURE 4-3

5-year fixed mortgage rate[1] and the 5-year government bond yield, 2001-2014[2]



[1] Chartered bank posted interest rates.
[2] Latest data point is June 2014.

Source: Bank of Canada

In 2013, the average 5-year government bond yield increased to 1.62% from 1.37% in 2012—the first increase since 2010. However, the average posted 5-year mortgage rate continued its downward trend and dropped slightly from 5.27% in 2012 to 5.24% in 2013. This is the lowest rate since 1973. The decline continued during the first half of 2014, with an average 5-year mortgage rate of 4.97%, compared to 5.17% during the first half of 2013. The spread between the posted 5-year fixed mortgage rate and the 5-year government bond yield dropped from an average of 3.74 percentage points during the first half of 2013 to 3.37 percentage points during the first half of 2014.

Discounting

Although lenders offer posted rates, it is common practice for them to discount these rates based on negotiations with borrowers. The 2014 survey by the Canadian Association of Accredited Mortgage Professionals (CAAMP)[9] reported the average actual rate for 5-year fixed-rate mortgages as 3.23% in 2013, which was 1.95 percentage points lower than the posted 5-year fixed rate of 5.18% reported in this survey for 2013. This is a slightly lower discount than the 2.22 percentage point discount reported in CAAMP's 2013, survey for 2012.

Mortgage arrears were at their lowest level since 2008

The percentage of residential mortgages three months or more in arrears continues to be relatively low in Canada. According to the Canadian Bankers Association (CBA),[10] the annual average rate of mortgage arrears was below one-third of 1%, at 0.31%, in 2013, and remained at that rate in the first quarter of 2014.

[7] *Trends in key interest rates—table.* Ottawa: Bank of Canada, July 2014. http://credit.bankofcanada.ca/financialconditions#tikr (July 21, 2014).

[8] Chartered bank administered interest rates. Source: Bank of Canada, Data and Statistics Office.

[9] Looking for a "New Normal" in the Residential Mortgage Market. Toronto: Canadian Association of Accredited Mortgage Professionals (CAAMP). May 2014. www.caamp.org/meloncms/media/Spring%20Report%20FINAL%202014-05-24.pdf (July 21, 2014).

[10] Canadian Bankers Association. Arrears data include data from the Bank of Montreal, Canadian Imperial Bank of Commerce, HSBC Bank Canada, National Bank of Canada, RBC Royal Bank, Scotiabank, TD Canada Trust, Canadian Western Bank, Manulife Bank (as of April 2004) and Laurentian Bank (as of October 2010). www.cba.ca/contents/files/statistics/stat_mortgage_db050_en.xls (July 22, 2014).

This is down 3 basis points[11] from the annual average rate in 2012, and in line with its average over the past decade *(see Figure 4-4)*. The rate has been falling since 2010 and is at its lowest level since 2008.

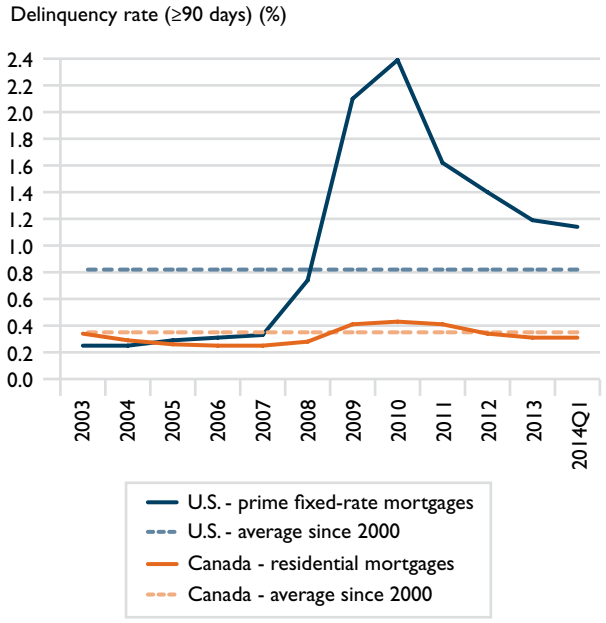
Regional differences underlay the 2013 national average rate. Arrears rates were much higher in the Atlantic provinces (0.49%), British Columbia (0.46%) and Alberta (0.42%). In Quebec and Saskatchewan, the arrears rates were in line with the national average and stood at 0.32% and 0.30%, respectively. The arrears rate in Ontario was much lower than the national average, at 0.21% in 2013.

Between 2012 and 2013, as observed on the national level, average arrears rates decreased in most of the provinces. In Quebec however, the rate remained unchanged, while in Manitoba and the Atlantic provinces, the rate rose by 1 basis point and 3 basis points, respectively.

The arrears rate for prime fixed-rate mortgages in the United States (the most comparable mortgages to the overall Canadian mortgage market) was similar to Canada's before the financial crisis, but rose to a peak of 2.39% in 2010. It has since fallen sharply but, at 1.14% in the first quarter of 2014, remained significantly higher than the Canadian mortgage arrears rate. The arrears rate for the total U.S. residential mortgage market was 2.39% in 2014 Q1. *(See Appendix A Table 32 for more information).*

FIGURE 4-4

Canada and United States mortgage arrears, 2003-2014 Q1[1,2,3]



[1] Canadian and U.S. mortgage arrears rates are non-seasonally adjusted and calculated based on the total number of loans serviced (not on their dollar value).

[2] The Canadian mortgage arrears rate reflects the ratio of loans with installments past due by 90 days or more. The annual arrears rate is calculated by averaging 12 monthly arrears data in a calendar year (average of 3 months in 2014 Q1), which are collected by the CBA from 10 major Canadian banks including BMO, CIBC, HSBC, National, RBC, Scotiabank, TD Canada Trust, Canadian Western, Manulife (as of April 2004) and Laurentian (as of October 2010).

[3] The U.S. arrears rate reflects the ratio of one- to four-unit residential property loans with installments past due by 90 days or more. The annual arrears rate is calculated by averaging four quarterly arrears data in a calendar year. The data are collected by the U.S. Mortgage Bankers Association *National Delinquency Survey* from approximately 120 U.S. mortgage lenders, including mortgage banks, commercial banks, thrifts, savings and loan associations, sub servicers and life insurance companies. The "prime" mortgage criteria used in these data are based on survey participants' reporting of what they consider to be their prime mortgage servicing portfolios (including prime fixed-rate mortgages and prime adjustable-rate mortgages), and such criteria may vary among lenders.

Source: Canadian Bankers Association and U.S. Mortgage Bankers Association

Mortgage product choices

Preference for fixed-rate mortgages is rising

The stability of a fixed financing cost is still of great appeal to homebuyers. Two recent major residential mortgage market surveys, one by CAAMP[12] and the other by Financial Industry Research Monitor (FIRM) survey,[13] showed similar proportions of all mortgage holders with fixed-rate mortgages (65% and 63%, respectively). However, recent shifts in consumer sentiment, while fluctuating somewhat, seem to indicate an increase in preferences

[11] One hundred basis points equal 1 percentage point.

[12] Canadian Association of Accredited Mortgage Professionals (CAAMP). Op cit.

[13] The Financial Industry Research Monitor (FIRM) *Residential Mortgage Survey*. Toronto: prepared for CMHC by Altus Group Consulting and Ipsos Reid, Fall 2013.

for fixed-rate mortgages over the past two years. For example, the CAAMP May 2014 survey reported that, for homes that have been purchased recently, 74% of new mortgages had a fixed rate, 20% had a variable or adjustable rate, and 6% a combination mortgage rate. This shift in preferences may reflect a reduction in the gap between rates for fixed-rate mortgages and variable-rate mortgages, and increased expectations among mortgage borrowers about future interest-rate increases.

Contracted and expected amortization periods were shortened

In the last few years, the Government of Canada has shortened the maximum amortization period for mortgages that have government-backed mortgage insurance.[14] The impact of these changes can be seen in recent mortgage data. The Fall 2013 FIRM survey reported that, among new mortgage holders in 2012 and 2013, fewer than 1 in 5 opted for an amortization period longer than 25 years—a significant decline from the 35% to 40% of new borrowers that chose long amortizations during 2008-2011.[15] Approximately 17% of mortgage holders (i.e., new and existing mortgage holders) reported having a remaining amortization of more than 25 years during the recent survey period, compared to 21% in the Fall 2012 survey.

A significant portion of mortgage borrowers have made prepayments towards their mortgage principal, thus reducing their mortgage amortization period: 24% according to the Spring 2014 FIRM survey, and 35% according to the May 2014 CAAMP survey. The 2014 CAAMP survey indicated that the most common action taken to shorten a mortgage amortization period was to increase the amount of the regular payment—16% of mortgage holders in the 12 months surveyed.[16] Other actions were to make a lump sum payment (14% of mortgage holders) and increase the payments' frequency (7%). Those percentages are slightly lower than those reported in the 2013 survey: 18%, 17% and 10%, respectively.

Canadians accessed mortgage products and mortgage information in changing ways

Wide access to the internet, along with the increase in the use of mobile devices and social media, has influenced the way Canadians gather information when making a decision on their mortgages. Our 2014 *Mortgage Consumer Survey* revealed that 78% of mortgage consumers researched online to gather information about mortgage options and features.[17] Of those mortgage consumers, 22% used social media platforms (e.g., Facebook, blogs, Twitter), compared to 14% in 2013.

Mortgage brokers' services were still popular with consumers. According to CMHC's *Mortgage Consumer Survey,* in 2014 brokers accounted for 48% of all mortgage originations among first-time buyers, and 40% among repeat buyers. The 2013 CMHC survey reported a similar market share among first-time buyers (49%), but a lower market share among repeat buyers (34%), which points to a growing usage of brokers by repeat buyers. Overall, recent buyers were generally satisfied with their experience using a broker (74%).

Mortgage renewals and lender switching

A distinctive characteristic of the Canadian mortgage market is that the mortgage amortization period and the mortgage term are of different durations (unlike in many other countries where the amortization period and term are the same). This difference means that as the term of a mortgage expires, a borrower must either pay off

[14] Effective July 9, 2012, the maximum amortization period for insured mortgages with loan-to-value (LTV) ratios above 80% was set at 25 years under the government-backed mortgage insurance framework. See article, "Harper Government Takes Further Action to Strengthen Canada's Housing Market at www.fin.gc.ca/n12/12-070-eng.asp (July 21, 2014).

[15] The Financial Industry Research Monitor (FIRM) Residential Mortgage Survey. Op cit.

[16] Canadian Association of Accredited Mortgage Professionals (CAAMP). Op cit.

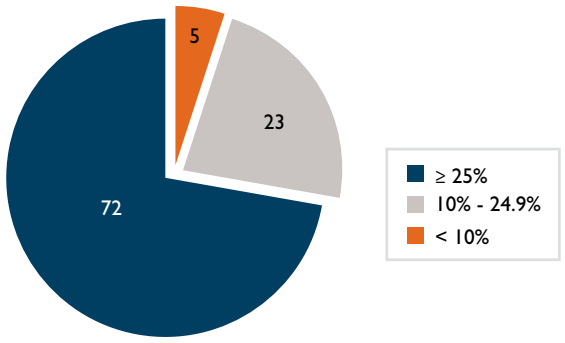
[17] See CMHC's *Mortgage Consumer Survey* Quick Facts at www.cmhc.ca/en/hoficlincl/moloin/cosu/2014/ (July 21, 2014).

the outstanding balance of the mortgage or renew it for another term, at a new interest rate negotiated with the lender. At the time of renewal, a borrower may, often without charge, switch lenders or change certain mortgage product features, such as the length of the next term or the type of interest rate (e.g., fixed or variable).

Recent trends indicate that when a mortgage comes up for renewal, most mortgage consumers remained loyal to their existing lender. Our 2014 *Mortgage Consumer Survey* showed that 84% of mortgage consumers renewed their mortgage term with the same lender.[18] Among those mortgage consumers who did switch to a new lender, the primary reason for switching was to benefit from a lower interest rate. The Fall 2013 FIRM survey found a similar result: 18% of mortgage consumers had switched lenders within the last two years, down slightly from a recent peak of 21% in their Spring 2012 survey.[19] Overall, the FIRM survey found that about 30% of Canadian mortgage consumers had switched lenders at some point.

FIGURE 4-5

Home equity levels of mortgage holders[1] (%)



[1] The home equity is calculated by deducting from the current value of owner-occupied homes in Canada the outstanding balances of the residential mortgage.

Source: Looking for a "New Normal" in the Residential Mortgage Market. Toronto: Canadian Association of Accredited Mortgage Professionals (CAAMP), May 2014 www.caamp.org/meloncms/media/Spring%20Report%20FINAL%202014-05-24.pdf (July 22, 2014)

Home equity levels

Canadians have a high average equity ratio in their homes. The 2014 CAAMP survey indicated that the average equity for homeowners with mortgages was 54%, an increase from 47% in the previous year; this is consistent with average home equity of 52% found in recent FIRM surveys.[20] The share of homeowners with negative or low equity is small: only 5% of homeowners with mortgages had less than 10% equity in their home (1% had negative equity); this was down from 7% of homeowners in the 2013 survey *(see Figure 4-5)*. The average borrower equity in our insured portfolio was 45% in 2013,[21] unchanged from 2012.

Mortgage lenders

Chartered banks hold the largest share of outstanding mortgage credit

Residential mortgage credit is offered by various financial institutions. Chartered banks hold the largest share of outstanding mortgage credit in Canada. As of May 2014, 75%[22] of total residential mortgage credit outstanding was held by chartered banks, including mortgages that have been securitized.[23] Credit unions and caisses populaires had a share of 13%, while other mortgage lenders (life insurance companies, pension

[18] See CMHC's 2014 *Mortgage Consumer Survey* – Quick Facts at www.cmhc.ca/en/hoficlincl/moloin/cosu/2014/ (July 2014).

[19] The Financial Industry Research Monitor (FIRM) *Residential Mortgage Survey*, prepared for CMHC by Altus Group Consulting and Ipsos Reid (Fall 2013).

[20] The Financial Industry Research Monitor (FIRM) *Residential Mortgage Survey.* Op cit.

[21] *Annual Report. Ottawa:* Canada Mortgage and Housing Corporation, 2013. www.cmhc-schl.gc.ca/en/corp/about/anrecopl/anre/upload/CMHC_68134_w.pdf (July 22, 2014).

[22] The data in this section are calculated from the residential mortgage credit data in the Bank of Canada's Banking and Financial Statistics (July 29, 2014).

[23] With the adoption of the International Financial Reporting Standards (IFRS), the majority of banks' securitization volume (public and private programs) is now recorded on balance sheet.

funds, non-depository intermediaries and other financial institutions) had an 8% share *(see Figure 4-6)*. The remaining 4% of outstanding mortgage credit was accounted for by securitized mortgages not recorded on lenders' balance sheets. These market shares are virtually unchanged since 2012.

Regulation of mortgage lenders

The Canadian financial system is jointly regulated and supervised by several institutions at the federal and provincial level. The Office of the Superintendent of Financial Institutions (OSFI) supervises federally-regulated financial institutions[24] such as chartered banks, life insurance companies, trust and loan companies and federally-regulated private pension plans. Almost all credit unions and caisses populaires are provincially regulated, since most of their activities are restricted to one province. Mortgage broker activities are also regulated by provincial legislation.

A small number of lenders are not explicitly subject to a specific regulator. Nonetheless, those lenders must comply with regulations in force in their respective activity sector. For example, all lenders that originate high-ratio mortgages with CMHC insurance must meet our "Approved Lender" process; have operational reviews by us to assess their insured loan portfolios; and must comply with our underwriting and servicing standards. Unregulated mortgage lenders account for a small portion of Canada's mortgage market and many focus on niche market segments.

Besides the federal and provincial governments, other regulatory institutions are involved in keeping the Canadian financial system sound. These include provincial securities commissions, which regulate activities related to securities and bonds; the Canada Deposit Insurance Corporation (CDIC), which operates the federal system of deposit insurance; and the Financial Consumer Agency of Canada (FCAC), which protects consumers of federally-regulated financial institutions.

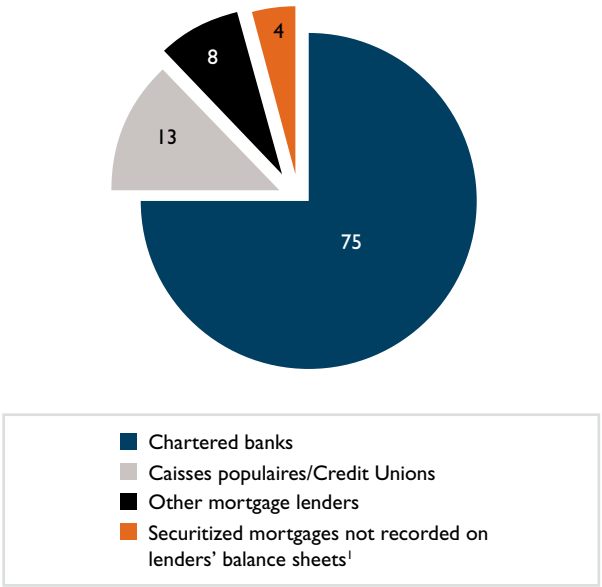
OSFI, the provincial regulators, the Bank of Canada, the federal Department of Finance, and the other government agencies discussed above, together form a comprehensive financial sector regulatory and policy framework.

Key policy developments related to mortgage lenders

The Basel Committee on Banking Supervision, of which Canada is a member, formulates broad international standards and guidelines, and recommends best practices related to prudential banking supervision. The Basel I Accord (1988) and Basel II Accord (2004) were the earlier international frameworks established by the Basel

FIGURE 4-6

Total residential mortgage credit outstanding, by institution, May 2014 (%)



[1] With the adoption of International Financial Reporting Standards (IFRS), the majority of banks' securitization volume (via both public and private programs) is now recorded on balance sheet.

Source: Bank of Canada's Weekly Financial Statistics – July 25, 2014 report (July 29, 2014)

[24] This includes financial institutions incorporated, continued or regulated under the *Bank Act, Trust and Loan Companies Act, Insurance Companies Act,* or *Cooperative Credit Associations Act.*

Committee. In the aftermath of the 2008/2009 global financial crisis, the Basel Committee responded by developing new global standards (Basel III) to improve supervision, regulation and risk management of the banking sector.

For Canada, OSFI has issued Basel III-compliant capital requirements,[25] which came into effect on January 1, 2013 for federally-regulated banks, trust and loan companies, and cooperative retail associations operating in Canada. In May 2014, OSFI issued a guideline consistent with international liquidity standards referred to as the Basel liquidity coverage ratio (LCR) requirement, with an implementation date of January 1, 2015.[26] Under the LCR requirement, an institution must maintain an amount of high quality liquid assets[27] sufficient to meet its total net cash outflows over a prospective 30-day period.

These capital and liquidity requirements are intended to ensure that financial institutions are robust enough to respond to any problems in funding markets, and that they maintain sufficient capital to absorb any losses. Implementation of the Basel III rules will affect Canadian regulated mortgage lenders, including their capital, liquidity, funding and operations, and in turn may have implications for the residential mortgage market. For example, new Basel III liquidity rules are expected to result in higher demand for high quality liquid assets from regulated financial institutions seeking to maintain the required amount of liquid assets on their balance sheet. To the extent that some mortgage-backed securities are accepted as high quality liquid assets, demand for them might increase, which in turn could increase demand for mortgage securitization and origination.

Mortgage loan insurance

Mortgage insurance facilitates consumer access to mortgage credit and housing

Mortgage loan insurance is a significant component of Canada's mortgage market and financial stability framework. By law, federally-regulated lenders and most provincially-regulated lenders are required to obtain mortgage insurance on loans for which the homebuyer has made a down payment of less than 20% of the value of the collateral property (also called high loan-to-value ratio loans). Mortgage loan insurance helps protect lenders against mortgage default, and enables consumers to purchase homes with a minimum down payment of 5%—with interest rates comparable to those with a 20% or larger down payment. Thus, mortgage insurance helps facilitate the availability of, and access to, mortgage credit.

Portfolio insurance is another mortgage insurance product that allows lenders to purchase mortgage insurance for pools of previously uninsured low-ratio mortgages; i.e., where the loan is 80% or less than the value of the collateral property. In addition to mitigating the impact of default of the mortgages, portfolio insurance facilitates lender access to funding via our securitization programs (*see CMHC securitization programs, below)* by providing the insurance coverage necessary for the mortgages to be securitized.

Mortgage insurers

Mortgage loan insurance is offered through three companies: CMHC, Genworth Canada and Canada Guaranty. We (CMHC) are a federal Crown corporation, Canada's only public mortgage insurer, and the largest of the three. We are the only insurer that provides service

[25] See OSFI's Guideline A—Capital Adequacy Requirements (CAR) at www.osfi-bsif.gc.ca/Eng/fi-if/rg-ro/gdn-ort/gl-ld/Pages/CAR_chpt_let.aspx (July 22, 2014).

[26] *Liquidity Adequacy Requirements*. Ottawa: Office of the Superintendent of Financial Institutions (OSFI), 2014. www.osfi-bsif.gc.ca/Eng/fi-if/rg-ro/gdn-ort/gl-ld/Pages/LAR_index.aspx (July 22, 2014).

[27] High quality liquid assets are financial assets that have a low risk of default, and are deemed sufficiently liquid by OSFI to meet the requirements of the Basel III LCR. These include assets such as cash, central bank reserves and top-rated sovereign (government) debt, as well as limited amounts of higher-rated covered bonds and non-financial corporate bonds.

in all parts of the country, including rural and smaller markets not served by private mortgage insurers. We also exclusively insure mortgages for large rental housing developments, purpose-built student housing projects, and nursing and retirement homes—important segments of the housing market.[28]

Our mortgage insurance activities are carried out on a commercial basis with no direct financial assistance from the Government of Canada and in accordance with prudent actuarial and underwriting criteria *(see Table 4-1 on page 4-21).*

Changes to CMHC's mortgage loan insurance

We conduct an annual review of our insurance products and premiums, capital requirements, and return on capital. In 2014, as part of our efforts to limit our activities to our core purpose as a Crown corporation, and in keeping with our higher capital targets, this review resulted in a number of changes to our mortgage insurance products.[29] These changes are listed below:

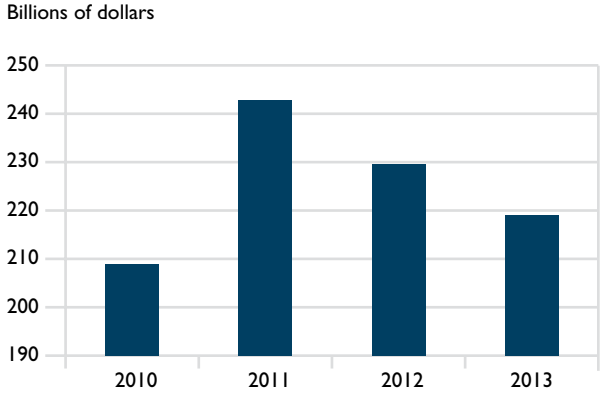
- An increase in mortgage loan insurance premiums for homeowner and 1-4 unit rental properties. The 15% average increase took effect May 1, 2014;
- A discontinuation of the Second Home and Self-Employed Without 3rd Party Income Validation mortgage insurance products, effective May 30, 2014;
- A discontinuation of mortgage loan insurance for builder/developer financing of multi-unit condominium construction, effective June 6, 2014. (Condominium homebuyers were not affected by this change); and
- Alignment of low-ratio transactional mortgage loan insurance[30] product with our high-ratio product by establishing maximum house prices, amortization periods and debt-servicing ratios, effective July 31, 2014.

In 2013, we reduced access to our portfolio insurance product through an allocation process which helped return volumes to levels experienced prior to the 2008/2009 global financial crisis. Our portfolio insurance-in-force decreased from $243 billion in 2011 to $219 billion in 2013 *(see Figure 4-7).*

In 2014, we implemented additional changes to our portfolio insurance product to support the long-term stability of the Canadian housing and mortgage markets, and to promote the efficient functioning and competitiveness of the housing finance market.

FIGURE 4-7

CMHC's portfolio insurance-in-force, 2010-2013



Source: CMHC

[28] For further discussion of the profile of CMHC's insurance-in-force, please see Table 25 in the Appendix, or CMHC's Annual Report at https://www.cmhc-schl.gc.ca/en/corp/about/anrecopl/ or Quarterly Financial Report at https://www.cmhc-schl.gc.ca/en/corp/about/core/upload/Q12014-CMHC-QFR_EN.pdf.

[29] *CMHC to Increase Mortgage Insurance Premiums.* Ottawa: Canada Mortgage and Housing Corporation, 2014. www.cmhc.ca/en/corp/nero/nere/2014/2014-02-28-1100.cfm (July 22, 2014).
CMHC Changes Its Mortgage Insurance Product Offering. Ottawa: Canada Mortgage and Housing Corporation, 2014. www.cmhc.ca/en/corp/nero/nere/2014/2014-04-25-1600.cfm (July 22, 2014), and
CMHC Completes Review of Mortgage Insurance Business. Ottawa: Canada Mortgage and Housing Corporation, 2014. www.cmhc.ca/en/corp/nero/nere/2014/2014-06-06-0830.cfm (July 22, 2014).

[30] Low-ratio transactional mortgage loan insurance is mortgage loan insurance that is below the mandatory requirement (i.e., 80% LTV), but is purchased on an individual loan at the time the loan is made, not as part of a portfolio of loans.

Effective January 1, 2014, these changes were as follows:

- A total allocation for 2014 of $9 billion in portfolio insurance, with a uniform allocation during 2014 of $360 million per portfolio lender;
- The elimination of the substitution feature[31] on new portfolio pools; i.e., those insured after December 31, 2013; and
- Implementation of revised pricing to cover increased costs, including government guarantee fees, while also reflecting market prices and our higher capital targets.[32]

Regulation of mortgage insurers

In addition to regulating mortgage lenders (discussed above), OSFI also regulates Canada's private mortgage insurance companies. It prescribes minimum capital test ratios,[33] and ensures that the companies engage in prudent business practices and comply with applicable regulations.

We abide by the same capital test ratio guidelines that OSFI applies to private mortgage insurance companies. Since 2012, OSFI has been mandated to conduct examinations, at least annually, into whether our commercial activities are conducted in a safe and sound manner with due regard to our exposure to loss.

Government-backed mortgage insurance framework promotes financial stability

In addition to OSFI's regulation and supervision, mortgage insurance in Canada is subject to a government-backed mortgage insurance framework. On January 1, 2013, a new legislative framework came into force formalizing the existing government guarantee rules and other less formal arrangements that the Government of Canada already had with private mortgage insurers and us.[34]

As an agent Crown corporation, our liabilities are 100% backed by the government. The government also guarantees 90% of the private insurers' insurance obligations (subject to a 10% deductible), which allows them to compete with us.[35] The government also sets insurance-in-force limits for us ($600 billion) and the private mortgage insurers ($300 billion in total) and prescribes criteria for government-backed residential mortgage insurance.

The government backing to mortgage insurers supports borrowers' continued access to mortgage credit regardless of financial market conditions. Furthermore, the government-backed mortgage insurance framework regulates and promotes prudent mortgage insurance and mortgage underwriting practices by both regulated and unregulated lenders in Canada, making an important contribution to the stability of the Canadian housing market and the financial system*(see Table 4-2 on page 4-22).*

Key policy developments related to mortgage insurance

The Government of Canada announced in *Economic Action Plan 2013* new measures related to mortgage insurance:

i) Gradually limiting the insurance of low-ratio mortgages to only those mortgages that will be used in our securitization programs; and

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[31] The substitution feature allowed lenders to replace loans in a portfolio insured pool (with additional premiums), if some of the original loans had been transferred to another lender or fully paid out.

[32] *Quarterly Financial Report, 1st Quarter.* Ottawa: Canada Mortgage and Housing Corporation, 2014. www.cmhc.ca/en/corp/about/core/upload/Q12014-CMHC-QFR_EN.pdf (July 22, 2014).

[33] The minimum capital test ratio is the ratio of capital available to capital required, which is calculated by applying OSFI risk factors to a mortgage insurer's assets and liabilities.

[34] The legislative framework includes amendments to the *National Housing Act* (NHA), and regulations under both the NHA and the *Protection of Residential Mortgage or Hypothecary Insurance Act* (PRMHIA).

[35] The difference in guarantee level recognizes that we provide qualified Canadians in all parts of the country with access to a range of housing finance options, while private sector competitors have the ability to select the markets in which they operate.

ii) Prohibiting the use of any government-backed insured mortgage, both high-ratio and low-ratio, as collateral in securitization vehicles that are not sponsored by us.[36]

OSFI issued a draft guideline supporting sound residential mortgage insurance underwriting

In April 2014, OSFI released for consultation *Draft Guideline B-21 Residential Mortgage Insurance Underwriting Practices and Procedures.* The draft guideline sets out principles that promote and support sound residential mortgage insurance underwriting. It is applicable to all federally-regulated mortgage insurers (FRMIs).

The guideline articulates six fundamental principles that a FRMI should follow for sound residential mortgage underwriting, all of which have been endorsed and operationalized by us:

- The existence of a comprehensive Residential Mortgage Insurance Underwriting Plan;
- The establishment of standards for the initial assessment and qualification of mortgage lenders;
- The establishment of prudent mortgage underwriting criteria and insurance coverage requirements for lenders;
- Periodic assessments of lenders' underwriting practices;
- Periodic assessment and validation of its underwriting systems, models and underwriters' processes; and
- Effective portfolio risk management and other risk mitigation practices.

A new capital framework for mortgage insurers is under development

OSFI is in the process of developing a new capital framework specific to mortgage insurers that will replace the current Minimum Capital Test (MCT).[37] Until it is complete, mortgage insurers will use a modified version of the 2015 MCT for federally-regulated property and casualty insurers, which is adjusted to reflect the specific characteristics of the mortgage insurance business. Details of these adjustments are expected to be posted on OSFI's website in fall 2014, along with the 2015 MCT Guideline.

Fees payable to the Government of Canada, effective January 1, 2014

As part of *Economic Action Plan 2014,* our mortgage loan insurance business is, effective January 1, 2014, subject to a risk fee payable to the Government of Canada of 3.25% of premiums written and 0.1% on new portfolio insurance written. Our fee of 3.25% takes into account the full government backing of our insurance liabilities as opposed to the 90% guarantee of private mortgage insurers.[38]

Mortgage funding

Canada's mortgage lenders have access to a variety of funding options, including customer deposits and funds raised in capital markets. Key capital market-based funding sources in Canada are securitization (i.e., issuing mortgage-backed securities), covered bonds, and other corporate debts.

[36] See CEAP Housing Finance Framework. Ottawa: Government of Canada, 2013. www.actionplan.gc.ca/en/initiative/housing-finance-framework (June 16, 2014).

[37] See OSFI's Minimum Capital Test at www.newsite.osfi-bsif.gc.ca/Eng/Docs/mct2013.pdf (July 22, 2014).

[38] *Quarterly Financial Report.* Ottawa: Canada Mortgage and Housing Corporation, 2014. Op cit.

Deposits remain the primary source of mortgage funds for deposit-taking institutions

Historically, deposits have been the primary mortgage funding source for Canadian deposit-taking institutions. Deposits are typically short-to medium-term. Retail deposits include demand deposits, e.g. chequing and savings accounts, as well as term deposits, e.g. guaranteed investment certificates (GICs). In addition, banks issue short- to medium-term debt securities (often called deposit notes), which typically target large institutional investors and corporation.

Retail deposits continue to be one of the lowest-cost funding sources.[39] For example, 5-year GIC rates have generally been lower than 5-year Government of Canada bond rates[40] (*see Figure 4-8).*

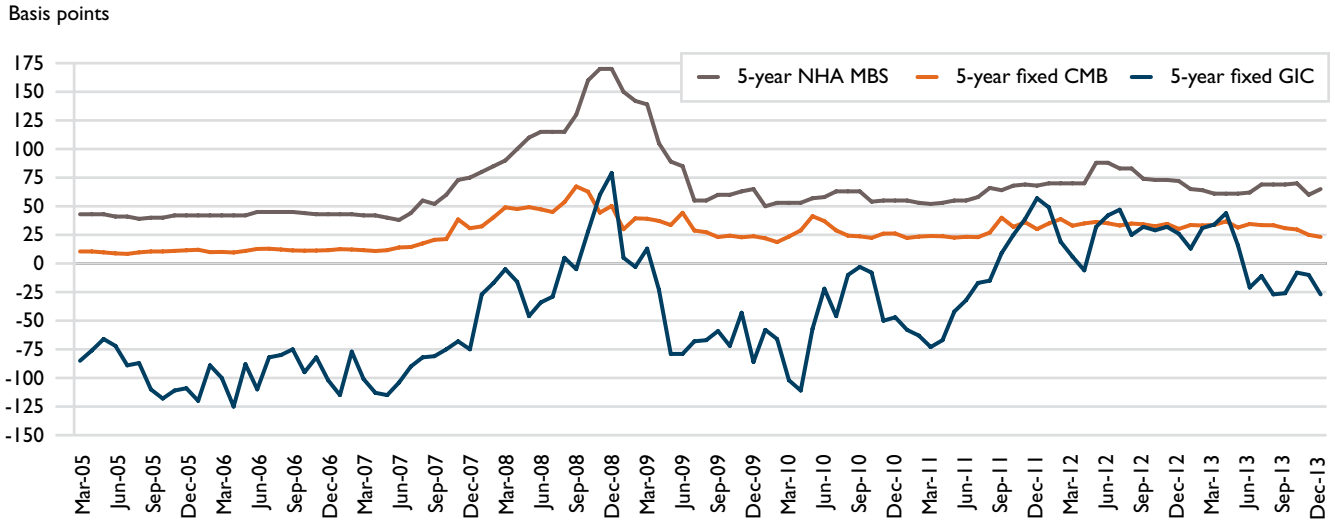
CMHC securitization programs

The *National Housing Act* Mortgage-Backed Securities (NHA MBS) and Canada Mortgage Bonds (CMB) programs contribute to the efficient functioning, competitiveness, and stability of the housing finance system by helping ensure lenders and, in turn, borrowers, have access to a reliable source of funding for residential mortgages regardless of economic cycles and market conditions. Investors are afforded the opportunity to invest in high-quality, government-guaranteed securities backed by insured mortgages.

Both NHA MBS and CMB carry our guarantee for timely payment of principal and interest to investors. This guarantee acts as a credit enhancement to ensure continuous access to funding markets and promote financial stability. We charge a fee for the provision of the guarantee.

FIGURE 4-8

GIC, CMB and NHA MBS monthly spreads to Government of Canada bond benchmark, 2005-2013



Note: The above mentioned are monthly spread data, which may not reflect all daily changes.

Source: CMHC, Bank of Canada, CIBC World Markets, Scotia Capital Markets

[39] As an approach to assess the cost of funding, the spreads of various mortgage funding sources can be compared. However, these do not represent the full cost, which includes costs, such as legal costs, guarantee fees or other forms of credit enhancements, and underwriting fees, which may differ by funding source.

[40] Exceptions to this occurred around the ends of 2008 and 2011 as well as during 2012, when significant market uncertainty drove up demand for the government bonds, driving the bond rates to below the GIC rates. In addition, competition for deposits may have also pushed up the costs of GIC post-crisis, narrowing the spread.

National Housing Act Mortgage-Backed Securities program

Introduced in 1986, the NHA MBS program allows financial institutions to issue mortgage-backed securities backed by pools of residential mortgages insured under the *National Housing Act*. In addition to the rigorous criteria for the underlying insured mortgages set by the Government of Canada, we set stringent requirements for the NHA MBS and program participants.

Investors in NHA MBS receive monthly installments of principal and interest that are passed on from the cash flows of the underlying mortgages. They are exposed to the prepayment risk of the underlying mortgages, essentially associated with the uncertainty (timing and amount) of the mortgage cash flows due to unexpected prepayments by borrowers.[41] However, they are protected from the risk of loss through default by the mortgage insurance coverage for the underlying mortgages and our timely payment guarantee for the NHA MBS.

NHA MBS provide a source of funding *(see Figure 4-8)*. Until the onset of the 2008-2009 global financial crisis, the NHA MBS spread against the government bond benchmark was about 40 basis points.[42] The spread widened during the crisis, when the costs of private funding sources increased even more. The spread eased lower to a range of 61 to 70 basis points in 2013.

In 2013, $80.2 billion of market NHA MBS[43] were guaranteed, and $27.4 billion in the first half of 2014. Total NHA MBS outstanding stood at $406.7 billion by the end of June 2014. A significant increase in NHA MBS issuance was observed during the years of the global financial crisis as many lenders, given the contraction of many private funding sources, needed to obtain more funding by selling NHA MBS into the CMB program or the Insured Mortgage Purchase Program[44]—a temporary funding support program set up by the government.

Significant NHA MBS issuance has continued in recent years *(see Figure 4-9)*. The Bank of Canada has suggested that banks may have been retaining more NHA MBS on their balance sheets in recent years in order to comply in a cost-effective way with Basel III prudential liquidity requirements.[45]

In 2013, the Minister of Finance formally established an annual guarantee limit for new market NHA MBS to manage housing market risks and the government's exposure to the housing sector. As of September 2013, NHA MBS issuance is allocated according to a methodology that aims to ensure equal access to new guarantees by issuers. For 2014, the Minister of Finance authorized us to provide up to $80 billion for new guarantees of market NHA MBS.[46]

Canada Mortgage Bonds (CMBs)

Introduced in 2001, the CMB program is an enhancement of the NHA MBS program. Under the CMB program, the Canada Housing Trust[47] converts the monthly cash flows from NHA MBS into non-amortizing bond cash flows with semi-annual interest payments and principal payment at maturity. Such bonds are often called "bullet bonds". By eliminating the prepayment risk associated with NHA

[41] Prepayment risk is the risk that borrowers make partial or full prepayments on the mortgage. The prepayments pass through to the investors and alter (reduce) their expected future cash flows.

[42] Data from TD Securities for the "975" NHA MBS pool type, which has the largest issuance volume among NHA MBS pool types.

[43] Market NHA MBS refers to NHA MBS that are not specifically created for the CMB Program and on which a guarantee fee has been paid.

[44] The Government of Canada introduced the Insured Mortgage Purchase Program during the 2008/2009 global financial crisis. CMHC purchased a total of $69.3 billion of NHA MBS from Canadian financial institutions between October 2008 and March 2010.

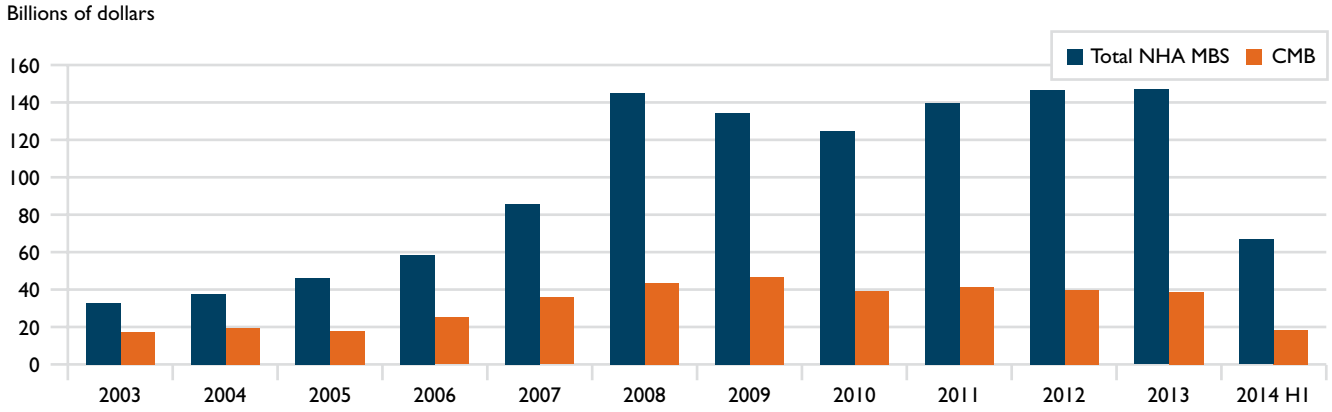
[45] *Monitoring and Assessing Risks in Canada's Shadow Banking Sector.* Ottawa: Bank of Canada, June 2013. www.bankofcanada.ca/wp-content/uploads/2013/06/fsr-0613-gravelle.pdf (July 9, 2013).

[46] CMHC's 2014 Limits for New Guarantees of Market NHA MBS and Canada Mortgage Bonds (CMB). Ottawa: Canada Mortgage and Housing Corporation, 2014. www.cmhc-schl.gc.ca/en/hoficlincl/mobase/mobase_007.cfm (July 22, 2014).

[47] The Canada Housing Trust is a special purpose trust created and managed by CMHC to issue CMBs to investors and use the proceeds to purchase NHA MBS.

FIGURE 4-9

Issuance of total *National Housing Act* Mortgage-Backed Securities[1] and Canada Mortgage Bonds, 2003 - June 30, 2014



[1] Total NHA MBS issuance includes the market NHA MBS sold to capital market investors or held on balance sheet and the NHA MBS issued for sale to the Canada Housing Trust under the CMB program (as original or replacement assets).

Source: CMHC

MBS and carrying our timely payment guarantee, CMBs appeal to a broader spectrum of domestic and foreign investors, which helps attract a greater supply of mortgage funding and at lower costs. CMBs enjoy a high level of liquidity with large issues that are actively traded in the secondary market.

Credit enhancement, investor appeal, regular issuance and stable performance have consistently established CMBs as the most cost-effective funding source for mortgage lenders in Canada after short-term deposits *(see Figure 4-8)*. For example, the daily 5-year CMB spread over the government bond benchmark was in a range of 8 to 16 basis points before the 2008-2009 global financial crisis. It peaked at over 67 basis points during the crisis; however, the cost of private funding sources during the crisis increased much more than this. The CMB spread fell to a range of about 23 to 37 basis points in 2013.

The CMB program has evolved over time to reflect or facilitate changes in the mortgage market, and these enhancements have expanded the program's benefits. For example, CMBs are offered in different maturities, e.g., 5 or 10 years, and types of interest rates, e.g., fixed rate and floating rate. The launch of the 10-year CMB in 2008 not only helped address funding pressures during the crisis period but also facilitated the provision of mortgages with terms longer than five years in Canada.

Since its launch, issuance of 10-year fixed CMBs has been steady, while issues of 5-year fixed CMBs have been trending downwards, both in total and as a share of CMB issued, since 2008. There was a total of $38.7 billion of CMB issued in 2013 and $18.5 billion in the first half of 2014 *(see Figure 4-9)*. CMBs outstanding stood at $207.4 billion by the end of June 2014.

An annual guarantee limit also applies to new guarantees for CMBs. For 2014, the Minister of Finance has set a limit of $40 billion of new guarantees for CMBs.[48]

[48] CMHC's 2014 Limits for New Guarantees of Market NHA MBS and Canada Mortgage Bonds (CMB). Ottawa: Canada Mortgage and Housing Corporation, 2014. www.cmhc-schl.gc.ca/en/hoficlincl/mobase/mobase_007.cfm (July 22, 2014).

Private mortgage securitization market shows early signs of renewal

Prior to the global financial crisis, Canadian lenders, particularly small non-bank lenders, accessed funding via private mortgage securitization by issuing residential mortgage-backed securities (RMBS), asset-backed securities (ABS), and asset-backed commercial paper (ABCP) backed in full or in part by mortgages. Private mortgage securitization in Canada and abroad effectively collapsed during the crisis as investors withdrew from these markets. Recently, Canada's private mortgage securitization market has shown early signs of life again.

In 2013, there was no new private RMBS issuance and the last remaining term RMBS notes were repaid; however, in May 2014, $200 million in private RMBS was issued, the first non-bank RMBS in Canada since 2007. Mortgage assets underlying ABCP totalled $9.5 billion in 2013, compared to $7.0 billion in 2012. Private mortgage securitization accounted for less than 1% of total residential mortgage funding as of December 31, 2013.[49]

Between 2008 and 2013, there was a shift in the types of residential mortgages backing ABCP from conventional to insured mortgages. Conventional mortgages and insured mortgages represented 20.9% and 5.7% of the total outstanding, respectively, in 2008. In 2013, the representation was 27.5% for insured residential mortgages and 5.1% for conventional mortgages.[50] This trend will be impacted by measures, announced in the *Economic Action Plan 2013,* which will prohibit the future use of insured mortgages as collateral in non-CMHC-sponsored securitization vehicles.

Covered bond funding growth continues, supported by recent covered bond legislation

Covered bonds are a relatively new mortgage funding tool available to Canadian financial institutions. Covered bonds were an important source of private market funding for European banks in the wake of the financial crisis. Covered bonds are debt obligations generally issued by regulated financial institutions and secured by a segregated pool of assets (called the "cover pool"). Covered bonds provide investors with dual recourse to the issuer and to the assets in the cover pool. The issuer is obliged to pay the investors the principal and interest on the covered bond. In the event of default by the issuer, the investors continue to be paid with proceeds from the segregated cover pool assets. Residential mortgages are the most common asset type in the cover pool.

Since first being introduced in 2007, there has been rapid growth in the issuance of covered bonds. Deposit-taking financial institutions (DTIs) in Canada are permitted to issue covered bonds such that the aggregate amount of covered bonds for each DTI at the time of issuance does not exceed 4% of its total assets (as determined by the numerator of the asset-to-capital multiple). Covered bonds issued between 2007 and 2012 were issued under a contractual framework, as this was prior to the implementation of Canada's Covered Bond Legal Framework.

Canada's Covered Bond Legal Framework

Recognizing the growing importance of covered bonds, in April 2012, the Government of Canada amended the *National Housing Act* to establish a dedicated legal framework for future issuance of Canadian covered bonds, and designated us as responsible for administering the framework. The framework aims to support financial stability by facilitating diversified funding sources for lenders. The legislative framework established a truly private source of mortgage-backed funding for banks, as it prohibited the use of taxpayer-backed insured mortgages as collateral in cover pools.

The framework has made the Canadian covered bonds market more robust, by improving investor certainty with the statutory protection of their claim over the cover pool asset. It has helped lenders access new sources of funding, as some international investors who invest in covered bonds can purchase only those that are issued under a legislative framework.

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[49] *2013 Year in Review: Gold, Silver and Bronze.* Toronto: Dominion Bond Rating Service (DBRS), 2013.

[50] *Canadian Securitization Market Overview.* Toronto: Dominion Bond Rating Service (DBRS), 2013.

We established detailed requirements to implement the legal framework for covered bonds in December 2012 via the Canadian Registered Covered Bond Programs Guide.[51] Requirements under the framework encompass four key areas: the structure of the registered covered bonds program; the cover pool assets that secure registered covered bonds; disclosures to investors; and monitoring to ensure compliance. In order to issue covered bonds in Canada, an issuer must now be registered and comply with the requirements in the Guide.

By March 31, 2014, five programs had been registered under the framework. The framework has been positively received by industry, analysts and ratings agencies, and is widely recognized as being among the strongest in the world. As of December 2013, all Canadian covered bonds maintained AAA ratings.[52]

Issuance volumes continue to grow as covered bonds become an established funding source

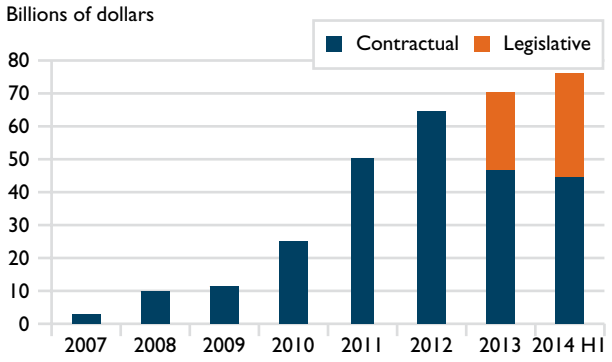
Issuance volumes of covered bonds grew from $2.8 billion in 2007 to a peak of $25.7 billion issued in 2011. Lenders issued $13.2 billion in 2013 under the legislative framework, and another $7.6 billion in the first half of 2014. At the end of June 2014, the total value of covered bonds outstanding was $76.0 billion, including $44.6 billion in contractual covered bonds, and $31.4 billion[53] in legislative covered bonds *(see Figure 4-10)*.

Under contractual covered bond programs, covered bonds were issued in a variety of currencies *(see Figure 4-11)*, with the U.S. dollar accounting for over 90% of issuance in 2010-2012. However, issuance of covered bonds under the legislative framework has been mainly in Euros, accounting for over half of issuance in 2013 and all of issuance in the first half of 2014.

Canadian covered bonds have been issued in a range of terms, from 2 to 10 years, with 5-year and 3-year terms the dominant maturities under contractual programs. While 5-year terms still account for about half of issuance under the legislative framework, there has also been significant issuance of 7-year terms.

FIGURE 4-10

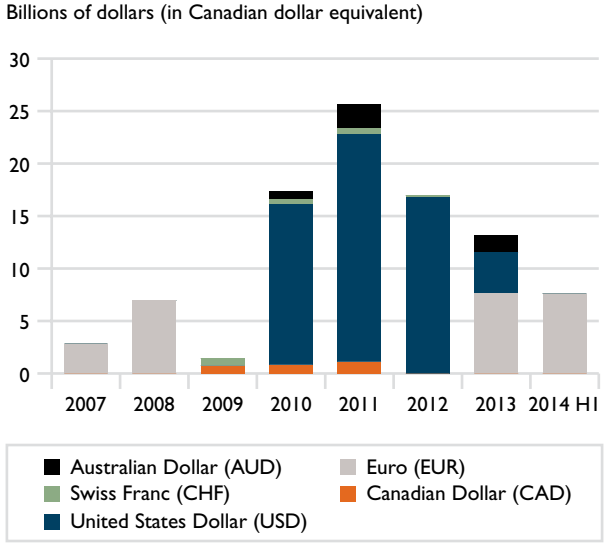
Outstanding volume of covered bonds, 2007-June 30, 2014



Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report

FIGURE 4-11

Canadian bank issuance of covered bonds by currency, 2007-June 30, 2014[1]



[1] Prior to 2013, all covered bond issuance was contractual. Since 2013, all issuance is under a legislative framework.

Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report

[51] *Canadian Registered Covered Bond Programs Guide.* Ottawa: Canada Mortgage and Housing Corporation, December 2013. www.cmhc-schl.gc.ca/en/hoficlincl/cacobo/upload/RegCoveredBondsProgramsGuide_Dec272013_en.pdf (July 22, 2014).

[52] *2013 Year in Review: Gold, Silver and Bronze.* Toronto: Dominion Bond Rating Service (DBRS), 2013.

[53] Outstanding legislative covered bonds include covered bonds, backed by uninsured mortgages in their collateral pools, that were issued prior to the Covered Bond Legal Framework but were subsequently authorized to be registered under the new framework.

Annex

Henri Masson, Montreal from Place Ville Marie, 1965, Watercolour, wax and crayon on paper, 18" x 23", FAC 1009, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Glossary

Tables

Glossary

Some common mortgage terminology

Mortgage term:
is the length of time a mortgage agreement will be in effect (for example, five years). At the end of the term, the borrower has to either pay off the outstanding mortgage amount in full, or renew for another mortgage term (which includes renegotiating the mortgage rate and some other mortgage features).

Amortization period:
is the length of time it would take to pay off a mortgage in full (e.g., 25 years).

Fixed mortgage rate:
is a mortgage interest rate that is set for the duration of the mortgage term.

Variable mortgage rate:
(including adjustable rate) is a mortgage interest rate that varies during the mortgage term.

Posted mortgage rate:
is the rate publicly advertised by lenders. Lenders often offer borrowers a discount from this rate.

Combination mortgage:
typically has a portion of the mortgage term or mortgage loan amount at a fixed rate and the remaining portion at a variable rate. Some mortgage products may also offer a combination of amortizing and non-amortizing (i.e., Home Equity Line of Credit (HELOC)) components or, in general, components with different features.

Source: Adapted from Financial Consumer Agency of Canada definitions. www.fcac-acfc.gc.ca/eng/consumers/mortgages/index-eng.asp (June 5, 2013)

Tables

TABLE 4-1

Overview of CMHC insured homeowner loan underwriting criteria, by type of mortgage[1]

	Purchase Mortgage With traditional source of down payment	Refinance Mortgage
Mortgage criteria		
Loan-to-value (LTV) ratio	≤ 95% for 1-2 unit dwelling ≤ 90% for 3-4 unit dwelling	≤ 80%
Number of units	1 - 4	
Maximum amortization period	25 years[2]	
Interest rate types	Fixed, standard or capped variable, and adjustable rates	
Maximum home purchase price/ lending value or as-improved property value	Must be below $1,000,000[2]	
Maximum loan amount	None	≤ $200,000 of additional financing
Borrower criteria		
Down payment source	Savings, RRSP withdrawal, loan against proven assets, proceeds from other property sale, non-repayable gift from immediate relative, non-repayable government equity grant, sweat equity (< 50% of minimum required equity), unencumbered land/real property, rent-as-equity.	NA
Qualifying interest rates[3]	The qualifying interest rate is the interest rate used to assess applicable debt-service ratios. The qualifying interest rate to be used for the calculation of the debt-service ratios depends on the type of loan.	
Minimum credit score[4]	No minimum for LTV ratio ≤60% 580 (required) for LTV ratio 60.01% - 80% 600 (recommended) for LTV ratio > 80% 610 (recommended) for standard variable-rate mortgages with LTV ratio 90.01% - 95%	No minimum for LTV ratio ≤60% 580 (required) for LTV ratio 60.01% - 80%
Debt-service guidelines		
Maximum gross debt-service ratio[5]	35% for credit score < 680 39% for credit score 680+	
Maximum total debt-service ratio[6]	42% for credit score < 680 44% for credit score 680+	
Borrower eligibility[7]	Canadian citizens and permanent residents. Non-permanent residents, subject to specific terms and conditions.	Canadian citizens and permanent residents.
Property location and occupancy	The property can be located anywhere within Canada and must be suitable for year-round occupancy.	
Number of insured properties	Maximum of 1 CMHC-insured homeowner property per borrower/co-borrower.	

[1] This information is subject to CMHC's insurance policies which may contain other conditions, requirements or restrictions and may change from time to time.

[2] Effective for high ratio as of July 9, 2012. Effective for low ratio as of July 31, 2014.

[3] For loans with LTV ratios between 80.01 to 95% the qualifying interest rate used to assess applicable debt-service ratios is as follows: Fixed Rate (FR) mortgages where the term is less than five years, the qualifying interest rate is the greater of the benchmark rate, or the contract interest rate. FR where the term is five years or more, the qualifying interest rate is the contract interest rate. Variable-rate (VR) mortgage regardless of the term, the qualifying interest rate is the greater of the benchmark rate, or the contract interest rate (or capped rate, as applicable). For loans with LTV ratios equal to or below 80%, the qualifying interest rate used to assess applicable debt-service ratios is as follows: FR or capped VR where the term is less than three years, the qualifying interest rate is the greater of the lender's three-year posted fixed rate, or the contract interest rate (or capped rate, as applicable). FR or capped VR where the term is three years or more, the qualifying interest rate is the contract interest rate (or capped rate, as applicable). Standard and adjustable VR regardless of the term, the qualifying interest rate is the greater of the lender's three-year posted fixed rate, or the contract interest rate.

[4] From one of two Canadian credit rating agencies. Canadian credit scores generally range from 300 to 900. For borrowers without a Canadian credit history, where the LTV ratio is > 80%, alternative sources of information to validate ability and willingness to repay debts may be considered on a case-by-case basis.

[5] Gross debt-service ratio is defined as *the annual payments on principal, interest, property taxes and heat (PITH) + 50% of condominium fees (if applicable) / borrower's gross annual income (up to 50% of subject property's gross rental income, if applicable).*

[6] Total debt-service ratio is defined as *the annual payments on PITH + 50% of condominium fees (if applicable) + annual payments for all other debts / borrower's gross annual income (up to 50% of subject property's gross rental income, if applicable).*

[7] A non-permanent resident (i.e. a foreign worker with a valid Canadian work permit) is limited to purchasing one owner-occupied unit only - maximum 90% LTV ratio.

NA = not applicable

Source: CMHC

TABLE 4-2

Overview of Government of Canada policy parameters for Canadian government-backed insured residential mortgages (for high-ratio homeowner loans)[1]

Loan-to-value (LTV) ratio	Maximum of 95% for homeowner purchase mortgages.[2]
Amortization period	Maximum of 25 years.[3]
Debt-service ratios	Maximum GDS[4] and TDS[5] ratios are 39% and 44%, respectively. Requirement for borrowers to meet the standards for a 5-year fixed-rate mortgage in calculation of GDS and TDS ratios, even if they chose a mortgage with a lower interest rate and shorter term.
Credit score	Minimum of 600, with a limited set of exceptions for borrowers that otherwise represent low credit risks.
Loan documentation	Requirement to make a reasonable effort to verify the value of the property, the borrower's income and employment status and that the borrower can afford the loan payment and all other debts and obligations.
Purchase price	Must be less than $1 million.[6]
Other	Prohibition of loans with no amortization in initial years, including non-amortizing lines of credit secured by home equity (e.g. HELOCs). Maximum 5-year term applies to variable-rate mortgage products that allow for fluctuations in the amortization period.

[1] Refers to residential properties comprised of 1 to 4 housing units.

[2] Effective July 9, 2012, high-ratio refinanced loans became ineligible for mortgage insurance as the Department of Finance (DoF) lowered the maximum LTV ratio for refinancing from 85% to 80%.

[3] The maximum amortization was reduced from 30 years to 25 years as of July 9, 2012.

[4] Gross debt-service ratio is defined by the DoF as the ratio of the carrying costs of the home, including the mortgage payment, taxes and heating costs, to the borrower's income. The maximum GDS ratio was established at 39% as of July 9, 2012.

[5] Total debt-service ratio is defined by the DoF as the ratio of the carrying costs of the home and all other debt payments to the borrower's total income. The maximum TDS ratio was reduced from 45% to 44% as of July 9, 2012.

[6] Effective July 9, 2012.

Source: Government of Canada's Department of Finance (DoF)

Alternative text and data for figures

Figure 4-1: Canada's housing finance system

This Figure provides a graphical representation of Canada's housing finance system. At the top of the diagram the first tier is labelled Mortgage Borrowers. They may access housing finance through three different types of Mortgage Lenders and Servicers: Federally-regulated Financial Institutions (FRFIs), Provincially-Regulated Financial Institutions (PRFIs), and Non-Depository Financial Intermediaries (NDFIs). The Office of the Superintendent of Financial Institutions (OSFI) is the regulator for the FRFIs.

The next tier in the diagram is Mortgage Insurance. Each type of mortgage lender can originate either uninsured mortgages, or insured mortgages through the Mortgage Loan Insurers.

The next tier in the housing finance system is Mortgage Funding. Mortgage funding in Canada can be provided by Deposits, Covered Bonds, CMHC Securitization, Private Securitization, or Wholesale Funding. Coloured arrows between the mortgage funding sources and the mortgage lenders indicate that the FRFIs and PRFIs can, in principle, access all of these funding sources. NDFIs use CMHC Securitization, Private Securitization, and Other Wholesale Funding as mortgage funding sources. Another arrow in the diagram indicates that only insured mortgages can be used to access CMHC Securitization.

Additional boxes in the diagram indicate that CMHC is the Framework Administrator of Covered Bonds, and CMHC is the Guarantor of CMHC Securitization.

Source: CMHC

Figure 4-2: Quarterly household debt-service ratios, 2000 Q1-2014 Q1

Year by quarter	Mortgage debt-service ratio, interest paid on debt as a share of disposable income (%)	Consumer debt-service ratio, interest paid on debt as a share of disposable income (%)	Total debt-service ratio, interest paid on debt as a share of disposable income (%)	Year by quarter	Mortgage debt-service ratio, interest paid on debt as a share of disposable income (%)	Consumer debt-service ratio, interest paid on debt as a share of disposable income (%)	Total debt-service ratio, interest paid on debt as a share of disposable income (%)
2000 Q1	4.60	3.31	8.47	2007 Q4	4.51	4.20	9.17
2000 Q2	4.62	3.59	8.74	2008 Q1	4.48	4.08	9.00
2000 Q3	4.53	3.63	8.70	2008 Q2	4.42	4.08	8.90
2000 Q4	4.56	3.67	8.78	2008 Q3	4.46	4.04	8.88
2001 Q1	4.47	3.71	8.71	2008 Q4	4.12	4.00	8.46
2001 Q2	4.51	3.69	8.74	2009 Q1	4.06	3.71	8.08
2001 Q3	4.39	3.44	8.35	2009 Q2	3.98	3.45	7.69
2001 Q4	4.25	3.26	7.96	2009 Q3	4.03	3.37	7.63
2002 Q1	4.11	3.02	7.52	2009 Q4	3.99	3.38	7.61
2002 Q2	4.11	3.03	7.53	2010 Q1	3.98	3.52	7.75
2002 Q3	4.09	3.08	7.55	2010 Q2	3.92	3.47	7.64
2002 Q4	4.09	3.25	7.75	2010 Q3	3.93	3.54	7.74
2003 Q1	4.09	3.05	7.57	2010 Q4	3.93	3.47	7.70
2003 Q2	4.08	3.07	7.59	2011 Q1	4.02	3.43	7.76
2003 Q3	4.06	3.27	7.76	2011 Q2	3.81	3.48	7.60
2003 Q4	4.04	3.23	7.68	2011 Q3	3.68	3.42	7.41
2004 Q1	3.96	3.33	7.68	2011 Q4	3.80	3.39	7.52
2004 Q2	3.84	3.25	7.47	2012 Q1	3.73	3.30	7.35
2004 Q3	3.83	3.20	7.40	2012 Q2	3.68	3.29	7.30
2004 Q4	3.83	3.19	7.41	2012 Q3	3.72	3.30	7.36
2005 Q1	3.90	3.36	7.64	2012 Q4	3.65	3.21	7.19
2005 Q2	3.93	3.36	7.65	2013 Q1	3.64	3.27	7.17
2005 Q3	3.92	3.33	7.62	2013 Q2	3.66	3.14	7.13
2005 Q4	3.96	3.19	7.52	2013 Q3	3.68	3.10	7.11
2006 Q1	3.88	3.47	7.74	2013 Q4	3.66	3.05	7.04
2006 Q2	4.11	3.68	8.24	2014 Q1	3.61	3.03	6.97
2006 Q3	4.12	3.83	8.41				
2006 Q4	4.15	3.93	8.55	**Average since 2000 (%)**			
2007 Q1	4.23	3.97	8.66	Mortgage debt-service ratio			4.06
2007 Q2	4.37	4.08	8.93	Consumer debt-service ratio			3.46
2007 Q3	4.43	4.11	9.02	Total debt-service ratio			7.90

Source: Statistics Canada (CANSIM)

Figure 4-3: 5-year fixed mortgage rate[1] and the 5-year government bond yield, 2001-2014[2]

Year by month	5-year government bond rate (%)	5-year fixed mortgage rate (%)	Year by month	5-year government bond rate (%)	5-year fixed mortgage rate (%)	Year by month	5-year government bond rate (%)	5-year fixed mortgage rate (%)
Jan-01	5.14	7.75	Jul-03	3.76	6.20	Jan-06	3.98	6.30
Feb-01	5.09	7.75	Aug-03	3.97	6.35	Feb-06	4.02	6.45
Mar-01	5.03	7.25	Sep-03	3.86	6.30	Mar-06	4.13	6.45
Apr-01	5.23	7.50	Oct-03	4.07	6.40	Apr-06	4.38	6.75
May-01	5.61	7.75	Nov-03	4.07	6.50	May-06	4.31	6.75
Jun-01	5.39	7.75	Dec-03	3.91	6.45	Jun-06	4.53	6.95
Jul-01	5.36	7.75	Jan-04	3.71	6.05	Jul-06	4.25	6.95
Aug-01	4.93	7.60	Feb-04	3.47	5.80	Aug-06	4.03	6.85
Sep-01	4.62	7.15	Mar-04	3.35	5.70	Sep-06	3.88	6.70
Oct-01	4.08	6.90	Apr-04	3.81	6.15	Oct-06	4.08	6.80
Nov-01	4.68	6.85	May-04	3.96	6.50	Nov-06	3.85	6.55
Dec-01	4.69	6.85	Jun-04	4.07	6.70	Dec-06	3.95	6.45
Jan-02	4.71	7.00	Jul-04	4.07	6.55	Jan-07	4.08	6.65
Feb-02	4.58	6.85	Aug-04	3.83	6.30	Feb-07	3.95	6.65
Mar-02	5.28	7.30	Sep-04	4.00	6.30	Mar-07	3.99	6.49
Apr-02	5.05	7.45	Oct-04	3.94	6.40	Apr-07	4.11	6.64
May-02	4.90	7.40	Nov-04	3.85	6.30	May-07	4.53	7.14
Jun-02	4.67	7.25	Dec-04	3.74	6.05	Jun-07	4.62	7.24
Jul-02	4.30	7.05	Jan-05	3.52	6.05	Jul-07	4.63	7.24
Aug-02	4.49	6.80	Feb-05	3.63	6.05	Aug-07	4.30	7.24
Sep-02	4.20	6.70	Mar-05	3.83	6.25	Sep-07	4.29	7.19
Oct-02	4.34	7.00	Apr-05	3.54	6.05	Oct-07	4.23	7.44
Nov-02	4.39	6.70	May-05	3.44	5.95	Nov-07	3.91	7.39
Dec-02	4.06	6.70	Jun-05	3.20	5.70	Dec-07	3.98	7.54
Jan-03	4.27	6.45	Jul-05	3.37	5.80	Jan-08	3.50	7.39
Feb-03	4.18	6.60	Aug-05	3.35	5.80	Feb-08	3.40	7.29
Mar-03	4.47	6.85	Sep-05	3.58	5.80	Mar-08	2.93	7.19
Apr-03	4.18	6.65	Oct-05	3.86	6.00	Apr-08	3.04	6.99
May-03	3.72	6.15	Nov-05	3.89	6.15	May-08	3.34	6.65
Jun-03	3.55	5.80	Dec-05	3.87	6.30	Jun-08	3.42	7.15

Year by month	5-year government bond rate (%)	5-year fixed mortgage rate (%)		Year by month	5-year government bond rate (%)	5-year fixed mortgage rate (%)		Year by month	5-year government bond rate (%)	5-year fixed mortgage rate (%)
Jul-08	3.37	7.15		Jul-10	2.44	5.79		Jul-12	1.16	5.24
Aug-08	3.03	6.85		Aug-10	2.08	5.39		Aug-12	1.38	5.24
Sep-08	3.13	6.85		Sep-10	2.01	5.39		Sep-12	1.31	5.24
Oct-08	2.80	7.20		Oct-10	2.06	5.29		Oct-12	1.34	5.24
Nov-08	2.48	7.20		Nov-10	2.48	5.44		Nov-12	1.31	5.24
Dec-08	1.69	6.75		Dec-10	2.45	5.19		Dec-12	1.37	5.24
Jan-09	2.03	5.79		Jan-11	2.56	5.19		Jan-13	1.50	5.24
Feb-09	2.11	5.79		Feb-11	2.61	5.44		Feb-13	1.32	5.24
Mar-09	1.95	5.55		Mar-11	2.71	5.34		Mar-13	1.29	5.14
Apr-09	2.01	5.25		Apr-11	2.65	5.69		Apr-13	1.19	5.14
May-09	2.57	5.25		May-11	2.40	5.59		May-13	1.47	5.14
Jun-09	2.57	5.85		Jun-11	2.30	5.39		Jun-13	1.84	5.14
Jul-09	2.66	5.85		Jul-11	2.15	5.39		Jul-13	1.74	5.14
Aug-09	2.65	5.85		Aug-11	1.68	5.39		Aug-13	1.90	5.34
Sep-09	2.57	5.49		Sep-11	1.44	5.19		Sep-13	1.89	5.34
Oct-09	2.70	5.84		Oct-11	1.60	5.29		Oct-13	1.71	5.34
Nov-09	2.41	5.59		Nov-11	1.46	5.29		Nov-13	1.73	5.34
Dec-09	2.74	5.49		Dec-11	1.28	5.29		Dec-13	1.90	5.34
Jan-10	2.46	5.49		Jan-12	1.36	5.29		Jan-14	1.57	5.24
Feb-10	2.54	5.39		Feb-12	1.44	5.24		Feb-14	1.63	5.24
Mar-10	2.90	5.85		Mar-12	1.57	5.24		Mar-14	1.69	4.99
Apr-10	3.09	6.25		Apr-12	1.69	5.44		Apr-14	1.67	4.79
May-10	2.55	5.99		May-12	1.31	5.34		May-14	1.50	4.79
Jun-10	2.32	5.89		Jun-12	1.21	5.24		Jun-14	1.57	4.79

[1] Chartered bank posted interest rates.
[2] Latest data point is June 2014.

Source: Bank of Canada

Figure 4-4: Canada and United States mortgage arrears, 2003-2014 Q1[1]

Year	Canada - residential mortgages[2] in arrears (%)	U.S. - prime fixed-rate mortgages[3] in arrears (%)
2003	0.34	0.25
2004	0.29	0.25
2005	0.26	0.29
2006	0.25	0.31
2007	0.25	0.33
2008	0.28	0.74
2009	0.41	2.10
2010	0.43	2.39
2011	0.41	1.62
2012	0.34	1.40
2013	0.31	1.19
2014 Q1	0.31	1.14
Average since 2000		**(%)**
Canadian residential mortgage in arrears—average		0.35
U.S. prime fixed-rate mortgages arrears—average		0.82

[1] Canadian and U.S. mortgage arrears rates are non-seasonally adjusted and calculated based on the total number of loans serviced (not on their dollar value).

[2] The Canadian mortgage arrears rate reflects the ratio of loans with installments past due by 90 days or more. The annual arrears rate is calculated by averaging 12 monthly arrears data in a calendar year (average of 3 months in 2014 Q1), which are collected by the Canadian Bankers Association from 10 major Canadian banks including BMO, CIBC, HSBC, National, RBC, Scotiabank, TD Canada Trust, Canadian Western, Manulife (as of April 2004) and Laurentian (as of October 2010).

[3] The U.S. arrears rate reflects the ratio of one-to four-unit residential property loans with installments past due by 90 days or more. The annual arrears rate is calculated by averaging four quarterly arrears data in a calendar year. The data are collected by the U.S. Mortgage Bankers Association *National Delinquency Survey* from approximately 120 U.S. mortgage lenders, including mortgage banks, commercial banks, thrifts, savings and loan associations, sub servicers and life insurance companies. The "prime" mortgage criteria used in these data is based on survey participants' reporting of what they consider to be their prime mortgage servicing portfolios (including prime fixed-rate mortgages and prime adjustable-rate mortgages), and such criteria may vary among lenders.

Source: Canadian Bankers Association and U.S. Mortgage Bankers Association

Figure 4-5: Home equity levels of mortgage holders[1]

Home equity level category	Share of mortgage holders in equity level category (%)
< 10%	5
10% - 24.9%	23
≥ 25%	72

[1] The home equity is calculated by deducting from the current value of owner-occupied homes in Canada the outstanding balances of the residential mortgage.

Source: Looking for a "New Normal" in the Residential Mortgage Market. Toronto: Canadian Association of Accredited Mortgage Professionals (CAAMP), May 2014 www.caamp.org/meloncms/media/Spring%20Report%20FINAL%202014-05-24.pdf (July 22, 2014)

Figure 4-6: Total residential mortgage credit outstanding, by institution, May 2014

Financial institution type	Share of residential mortgage credit outstanding, May 2014 (%)
Chartered Banks	75
Caisses populaires / Credit Unions	13
Other mortgage lenders	8
Securitized mortgages not recorded on lenders' balance sheets[1]	4

[1] With the adoption of International Financial Reporting Standards (IFRS), the majority of banks' securitization volume (via both public and private programs) is now recorded on balance sheet.

Source: Bank of Canada's Weekly Financial Statistics – July 25, 2014 report (July 29, 2014)

Figure 4-7: CMHC's portfolio insurance-in-force, 2010-2013

Year	CMHC's low-ratio portfolio insurance-in-force (billions of dollars)
2010	209.0
2011	242.8
2012	229.5
2013	219.0

Source: CMHC

Figure 4-8: GIC, CMB and NHA MBS monthly spreads to Government of Canada bond benchmark, 2005-2013

The Figure uses the monthly spread, i.e. the difference between two rates, in basis points for guaranteed investment certificates (GIC), NHA MBS, and CMB, compared to the benchmark 5-year Government of Canada bond rate between January 2005 and December 2013.

The GIC spread was broadly stable between January 2005 and June 2007. This was followed by a sharp 180 basis point rise from June 2007, as the global financial crisis unfolded, to its peak in December 2008. From the December 2008 peak to an April 2010 trough, the GIC spread broadly declined by 190 basis points. Between April 2010 and December 2011, the GIC spread mostly trended upward, with only a notable dip from November 2010 to March 2011. Between December 2011 and July 2012, the GIC spread experienced some minor volatility. The GIC spread was largely stable between July 2012 and April 2013, when it dropped by another 70 basis points through to August 2013, then stabilized again until December 2013.

The CMB spread was virtually unchanged between January 2005 and May 2007. Between May 2007 and the September 2008 peak, the CMB spread rose by about 56 basis points as the financial crisis hit funding markets. Between the September 2008 peak and a September 2009 trough, the CMB spread broadly fell about 44 basis points. The spread was mostly stable from October 2009 to July 2011, with only a significant 23 basis point increase between February 2010 and May 2010. From July 2011, the CMB spread rose to a new stable level about 10 basis points higher than its previous plateau, where it remained until falling back to its previous level in the last few months of 2013.

The NHA MBS spread was virtually unchanged between January 2005 and June 2007. The spread rose sharply by 132 basis points from June 2007 to December 2008, when it reached its highest point as a result of the global financial crisis. From December 2008 until August 2009, the NHA MBS spread trended down dramatically, falling 115 basis points from peak to trough. The spread was largely stable between July 2009 and December 2013, with only a notable 20 basis point increase between May 2012 and August 2012.

Sources: CMHC (proprietary data), Bank of Canada, CIBC World Markets, Scotia Capital Markets

Figure 4-9: Issuance of total *National Housing Act* Mortgage-Backed Securities[1] and Canada Mortgage Bonds, 2003 - June 30, 2014

Year	Total NHA MBS (billions of dollars)	CMB (billions of dollars)
2002	22.6	13.2
2003	32.7	17.3
2004	37.7	19.3
2005	46.0	18.0
2006	58.4	25.1
2007	85.7	35.7
2008	145.0	43.5
2009	134.2	46.9
2010	124.6	39.4
2011	139.9	41.3
2012	146.7	39.9
2013	146.9	38.7
2014 H1	66.8	18.5

[1] Total NHA MBS issuance includes the market NHA MBS sold to capital market investors or held on balance sheet and the NHA MBS issued for sale to the Canada Housing Trust under the CMB program (as original or replacement assets).

Source: CMHC

Figure 4-10: Outstanding volume of covered bonds, 2007 - June 30, 2014

Year	Outstanding value of covered bonds issued under:		Total outstanding (billions of dollars)
	Contractual agreements (billions of dollars)	Legislative framework (billions of dollars)	
2007	2.8	0.0	2.8
2008	9.8	0.0	9.8
2009	11.3	0.0	11.3
2010	25.0	0.0	25.0
2011	50.4	0.0	50.4
2012	64.5	0.0	64.5
2013	46.6	23.8	70.4
2014 H1	44.6	31.4	76.0

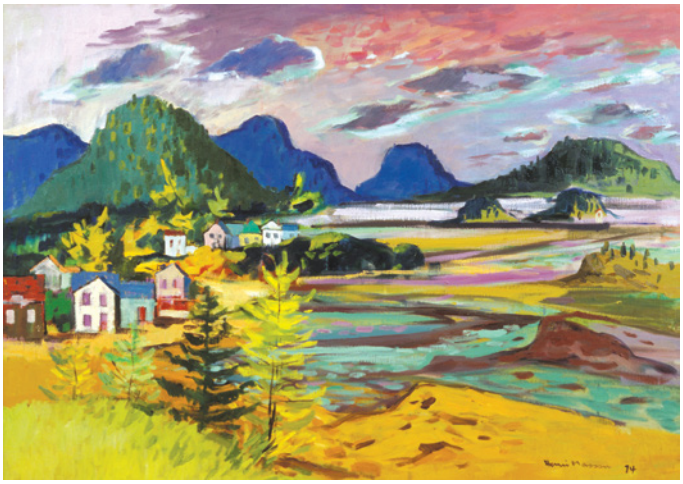
Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report

Figure 4-11: Canadian bank issuance of covered bonds by currency, 2007 - June 30, 2014[1,2]

Year	Canadian Dollar (billions of $)	Euro (billions of $)	United States Dollar (billions of $)	Swiss Franc (billions of $)	Australian Dollar (billions of $)	Total (billions of $)
2007	0.00	2.84	0.00	0.00	0.00	2.84
2008	0.00	6.98	0.00	0.00	0.00	6.98
2009	0.75	0.00	0.00	0.70	0.00	1.45
2010	0.85	0.00	15.29	0.45	0.75	17.34
2011	1.10	0.00	21.72	0.56	2.29	25.67
2012	0.00	0.00	16.78	0.22	0.00	17.00
2013	0.00	7.68	3.87	0.00	1.66	13.21
2014 H1	0.00	7.58	0.00	0.00	0.00	7.58

[1] In Canadian dollar equivalent.
[2] Prior to 2013, all covered bond issuance was contractual. Since 2013, all issuance is under a legislative framework.

Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report



Sustainable Housing

Henri Masson, Evening Bic, Quebec, 1974, Oil on canvas, 32" x 45", FAC 1267 Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Interest in sustainable housing is increasing

Market research conducted by CMHC and others indicates that a majority of Canadians are interested in exploring more sustainable housing options. Although considerations such as improved energy efficiency, cost savings and affordability are often top of mind, many people are also expressing a broader interest in housing choices that offer a healthy indoor living environment and exert a lower impact on our natural environment.

Innovative design professionals and homebuilders have been developing alternative building techniques, products and technologies to create sustainable housing for decades. While modest increases in energy efficiency can be easily gained by choosing energy-efficient components, technologies and appliances, some of Canada's most innovative designers and builders have sought to significantly raise the bar on environmental performance by targeting the achievement of net-zero energy (NZE) consumption on an annual basis.[1] To achieve, or even approach, NZE consumption, a more comprehensive approach is required that maximizes energy efficiency and conservation opportunities and then applies passive and active renewable energy measures to offset remaining household energy demands. It is also essential to optimize the performance of the house as a complete system, taking into account the impact and interaction of the house with its surrounding natural environment.

[1] A "net-zero energy house" is a house that produces as much energy as it consumes on an annual basis.

Houses and buildings targeting low- and NZE performance are being developed in many countries including the Netherlands, Japan, Germany, the United Kingdom, the United States and Canada. As a result, expertise and knowledge are becoming more widely available to create high performance, low energy, healthy and sustainable housing using readily obtainable products and technologies. While experience and knowledge are growing, less is known about the actual performance achieved, the practical challenges faced by the designers and builders of NZE houses, and, occupant perceptions of living in innovative, high performance housing.

A Canadian approach to advancing sustainable housing more broadly

In Canada, our EQuilibrium™ Sustainable Housing Demonstration Initiative (EQuilibrium™ Housing Initiative) was launched in 2006. Its goal was to support builders and developers to develop models of healthy and resource-efficient, near- and net-zero energy, sustainable homes for the purpose of advancing sustainable housing more broadly in Canada. The focus was on using readily available, "off the shelf" technologies and materials to build homes that would be marketable in regional markets across the country. A key component of the Initiative was to document, monitor and report on the design, construction and performance of the houses and to share the results broadly with industry and consumers to increase their understanding of the challenges and benefits of sustainable housing.

While led by CMHC, the EQuilibrium™ Housing Initiative was developed with input and support from a National Advisory Committee with representatives from Natural Resources Canada, Environment Canada, Industry Canada, the Canadian Home Builders Association, the Canadian Solar Industries Association and the Net-Zero Energy Home Coalition. Natural Resources Canada also contributed expertise to support the development of the energy-related technical guidelines and to verify the modelled energy performance of the projects. It also provided funding for additional monitoring and performance testing.

The progress of the Initiative has been reported on in previous editions of the *Canadian Housing Observer*. This chapter focuses primarily on providing an overview of the experience gained and lessons learned from the design, construction, demonstration and performance monitoring of the completed EQuilibrium™ Housing projects. It also describes our subsequent efforts as well as those by the residential construction industry, academic institutions and other agencies to advance high performance, low energy, healthy housing in Canada that builds on the EQuilibrium™ Housing Initiative.

The EQuilibrium™ Housing Initiative was launched to advance near- and net-zero energy sustainable housing

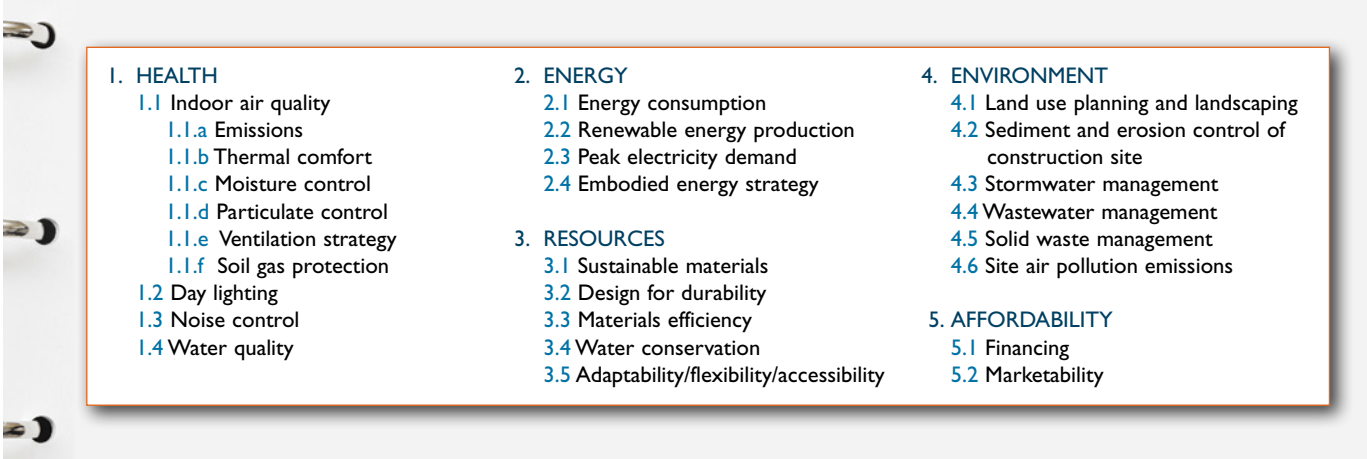
The EQuilibrium™ Housing Initiative had four objectives:

1. Develop a clear vision and approach to develop and promote sustainable housing across Canada;
2. Build the capacity of Canada's homebuilders, developers, architects and engineers to design and build sustainable housing across the country;
3. Educate consumers on the benefits of owning a sustainable home and achieve market acceptance of sustainable housing and communities; and
4. Enhance Canada's domestic and international leadership and business opportunities in sustainable housing design, construction services and technologies.

In 2006 when the Initiative was launched, the degree to which the Canadian residential construction industry was prepared to explore and deliver NZE housing was unknown. As a catalyst to action, we issued two proposal calls inviting industry teams to submit proposals for sustainable housing projects that would address five performance themes (health, energy, resources, environment and affordability) and 26 sustainability indicators *(see Figure 5-1)*.

FIGURE 5-1

EQuilibrium™ Housing Initiative performance themes and indicators



Source: CMHC

Overall, 15 projects were selected by independent evaluation committees from over 80 submissions received. Eleven projects proceeded to construction between 2007 and 2012 *(see Table 5-1 on page 5-22)*[2] in British Columbia (2), Alberta (4), Manitoba (1), Ontario (2), and Quebec (2), representing a broad range of housing markets and climatic conditions across Canada. The EQuilibrium™ Housing projects are located on rural, suburban and inner city sites; housing types include single-detached, semi-detached and triplex configurations; both new construction and a retrofit project are included; and both for profit and non-profit developers are represented.

The high magnitude and quality of the industry response, and the ensuing enthusiasm of those who participated in the Initiative, served to demonstrate the interest and commitment that industry, government, and academia have to explore and advance sustainable housing in Canada.

The selected project teams were provided with up to $60,000 to help defray costs relating to project design and documentation, carrying out quality assurance and commissioning procedures, and demonstrating the homes to the industry and general public. We also provided technical, marketing and promotional support to the winning teams; and supported post-occupancy performance monitoring and reporting on all the projects constructed.

An Integrated Design Charrette was key to the approach

All teams were required to utilize an Integrated Design Charrette[3] (IDC) to develop their projects. An IDC is an intensive workshop which brings all key stakeholders and experts together to collaborate on creating optimized design solutions that reflect multiple objectives and mutual interests *(see Figure 5-2)*. Typically, the charrette participants in the EQuilibrium™ Housing projects included the architect, general contractor or developer, energy simulation experts, renewable energy systems experts, mechanical systems contractor and, when known, the future owner. The facilitated discussions allowed the design teams to establish a clear collective vision and approach for their projects and to explore and evaluate various housing options and innovative technologies and practices.

[2] Of the 15 projects selected, three did not proceed to construction and one was destroyed by fire before completion.

[3] See EQuilibrium™ Housing InSight: Integrated Design Process for more information at www.cmhc.ca/od?pid=67612 (April 10, 2014).

FIGURE 5-2

Integrated Design Charette: EchoHaven

Source: CMHC

Designing a house as a well-integrated, high performing system can be a complex process. The interaction of the various building systems affects energy use and production as well as indoor air quality, occupant health, operating costs and the impact of the home on the natural environment. A design element or building component may have advantages in one area but negative impacts in another. The diversity of knowledge and experience of the IDC participants fostered an atmosphere of collaboration and imaginative thinking that developed innovative and cost-effective approaches for their sustainable housing projects that might not otherwise have occurred in a traditional, "linear" planning-design-construction process. The IDC enabled participants to weigh the pros and cons, efficiencies and trade-offs of various design and construction options which could be applied toward attaining the targeted level of performance for the themes and indicators of the EQuilibrium™ Housing Initiative.

The teams made use of HOT2000[4] simulation software to examine and compare energy-conserving and energy-producing options prior to finalizing their designs. Energy efficiency and conservation were to be among the most important considerations in the design of the projects. Building envelopes were expected to achieve a minimum EnerGuide Rating System[5] (ERS) score of 82 before renewable energy systems were incorporated into the designs. This was required to ensure that the designs did not rely only upon on-site energy generation to achieve NZE consumption. Once the building envelope ERS level was achieved or exceeded, renewable energy systems were added to the projects and energy production was modelled using RETScreen[6] software to estimate the energy produced. Calculations were then done to determine how close the projects would come to their net-zero, or near-net-zero energy objectives. The simulations and calculations allowed the teams to assess trade-offs between various design options, e.g., increasing insulation levels to offset space conditioning energy demand; maximizing electricity end-use efficiency and conservation opportunities versus adding more photovoltaic panels; and balancing the need for natural light, views and ventilation through windows with the need to limit heat losses and gains.

[4] HOT2000 is Canada's leading residential energy analysis and rating software, developed by Natural Resources Canada.

[5] Natural Resources Canada's EnerGuide Rating System (ERS) is a standard measure of a home's energy performance. Ratings can range from 0 to 100, where 100 represents a net-zero energy home.

[6] RETScreen is a clean energy project analysis software tool that helps decision makers determine the technical and financial viability of renewable energy, energy efficiency and cogeneration projects.

EQuilibrium™ Housing designs: A common core of sustainable housing attributes

While each project is a unique design with its own particular set of integrated systems and technologies, all of the projects share a common set of attributes that reflect a holistic approach to achieving high performance, low energy, healthy housing.

Common attributes of EQuilibrium™ Housing projects

- A climate-specific, integrated design approach;
- Highly insulated, energy-efficient, airtight construction;
- Passive solar design and orientation for heating and cooling;
- Triple or quadruple glazed, argon-filled, low-emissivity windows;
- Energy-efficient mechanical systems, appliances and lighting;
- Natural daylighting and ventilation;
- Heat recovery from the ventilation and drain water systems;
- Materials and finishes with no- or low-pollutant emissions;
- Low environmental impact materials from sustainable, local or regional sources;
- Water conservation and efficiency measures and rainwater harvesting;
- Land and natural habitat conservation provisions;
- Natural landscaping and green infrastructure features;
- Integrated renewable energy systems (e.g., photovoltaic, solar thermal and ground source heating and cooling); and
- Utility grid connection to buy and sell or exchange electricity generated on site.

Fast Facts

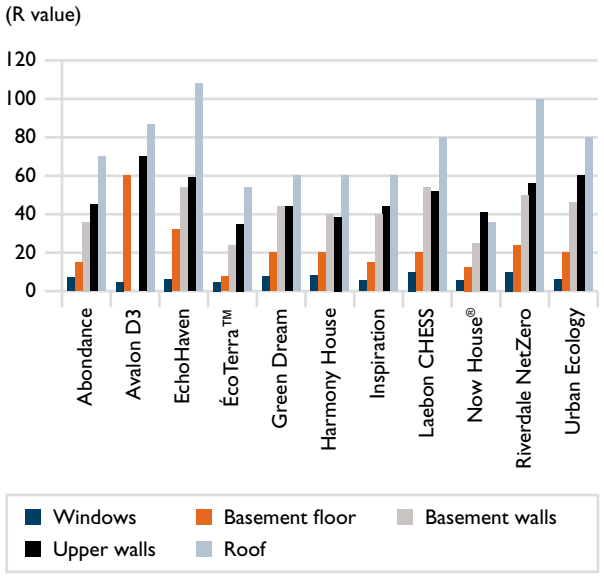
- There were 10 new and one retrofit projects built across Canada under CMHC's EQuilibrium™ Sustainable Housing Demonstration Initiative.
- Energy conservation, energy efficiency and passive solar design were maximised in each EQuilibrium™ project before renewable energy systems were added.
- High insulation and airtightness levels in the EQuilibrium™ houses reduced drafts, cut outside noise, and provided even indoor temperature, giving occupants a high quality living environment.
- EQuilibrium™ project designs achieved high EnerGuide ratings, ranging from 94 to 101.5, well above a typical conventional new house rating of 72 at the time the projects were built.
- Photovoltaic panels were included on all EQuilibrium™ projects and reliably generated near the amount of electricity predicted.
- Over the first year post-occupancy, the net energy consumption of the EQuilibrium™ projects reached as low as 171 kWh compared to the 38,250 kWh consumed in a typical conventional house built in the same period.
- Compared to a conventional home, EQuilibrium™ projects significantly reduced the energy consumed for space heating—often to below the energy consumed for appliances, lighting and plug loads.
- Potable water consumption for newly-built EQuilibrium™ houses ranged from 50 to 182 litres per person per day— well below the Canadian average of 251 litres at the time the houses were designed.

Design teams selected a variety of innovative approaches to create high performance building envelopes

All of the EQuilibrium™ Housing projects were designed to achieve very high ERS ratings ranging from 94 to 101.5 for the 10 newly-constructed homes and 94 for the renovation project *(see Table 5-2 on page 5-23)*. By way of comparison, at the period in which the EQuilibrium™ houses were constructed, conventional new houses typically obtained ratings of ERS 72 and R-2000 houses, ERS 80.[7] A key reason for the high ERS ratings of the EQuilibrium™ Housing projects was the high performance building envelopes. For example, insulation values in the EQuilibrium™ Housing projects ranged as high as RSI 19.2 (R-108) in the roof (EchoHaven), RSI 12.7 (R-72) in the walls (Avalon Discovery 3), and RSI 10.6 (R-60) under the slab (Avalon Discovery 3) *(see Figure 5-3)*.

FIGURE 5-3

Building envelope thermal resistance (R values), EQuilibrium™ Housing projects



Source: CMHC

Diverse approaches were taken to enhance the insulation values of the attic, exterior walls and foundations for each project well beyond building code levels to cut conductive heat losses and, as a result, space heating energy consumption, to a minimum. For example, Harmony House in Burnaby has a unique wall system that includes vacuum insulated panels (VIPs). VIPs are a revolutionary form of thermal insulation consisting of an airtight aluminum foil or aluminized plastic membrane surrounding a porous core. The near-vacuum inside the VIPs produces a much higher thermal resistance per unit of thickness (up to RSI 4.4/cm (R63/in.)) which greatly reduces heat loss in comparison with conventional insulation that has thermal resistance per unit of thickness in the range of RSI 0.21/cm to 0.42 cm (R3/in. to R6/in.).

The Avalon Discovery 3 and Laebon CHESS houses include structural insulated panels (SIPs) in their exterior wall systems. SIPs are manufactured through a process that produces a solid wall section of rigid foam insulation sandwiched between two layers of sheathing that achieve high thermal insulation values, reduce thermal bridging, and are relatively airtight. The exterior walls in the Avalon Discovery 3 house consist of a double layer of SIPs.[8] In the Laebon CHESS home, the foundation and above-grade exterior walls were constructed with SIPs.

The Green Dream Home team created a highly-insulated, airtight building envelope using insulating concrete forms (ICFs). ICFs are essentially hollow blocks formed by parallel rigid polystyrene insulation held apart by metal or plastic spacers. The blocks are assembled together and the completed assembly is filled with concrete. The ICF walls in the Green Dream Home are unique in that they have an extra thick layer of expanded polystyrene on the outside face to increase the overall insulating value of the system *(see Figure 5-4)*.

[7] For more information on Natural Resources Canada's R-2000 Standard, visit www.nrcan.gc.ca/energy/efficiency/housing/new-homes/5051 (September 8, 2014).

[8] See EQuilibrium™ Housing InSight: Avalon Discovery 3 Double Structural Insulated Panel Walls, available at www.cmhc.ca/od?pid=66966 (July 31, 2014).

FIGURE 5-4

ICF wall construction: Green Dream Home

Source: CMHC

Riverdale NetZero was constructed with a highly insulated 406 mm (16 in.) deep-wall system comprised of two 38 mm x 89 mm (nominal 2 in. x 4 in.) interior and exterior stud walls secured (and held apart) by oriented strand board (OSB) top and bottom plates *(see Figure 5-5)* and filled with cellulose insulation. This system was built using typical framing and assembly practices, used less wood than a typical 38 mm x 140 mm (nominal 2 in. x 6 in.) stud wall, and achieved an insulation value of RSI 9.9 (R56).[9]

Urban Ecology was also built with a double-wall system. The exterior walls were framed with two rows of 38 mm x 89 mm (nominal 2 in. x 4 in.) studs and erected as two separate walls spaced 400 mm (16 in.) apart. Oriented strand board (OSB) gussets connect and support the two rows of studs.

Several EQuilibrium™ Housing projects were constructed with pre-fabricated wall components. EchoHaven was constructed with exterior wall trusses fabricated off-site in a controlled indoor environment. The "truss wall" system consists of a 38 mm x 89 mm (nominal 2 in. x 4 in.) interior chord and 38 mm x 44 mm (actual 1 1/2 in. x 1 3/4 in.) exterior chord tied together with plywood gussets, resulting in a 30 cm (12 in.) deep wall assembly.

The ÉcoTerra™ project was pre-engineered and built as modules in a factory before being delivered to the site and assembled in one day. The seven highly insulated modules were delivered with drywall and windows already installed,[10] and included a roof module complete with an integrated renewable energy system and a basement module for the mechanical systems.

FIGURE 5-5

Deep-wall construction: Riverdale NetZero

Source: CMHC

[9] See CMHC EQuilibrium™ Housing InSight: Riverdale NetZero Deep Wall System available at www.cmhc.ca/od?pid=66738 (July 31, 2014).

[10] See EQuilibrium™ Housing InSight: ÉcoTerra™ Modular Construction available at www.cmhc.ca/od?pid=67307 July 31, 2014).

Additionally, the project teams carefully planned the type and location of the air barrier systems for the houses to ensure heat losses and gains through air leaks in the building envelope were significantly reduced.

EQuilibrium™ Housing projects incorporate a variety of renewable energy systems

Only after focusing on reducing energy consumption as far as practically possible was consideration given to renewable energy generation. The teams found that energy efficiency and conservation measures were relatively cost-effective, and less complex, in comparison with renewable energy systems. Further, by reducing energy needs first, it was possible to design and install smaller capacity renewable energy systems which helped to reduce their capital costs.

While all project teams utilized photovoltaics (PV) to generate electricity, they chose a wide variety of available technologies *(see Table 5-2 on page 5-23)*. For instance, the ÉcoTerra™ team incorporated a hybrid building-integrated photovoltaic/thermal (BIPV/T) system with PV panels laminated onto a standing seam metal roof, to produce electric and thermal energy *(see Figure 5-6)*. The system is controlled by an automated energy management system.

The Avalon team chose a roof-integrated photovoltaic tile system consisting of 244 PV tiles *(see Figure 5-7)* integrated into the concrete tile roof.

EchoHaven has a 26 module PV array that is clip-mounted onto a standing seam metal roof. The project is located in a planned sustainable housing development and will eventually connect to a 25 kW PV array planned for the community.

FIGURE 5-6

Building-integrated photovoltaic/thermal (BIPV/T) roof system: ÉcoTerra™

Source: CMHC

FIGURE 5-7

Photovoltaic panels integrated with concrete roofing tiles: Avalon Discovery 3

Source: CMHC

Demonstration and technology transfer initiatives attracted thousands of industry professionals, home buyers, researchers and educators

The EQuilibrium™ Housing projects were available for tours scheduled during key phases of construction to demonstrate significant elements of the design and building process to housing industry professionals. Then, upon completion and prior to occupation, the homes were opened for public and professional tours for a minimum of six months to allow the teams to showcase their projects.

The demonstration phase provided an opportunity to expose the construction industry to innovative technologies and practices and encourage industry uptake and acceptance of sustainable building practices. The demonstration phase also provided an opportunity to educate consumers about sustainable housing features in order to raise awareness of, and demand for, sustainable housing *(see Figure 5-8)*.

FIGURE 5-8

Visitors viewing displays in the "learning centre" during the demonstration phase: Avalon Discovery 3

Source: CMHC

Throughout the timeframe of the demonstration phase, EQuilibrium™ Housing projects were open to the public for a combined total of 121 months (10.1 years) and attracted over 68,000 visitors.

Other opportunities for technology transfer included well-attended industry forums and speaking events. Both provided venues for the housing industry to meet the EQuilibrium™ Housing teams and learn firsthand about the opportunities and practical challenges experienced in designing and building their projects.

The true test of sustainability: post-occupancy performance monitoring

An important aspect of the EQuilibrium™ Housing Initiative was that the completed projects were monitored for one year after occupancy. The goal was to characterize the performance of each project and compare it with targeted energy consumption, renewable energy production, water consumption and selected indoor environmental quality indicators.

The performance attributes evaluated included the following components:

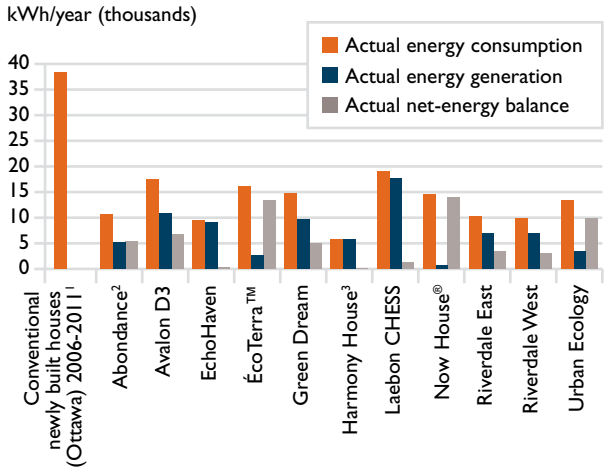
- Annual energy consumption for
  - Space heating;
  - Domestic hot water heating; and
  - Lighting, appliance, plug loads and mechanical ventilation;
- Annual production of
  - Solar electricity, and
  - Solar hot water heating;
- Airtightness of the building envelope (pre-drywall and post construction);
- Thermal comfort (temperature, relative humidity);
- Indoor environmental quality (carbon dioxide, radon, total volatile organic compounds (TVOCs) and formaldehyde); and
- Annual water consumption.

Significant energy consumption reductions were achieved in all EQuilibrium™ Housing projects compared to conventional homes

The performance monitoring results showed that the EQuilibrium™ Housing projects consumed significantly less energy than an average conventional new or existing home or an R-2000 home *(see Figure 5-9)*. Measured annual total energy consumption for the projects ranged from 27 kWh/m² to 114 kWh/m² of heated floor area *(see Table 5-3 on page 5-24)*. By way of comparison, an analysis of 1,945 energy evaluations conducted by Natural Resources Canada for houses constructed between 2007 and 2009 (i.e., the period during which the majority of EQuilibrium™ Housing projects were constructed) indicated average energy consumption of 150.4 kWh/m².

FIGURE 5-9

Energy performance comparisons, conventional newly built houses (Ottawa) 2006-2011, and EQuilibrium™ Housing projects



Monitoring data for Inspiration were not collected.
[1] 2006 - 2011 represents the period of construction of the EQuilibrium™ Initiative projects.
[2] Average per unit for three units.
[3] Average per unit for two units.

Source: CMHC; Conventional newly built houses - CanmetENERGY Ottawa energy efficiency analysis of Canadian housing. For more information on energy efficiency analysis, see *Energy Efficiency in Housing* at http://chba.ca/about/energyefficiency.aspx

When the entire Canadian single-detached housing stock is taken into consideration, the average annual energy consumption is about 220 kWh/m².

EQuilibrium™ Housing projects reduced space heating requirements

In a conventional home, space heating is typically the largest component of annual energy consumption, accounting, on average, for approximately 65% of total energy use. In the Avalon Discovery 3 home, space heating accounted for 35% of the total while appliances and lighting accounted for 46% *(see Figure 5-10)*. In all EQuilibrium™ Housing projects, energy consumption for space heating was significantly reduced, and often lower than the energy use of appliances and lighting *(see Table 5-3 on page 5-24)*. Energy consumption for space heating in some of the EQuilibrium™ Housing projects, such as Abondance Montreal: le Soleil, was as low as 5% of total energy consumption.

The relatively low energy requirements of the EQuilibrium™ Housing projects for space heating were due, in large part, to the well-insulated, *(see Figure 5-3)* airtight building envelopes and passive solar design features.

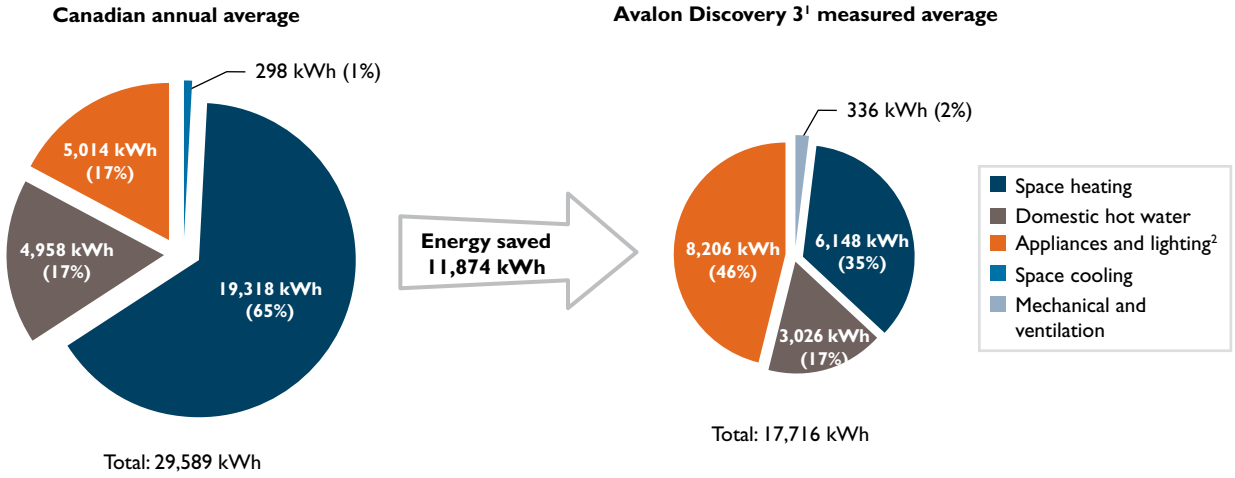
The careful attention applied to the design and installation of the air barrier systems resulted in measured airtightness levels ranging from 0.4 to 1.4 air changes per hour (ACH) measured at 50 pascals (Pa) for the 10 new houses *(see Figure 5-11)*. The Now House® renovation project improved from a pre-retrofit value of 5.6 ACH to 2.6 ACH after the retrofit. For comparison, the standard air tightness target for houses constructed under Natural Resources Canada's R-2000 Standard is 1.5 ACH @50 Pa and 0.6 ACH @50 Pa for houses constructed under the Passivhaus Standard.

Renewable energy systems contributed less than predicted

In nearly all EQuilibrium™ Housing projects, overall renewable energy production was less than that predicted by the models. Most of this shortfall came from a lower

FIGURE 5-10

Residential energy consumption by category

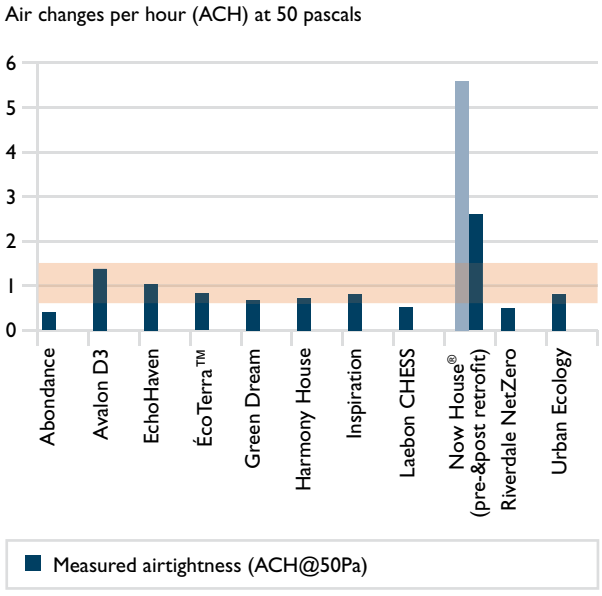


[1] Figures are a two-year average.
[2] Some of the difference in energy consumption by appliances and lighting is due to the different appliances included in the measurement.

Source: NRCan Energy Use Data Handbook 1990-2010, Residential Secondary Energy use by End-Use (2009), February 2013 (left), CMHC (right)

FIGURE 5-11

Measured airtightness of building envelope, EQuilbrium™ Housing projects



Note: The yellow band represents a range of airtightness levels from 0.6 ACH (e.g. Passive House) to 1.5 ACH (e.g. R-2000).

Source: CMHC

than expected contribution from the solar hot water systems. In many cases, solar hot water systems that were coupled to space heating systems did not perform as expected compared to the modelled predictions. This may be due, in part, to the complexity of the installations, lack of industry experience with the design, installation, and commissioning of these types of systems, and overly optimistic predictions by the modelling software. For the most part, the solar hot water systems designed for only heating domestic hot water worked well.

The PV systems performed reliably and several produced close to their predicted amounts. Two projects, EchoHaven and Laebon CHESS, produced more electricity than predicted. This was due to higher than predicted production from June through September. Energy production from November through March was typically less than predicted, likely due to site issues such as snow coverage and/or shading from trees that reduced solar radiation during these months when the sun was lower on the horizon.

Although the performance modelling predicted that some of the EQuilibrium™ houses would achieve a net annual energy surplus, none of them actually did so during their monitoring period. EchoHaven and Harmony House came very close to NZE performance with net annual energy consumptions of only 341 kWh and 172 kWh,[11] respectively. Overall, the net annual energy consumption in all EQuilibrium™ Housing projects was significantly less than conventional new houses constructed at the time *(see Figure 5-9)*.

Potable water consumption was significantly lower than Canadian average

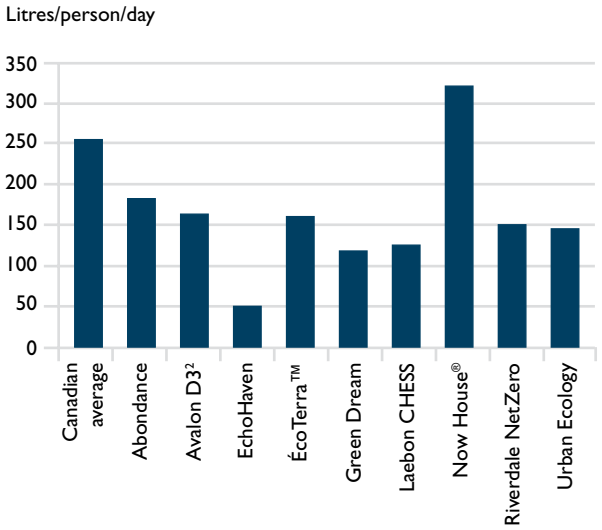
In 2011, Canadian residential water consumption was 251 litres/person/day.[12] Potable water consumption in all new EQuilibrium™ Housing projects was lower than this reference point, with levels as low as 50 litres per day per person in EchoHaven (i.e., 85% lower than the Canadian average) *(see Figure 5-12)*. Low-flush toilets, low-flow showerheads and faucets, and water-efficient appliances (washing machines and dishwashers contributed to savings in indoor water use. Most projects also captured rainwater for landscape irrigation and included native plantings that had low water requirements, a practice known as xeriscaping.[13] Two projects (Abondance Montreal: le Soleil and EchoHaven) included rainwater harvesting systems to capture water to offset the potable water required for toilet flushing. The performance monitoring results for Abondance found that 76% of the 34,725 litres of water used for toilet flushing was supplied from rainwater.

Careful design and selection of materials and technologies helped to control pollutants and deliver comfortable indoor environments

All project teams paid careful attention to creating healthy indoor environments.

FIGURE 5-12

Potable water consumption comparisons, Canadian average[1] and EQuilibrium™ Housing projects



[1] Residential water use in Canada, Environment Canada, 2011
[2] Avalon Discovery 3 is based on monitoring over a continuous two-year period; the other projects over a one-year period.
Note: Water consumption data for Harmony House and Inspiration were not measured.

Source: CMHC

All EQuilibrium™ Housing projects were equipped with heat recovery ventilators (HRVs) to exchange stale, indoor air with fresh, filtered outside air, while helping to control indoor moisture levels and reduce odours and other airborne contaminants. Indoor air temperature, relative humidity, and carbon dioxide (CO_2) levels were measured over the monitoring period and were generally found to be within acceptable levels according to published standards and guidelines.[14]

Interior finishes and construction materials (such as paint, adhesives, flooring and grout) were selected to reduce indoor air contaminants by minimizing, and where possible eliminating, volatile organic compound

[11] The 172 kWh for Harmony House is the average of the two units it contains.

[12] See www.ec.gc.ca/indicateurs-indicators/default.asp?lang=en&n=7E808512-1 (September 9, 2014).

[13] Xeriscaping is an approach to designing landscapes so that their water requirements correspond to local climatic conditions. See the CMHC publication *Water Saving Tips for Your Lawn and Garden* www.cmhc.ca/od/?pid=62042 (September 8, 2014).

[14] Health Canada (1987) Exposure Guidelines for Residential Indoor Air Quality (archived) www.hc-sc.gc.ca/ewh-semt/pubs/air/exposure-exposition/index-eng.php (July 30, 2014).

emissions. None of the EQuilibrium™ Housing projects measured exceeded the VOC target levels identified by Health Canada.[15]

EQuilibrium™ Housing occupants report being very satisfied with the comfort of their homes

Surveys conducted for CMHC after the completion of the one year performance monitoring period found that the occupants were extremely pleased with the quality of the indoor living environment *(see text box EQuilibrium™ Housing homeowner/occupant experience).* The occupants appreciated the abundant natural light in their homes *(see Figure 5-13)* and the high insulation and airtightness levels that reduced outside noise and provided even indoor temperature levels and a draft-free environment.

FIGURE 5-13

Natural light: Harmony House

Source: CMHC

EQuilibrium™ Housing homeowner/ occupant experience

"One of the beauties about the environment on the inside is that the temperature is constant and comfortable wherever you go in the house."

"Triple-glazed windows keep out the noise and the warmth in. It is very comfortable. We rarely hear noise from upstairs because the insulation is great."

"The thing we love is it is always incredibly perfect inside. In terms of comfort. The temperature is always perfect. The air is always perfect in terms of humidity. The air feels fresh but good. That first thing, level of comfort is like incredible. We are most impressed with this."

"I have a number of allergies: house dust, pollen, some construction products. I am very comfortable in my home. I sneeze a couple of times a day but in the house I am pretty sneeze free. It gives me a health refuge."

CMHC EQuilibrium™ Housing Homeowner/Occupant Qualitative Research Project, Final Report. Ottawa: March 2014.

Occupants were very pleased with the low noise levels in their homes. Compared to conventional construction, the transmission of outside noise was minimized in the EQuilibrium™ Housing projects due to the highly insulated and well-sealed building envelopes and triple- or quadruple-glazed windows. The Abondance Montreal: le Soleil project was also carefully designed to minimize noise transmission between the three vertically stacked units. Materials resistant to sound transfer were used in the floor/ceiling assemblies including recycled wood fibre subfloor panels to reduce sound impact.

[15] Health Canada (1995) "Indoor Air Quality in Office Buildings: A Technical Guide," http://publications.gc.ca/collections/Collection/H46-2-93-166Erev.pdf (July 30, 2014).

The walls separating the units from the common stairwell included resilient channels and acoustic insulation within the wall assembly to reduce noise transfer.[16]

Knowledge gained and lessons learned

The EQuilibrium™ Housing projects demonstrated that household energy consumption can be greatly reduced by designing a sustainable home as a system, taking advantage of passive solar energy and incorporating airtight, high performance building envelopes, high efficiency mechanical systems and other energy-efficiency measures into the design. The projects also demonstrated that the addition of on-site renewable energy generating capacity has the potential to create near- and net-zero energy housing in a range of climatic conditions across the country. Key findings and lessons learned from the Initiative include the following:

- **There is a market for sustainable housing in Canada.** Market research shows that Canadian home buyers are interested in purchasing housing that is energy-efficient and healthy. Research conducted in 2007 for CMHC in several cities (Edmonton, Montreal, Ottawa and Red Deer) in which EQuilibrium™ Housing projects were planned found that of the respondents who were likely to purchase a home in the next five years, 72% were likely to consider purchasing a home with an energy-efficient design. Exit surveys collected during the EQuilibrium™ Housing demonstration periods revealed that visitors gained an increased interest in, and an improved understanding of, sustainable housing after visiting the projects. The main concerns identified by survey respondents when considering the purchase of a sustainable home were price and unfamiliarity with new technologies.
- **Energy efficiency and conservation measures come first.** The EQuilibrium™ Housing teams took different approaches and incorporated various technologies into their projects but each team first focused on reducing energy demands through energy conservation, energy efficiency and passive solar design, before adding renewable energy systems. By reducing energy demands first, smaller, and as a result less expensive, renewable energy systems would be able to meet the remaining household energy needs. In general, energy conservation and efficiency measures can create a house that is 80% or more towards achieving an annual NZE target. Measures directed at reducing space and water heating requirements provided the biggest benefits. The addition of renewable energy systems can take the house the remaining distance to NZE performance levels. Based on the experience and knowledge gained by the project teams from the EQuilibrium™ Housing Initiative, a 10-step approach to building near- to net-zero energy housing was identified *(see text box: A 10-step approach to building low- to net-zero energy housing).*
- **The complexity of systems included in sustainable housing should be minimized.** The complexity of systems can lead to time and budget consuming challenges in their planning, design and installation. Complex systems can also undermine the ease of operation and maintenance of houses. In certain cases, several EQuilibrium™ projects experienced problems with complex systems that offered unreliable performance that did not meet the needs of the occupants. This resulted in costly servicing and trouble-shooting and in one case, the removal of system equipment and replacement with a more conventional product.

  Occupant readiness for adopting new technologies must be gauged, managed and developed. The post-occupancy interviews with EQuilibrium™ Housing occupants found that sustainable building concepts that improved quality of life but did not involve complex operating systems were often also the most appealing. Favoured concepts included:

  - Building orientation to take advantage of views and sunshine;

[16] A demising wall is the partition wall that separates one suite from another or from the building's common areas. CMHC (2013) Glossary of Housing Terms: The A to Z of Housing Terms, p.38. www.cmhc.ca/od?pid=60939 (September 9, 2014).

- A well-designed building envelope;
- Large windows to bring in natural light;
- A house design that maximizes usable space; and,
- The use of durable materials.

According to the occupants surveyed, other essential components included the low-maintenance PV panels for producing electricity, and heat recovery ventilation systems for providing a healthy indoor environment.[17]

- **The construction of sustainable, net-zero energy housing is more energy and material intensive than conventional construction, but the overall environmental impact declines over time due to reduced operating energy demands.** We commissioned a 20-year life cycle environmental assessment of six EQuilibrium™ Housing projects (Abondance Montreal: le Soleil, Avalon Discovery 3, ÉcoTerra™, Inspiration—the Minto ecohome, the Now House® and Riverdale NetZero). The research found that the building materials required for the construction of the EQuilibrium™ Housing projects were more energy intensive and had some larger environmental impacts compared to similar conventional housing built to code. However, the lifecycle environmental impacts over a 20-year time horizon were projected to decline significantly due to the much lower energy demands of operating the EQuilibrium™ homes. For instance, the assessment of ÉcoTerra™ predicted that, over a 20-year operating period, the house would use only 30% of the primary energy that a similar house built to meet the minimum code requirements would require.[18] The study also noted that, as housing becomes more energy efficient and requires less operating energy, material and product selection becomes relatively more important to reduce lifecycle environmental impacts.
- **Existing houses can be retrofitted to significantly reduce energy demands and environmental impacts.** The Now House® project achieved significant reductions in operating energy while adding only a modest amount of embodied energy by retrofitting an existing house. With a reduction

A 10-step approach to building low- to net-zero energy housing

A 10-step approach has been developed for the creation of low- to net-zero energy sustainable housing from the combined experiences of the EQuilibrium™ Housing projects. The first eight steps would lead to the creation of a low-energy home (the biggest benefit for the cost); adding the final two steps would lead to a net-zero energy home (at considerable additional cost).

1. Follow an Integrated Design Process (focussing on sustainability);
2. Conduct a detailed site assessment for solar and sustainable housing factors;
3. Maximize envelope performance;
4. Optimize passive solar;
5. Reduce domestic hot water load;
6. Reduce mechanical, lighting and appliance loads;
7. Recover heat from ventilation air and waste water;
8. Model and test energy performance (repeatedly);
9. Size a photovoltaic system to meet the remaining load; and
10. Examine, model and compare additional systems (e.g. solar hot water and geothermal).

[17] CMHC EQuilibrium™ Housing Homeowner/Occupant Qualitative Research Project, Final Report. Ottawa: March 2014.

[18] Athena Institute (June 2011) A Life-Cycle Environmental Assessment Benchmark Study of Six CMHC EQuilibrium™ Housing Initiative Projects Available ftp://ftp.cmhc-schl.gc.ca/chic-ccdh/Research_Reports-Rapports_de_recherche/eng_unilingual/Ca1%20MH110%20%2011L31_w.pdf (July 30, 2014).

of 79% in annual natural gas use and a 35% reduction in annual electricity use, the retrofit also achieved significant reductions in associated greenhouse gas emissions. A life cycle assessment indicated that the Now House® would save 1,513 gigajoules of primary energy and 78 tonnes of greenhouse gases over a 20-year period.

- **Homeowners appreciate that the long-term energy cost savings of owning a low-energy, sustainable house may offset the higher initial investment.** The interviews with EQuilibrium™ Housing occupants indicated that the monthly energy operating costs were significantly lower than that of their previous accommodations and often much lower than their original expectations *(see text box – EQuilibrium™ Housing occupants' testimonials).* The actual return on investment over time will depend upon energy prices, market re-sale pricing of sustainable housing, availability of subsidies through residential energy efficiency programs, feed-in tariffs for renewable energy generation and other factors. However, should energy become more expensive and, as energy efficiency and renewable energy technologies become more affordable, the economic case will become even more persuasive. For instance, the significant decline in the cost of photovoltaics since the EQuilibrium™ Housing Initiative was announced, combined with the availability of feed-in tariffs and net consumption billing from many utilities, has made NZE housing more affordable to achieve.

- **Sustainable housing is not just about innovative technologies and practices, it is also about lifestyle and choices.** The building envelope, appliances and renewable energy systems can be designed to achieve NZE, but, the occupants also have to be energy conscious for NZE performance to be achieved. Through the post-occupancy performance monitoring of the EQuilibrium™ houses, it was found that occupant-related energy use becomes a larger part of the overall energy consumption of a house when other non-occupant dependant uses are reduced through efficiency and conservation measures. Therefore, occupant preferences for thermostat settings, hot water temperature, window use and discretionary plug-in electrical loads such as audio-video equipment and appliances can have a significant impact on household energy consumption. While the EQuilibrium™ homeowners did not

EQuilibrium™ Housing occupants' testimonials

"In our previous loft we had spent at least 3 to 4 times the amount that we spent on our monthly utilities. The utilities here are exceptionally cheap, they can be as low as $100 a month for everything. That includes heat, power, water and of course we don't have any natural gas here—the heat is provided through the sun. Never in my wildest dreams did I think that it would actually be this good. I knew it was going to be good, but this good? It was a pleasant surprise."

"My view on energy has totally changed since living here, knowing the size of this home compared to our other home, and it using way less than what we were using. Definitely our bills from where we lived prior, to what our bills are here are astronomically different because we still haven't paid anything while living here for eight months almost now, so it's made a huge difference on what we're thinking and how you do things, and the insulation value is crazy. Like in the summer it's about 7-8 degrees cooler without anything running, and in the winter, it has been warmer too. We didn't even have to turn the heat on, like we should, until a week ago, and this is November."

"This house fits my lifestyle. I am very happy about being here. The difference between the EQuilibrium™ house and my previous residence, which was a one-bedroom apartment with 400 sq. ft.; my utility bills in the EQuilibrium™ house are less than that of a one-bedroom apartment. My bills are stunningly low. Anywhere from half to a third of what I was originally paying."

anticipate having to adapt their behaviours before they moved in to their new homes, most voluntarily changed some of their energy consumption patterns over the first year of occupancy.[19]

- **Sustainable housing initiatives must consider the practical realities of building regulations, financing and home warranty programs.** Over the course of the design and construction of the EQuilibrium™ Housing projects, some teams encountered what they considered to be regulatory barriers to innovation. The development of codes and regulations is based on evidence-based data and information, and leading-edge technologies and practices can lack the supporting information needed to either demonstrate compliance with the intent of building codes or to support code changes. For example, one EQuilibrium™ Housing project included roughed-in plumbing for a greywater recycling system to save potable water and reduce the load on municipal water and sewer infrastructure. Although the concept was initially supported by the municipality, it was not allowed at the final inspection stage because the tank did not have a sensor to notify homeowners when the filter needed changing and this was considered a potential health risk. In another EQuilibrium™ Housing project, the team planned to include rainwater harvesting to capture rainwater for use in the clothes washing machine. However, this was not permitted by the local building regulatory authority because the plumbing code did not address rainwater harvesting for this purpose at the time.

  Construction financing, new home warrantees and insurance can be more difficult to secure because of the innovations used in sustainable housing projects and uncertainties about performance and reliability. For example, one team found that solar panels could not be included in the new home warranty program. Another team experienced challenges with the appraised value of their project in that that it did not reflect the value of the incorporated technologies. These will be key issues to resolve if NZE buildings are to become common practice.

- **Improved energy performance modelling software would help in the design of sustainable housing and in establishing targets.** While computer models are available to estimate the energy consumption of conventional homes, the high performance energy reduction measures and renewable energy systems and technologies used in the EQuilibrium™ Housing projects were not so easily modelled. There is a need for builder-friendly software capable of modelling the energy performance of features such as window overhangs, thermal mass, solar space heating (passive and active) and heat pumps. Improved energy performance modelling capacity could also help overcome difficulties that can arise when builders construct a house to meet a specific target based on a modelling tool (or variable inputs) and then face occupant complaints should the actual performance vary from that expected.

- **Homebuilder leadership is vital for sustainable housing to succeed.** From the outset, we focussed on the need for builder leadership in the EQuilibrium™ Sustainable Housing Demonstration Initiative. Builders assume most of the risks associated with the deployment of leading-edge sustainable housing and their acceptance of sustainable technologies and practices is critical in promoting industry and consumer awareness and uptake of higher performance housing. Further, by having builders lead the Initiative, the demonstration houses would better represent regionally specific, practical, marketable and sustainable housing solutions that could be shared with industry peers.

Sustainable housing initiatives continue to gain momentum in Canada

The EQuilibrium™ Sustainable Housing Demonstration Initiative was designed as a catalyst to encourage and facilitate leading-edge builders and design professionals to push the boundaries of sustainable housing. Following on the success of the EQuilibrium™ Sustainable Housing Demonstration Initiative, we and Natural

[19] CMHC EQuilibrium™ Housing Homeowner/Occupant Qualitative Research Project, Final Report. Ottawa: March 2014.

Resources Canada jointly launched the EQuilibrium™ Communities Initiative. EQuilibrium™ Communities was a three-year, $4.2 million demonstration initiative providing financial assistance to developers of selected neighbourhood projects for research and technical activities to improve, monitor and showcase their performance in several areas: energy, water and stormwater; protection of the natural environment; land use and housing; transportation; and financial viability. Detailed information about Station Pointe Greens in Edmonton, Alberta; Ampersand in Ottawa, Ontario; Ty-Histanis neighbourhood development near Tofino, British Columbia; and the Regent Park Revitalization in Toronto, Ontario is available on the our website: www.cmhc-schl.gc.ca/en/inpr/su/eqsucoin/.

Based in part on some of the research questions raised over the course of the EQuilibrium™ Housing Initiative, Natural Resources Canada has launched several research initiatives to advance NZE housing technologies. This includes the following:

- A study to gradually improve the energy efficiency of homes toward NZE consumption;
- A project researching ways to reduce the incremental costs associated with building NZE homes; and,
- The development of the next generation R-2000 Standard and EnerGuide Rating System in NZE housing project applications.

An Industry Steering Committee, that included several EQuilibrium™ Housing Initiative builders, recently released *"Housing for a Changing World – A Sustainable Housing Technology Roadmap for Canada"*[20] with our support along with NRCan and Industry Canada. The Roadmap outlines a plan for producing more sustainable housing in Canada. The goal is to develop industry capacity to deliver affordable, sustainable housing to homebuyers across Canada by 2020. The specific actions identified in the Roadmap are included in the following:[21]

- Developing a nationally-accepted definition of sustainable housing that fits in conjunction with existing labelling and certification programs;
- Undertaking research, development and demonstration initiatives to advance sustainable housing technologies and practices;
- Integrating sustainable housing technologies and practices into mainstream construction; and
- Promoting and supporting market adoption of sustainable housing.

In April 2014, the Canadian Home Builders' Association's Board of Directors approved the creation of a new, self-funding, Association Council that will focus on NZE housing[22] to demonstrate industry leadership in the NZE housing field and to support CHBA members that pursue high performance home construction.

Several EQuilibrium™ Housing teams have continued to build low-energy and net-zero energy sustainable housing projects. The Riverdale NetZero team has built several more NZE houses based on the lessons learned from its EQuilibrium™ Housing project and over 30 additional low-energy homes. The Avalon Discovery 3 team also designed and built two additional NZE projects by applying lessons from their project. Some of the more notable improvements these teams made over the original design of their EQuilibrium™ Housing projects included simplified mechanical and renewable energy systems that reduced incremental costs for equally high performance.

[20] See http://shtrm.ca/uploads/files/Download%20the%20Roadmap/Sustainable%20Housing%20Technology%20Roadmap%20for%20Canada.pdf (May 26, 2014).

[21] http://shtrm.ca/uploads/files/Download%20the%20Roadmap/Sustainable%20Housing%20Technology%20Roadmap%20for%20Canada%20-%20App%20B%20-%20Action%20Plan.pdf (May 18, 2014).

[22] See www.chbaedmonton.ca/files/NationalScene_April2014.pdf (July 3, 2014).

Since completing the Now House® retrofit project *(see Figure 5-14),* its project team has worked with the Windsor-Essex Community Housing Corporation to retrofit 100 more homes in Windsor, Ontario using lessons learned from its EQuilibrium™ Housing project.[23] The Now House® is one of many Victory homes built in Canada after 1946, making the retrofit highly replicable.

FIGURE 5-14

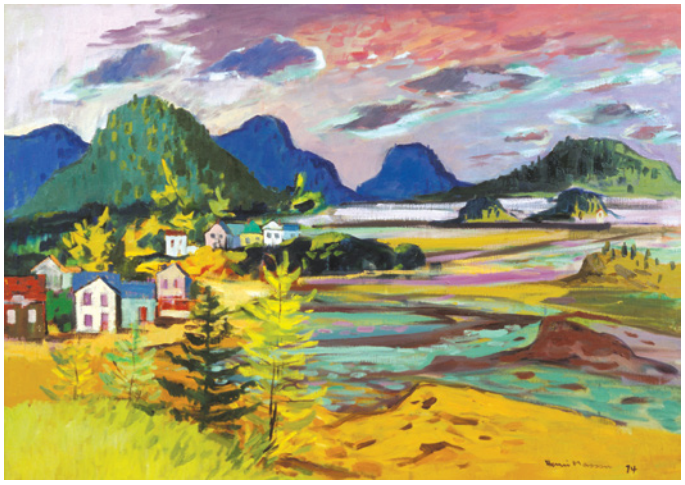
Sustainable housing retrofit
Now House®

Source: CMHC

The EQuilibrium™ Housing Initiative and next generation projects have been used by universities and technical institutes to educate design and building professionals, thereby developing future industry capacity to deliver sustainable housing. Linkages between the projects and educational institutions include Green Dream Home and Thompson Rivers University; Avalon Discovery 3 and the Southern Alberta Institute of Technology; Abondance Montreal: le Soleil and École Polytechnique de Montréal; ÉcoTerra™ and Concordia University; and Riverdale NetZero and the Northern Alberta Institute of Technology. Several EQuilibrium™ Housing projects were the subject of research by the Natural Sciences and Engineering Research Council (NSERC) funded Solar Buildings Research Network.

With the completion of the EQuilibrium™ Sustainable Housing Demonstration Initiative in 2014, new information is available through research reports, technology profiles, on-line tours and videos on the design, construction and performance of NZE, sustainable housing projects. Details on the EQuilibrium™ Housing projects, the innovative technologies and practices used to build the projects and research reports on performance monitoring and occupant surveys are available on our website (www.cmhc.ca/equilibriumhousing) and through the Canadian Housing Information Centre (http://cmhc.ca/en/corp/li/index.cfm).

[23] See www.nowhouseproject.com/ (May 18, 2014).



Annex

Henri Masson, Evening Bic, Quebec, 1974, Oil on canvas, 32" x 45", FAC 1267 Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Tables

Tables

TABLE 5-1

EQuilibrium™ Housing Initiative projects[1]

	**Project**	Abondance Montreal: le Soleil		**Project**	Inspiration – the Minto ecohome
	Building type	New, triplex		**Building type**	New, 2 storey single detached
	Location	Montréal, Quebec		**Location**	Manotick, Ontario
	Project team	EcoCité Developments / Les Constructions Sodero Inc.		**Project team**	Minto Developments Inc.
	**Project**	Avalon Discovery 3		**Project**	Laebon CHESS Project
	Building type	New, 1½ storey single detached		**Building type**	New, 1½ storey single detached
	Location	Red Deer, Alberta		**Location**	Red Deer, Alberta
	Project team	Avalon Master Builder		**Project team**	Laebon Homes
	**Project**	EchoHaven		**Project**	Now House®
	Building type	New, 1 storey single detached with walk-out basement		**Building type**	Retrofit, post-war 1½ storey single detached
	Location	Calgary, Alberta		**Location**	Toronto, Ontario
	Project team	Echo-Logic Land Corporation		**Project team**	Now House® Project Inc.
	**Project**	ÉcoTerra™		**Project**	Riverdale NetZero
	Building type	New, 2 storey single detached		**Building type**	New, 2 storey semi-detached
	Location	Eastman, Quebec		**Location**	Edmonton, Alberta
	Project team	Alouette Homes		**Project team**	Habitat Studio
	**Project**	Green Dream Home		**Project**	Urban Ecology
	Building type	New, 2 storey single detached with walk-out basement		**Building type**	New, 2 storey semi-detached
	Location	Kamloops, British Columbia		**Location**	Winnipeg, Manitoba
	Project team	CHBA Central Interior / Thompson Rivers University		**Project team**	Winnipeg Housing Rehabilitation Corporation
	**Project**	Harmony House			
	Building type	New, 2 storey single detached with home office and secondary unit			
	Location	Burnaby, British Columbia			
	Project team	Habitat Design + Consulting Ltd. / Insightful Healthy Homes Inc.			

[1] See www.cmhc.ca/equilibriumhousing.

Source: CMHC

TABLE 5-2

Design characteristics of EQuilibrium™ Housing projects

Project name:	ERS[1]	Heated floor area m² (ft.²)	Building Envelope Characteristics					Photo-voltaic (PV) system capacity	Solar thermal system[2] m² (ft.²)	Other[3]
			Windows	Basement floor insulation	Wall insulation (bsmtwall/ upperwall)	Roof insulation	Measured airtightness (ACH at 50Pa)[4]			
Abondance Montréal: Le Soleil	99.3	79.3 (854) (per unit)	RSI 1.23 R-7.0	RSI 2.6 R-15	RSI 6.3/RSI 7.9 R-36/R-45	RSI 12.3 R-70	0.4	13.8 kW (3 units)	FP 214 (2,304) (for 3 units)	PSD; HRV; GSHP; DWHR
Avalon Discovery 3	101	240 (2,592)	RSI 0.85 R-4.8	RSI 10.6 R-60	RSI 12.7 R-72	RSI 15.3 R-87	1.38	8.3 kW	FP 15.3 (165)	PSD; HRV; BIPV/T
Echo-Haven	94	225.3 (2,425)	South: RSI 0.8 N,E,W: RSI 1.4 South: R-4.8 N,E,W: R-7.7	RSI 5.6 R-32	RSI 9.5/RSI 10.1 R-54/R-59	RSI 19.2 R-108	1.04	5.5 kW	FP 5.2 (56)	PSD; HRV; DWHR
ÉcoTerra™	98	141 (1,517)	RSI 0.85 R-4.8	RSI 1.3 R-7.5	RSI 4.2/RSI 6.1 R-24/R-35	RSI 9.5 R-54	0.83	3.0 kW	(none)	PSD; HRV; BIPV/T; DWHR
Green Dream Home	101	300.7 (3,237)	RSI-1.32 R-7.5	RSI 3.5 R-20	RSI 7.8 R-44	RSI 10.7 R-60	0.68	8.3 kW	ET 5.8 (62)	PSD; HRV; DWHR
Harmony House	101.5	437.6 (4,714)	RSI 1.4 R-8.0	RSI 3.5 R-20	RSI 7.0/RSI 6.8 R-40/R-38.5	RSI 10.6 R-60	0.73	14.9 kW	FP 5.9 (64)	PSD; HRV; ASHP
Inspiration - the Minto ecohome	100	218.5 (2,352)	RSI 1.02 R-5.7	RSI 2.6 R-15	RSI 7.0/RSI 7.8 R-40/R-44	RSI 11 R-60	0.8	6.2 kW	FP 3.0 (32)	PSD; HRV; DWHR; SAPH
Laebon CHESS Project	101	222.7 (2,397)	RSI 1.76 R-10	RSI 3.5 R-20	RSI 9.5/RSI 9.2 R-54/R-52	RSI 14.1 R-80	0.51	6.7 kW	FP 23 (250)	PSD; HRV; GSHP
Now House®	94	139 (1,496)	RSI 1.0 R-5.7	RSI 2.2 R-12.5	RSI 4.4/RSI 7.2 R-25/R-41	RSI 6.3 R-36	2.6	2.6 kW	ET 8.1 (87.2)	PSD; HRV; DWHR
Riverdale NetZero	100	234 (2,519) (per unit)	RSI 1.2 to 1.8 R-7.3 to 10	RSI 4.2 R-24	RSI 8.8/RSI 9.9 R-50/R-56	RSI 17.6 R-100	0.5	5.6 kW (per unit)	FP 21 (226) (per unit)	PSD; HRV; DWHR
Urban Ecology[5]	96	103.4 (1,113)	RSI 1.34 R-7.6	RSI 3.5 R-20	RSI 8.2/RSI 10.6 R-46/R-60	RSI 14.1 R-80	0.82	0.5 kW	FP 11.9 (128)	PSD; HRV; DWHR

[1] ERS = EnerGuide for Houses Rating System.

[2] Area of Evacuated Tube (ET) or Flat Plate (FP) solar collector panels.

[3] Other systems include: ASHP = Air Source Heat Pump; BIPV/T = Building Integrated Photovoltaic/Thermal hybrid system; DWHR = Drain Water Heat Recovery; GSHP = Ground Source Heat Pump; HRV = Heat Recovery Ventilation; PSD = Passive Solar Design; SAPH = Solar Air Pre-Heat.

[4] The airtightness of a building envelope is determined using a standardized blower door test. The results are given in air changes per hour (ACH): the lower the number, the greater the airtightness. Note that with renovated structures (e.g. The Now House®) it is challenging to achieve very high levels of airtightness. Being relatively airtight, all EQuilibrium™ homes have Heat Recovery Ventilators (HRVs) to ensure adequate ventilation.

[5] Values are for the Urban Ecology unit only.

Source: CMHC

TABLE 5-3

Measured annual energy consumption, production and net energy balance —EQuilibrium™ Housing projects

Project name	Measured energy consumption (kWh/m²)					Measured energy production (kWh/m²)				Net energy balance (kWh/m²)
	Space heating	Domestic hot water	Appliances, lighting and plug loads	Mechanical and ventilation	Total (A)	Solar electricity	Solar thermal	GSHP[1]	Total (B)	Production less consumption (B-A)[2]
Abondance	4.3	27.5	38.1	23.3	93.2	46.5	0	Not measured separately	46.5	-46.7
Avalon D3	30.1	14.8	40.2	1.6	86.8	41.3	11.9	n/a	53.1	-33.7
EchoHaven	17.0	7.6	15.3	1.6	41.6	35.2	4.9	n/a	40.1	-1.5
ÉcoTerra™	20.2	12.1	75.8	5.7	113.8	18.6	0.2	n/a	18.8	-95.0
Green Dream	3.96	9.3	34.2	1.2	48.7	31.0	1.4	Not measured separately	32.3	-16.3
Harmony House	Not measured separately	Not measured separately	Not measured separately	Not measured separately	26.7	Not measured separately	Not measured separately	n/a	25.9	-0.8
Laebon CHESS Project	40.4	8.1	33.9	2.8	85.3	45.5	7.5	26.3	79.3	-5.9
Now House®	48.9	16.0	28.6	11.2	104.6	17.9	-13.2	n/a	4.7	-99.9
Riverdale Net Zero	14.6	3.6	23.5	1.5	43.1	25.6	3.9	n/a	29.5	-13.6
Urban Ecology	47.7	12.9	24.0	5.5	90.0	3.4	19.8	n/a	23.2	-66.8

[1] GSHP - Ground source heat pump. "n/a" indicates no GSHP installed.

[2] A negative energy balance value denotes net energy consumption, and a positive value denotes net energy production.

Note: Inspiration—the Minto ecohome was neither occupied nor monitored for performance.

Source: CMHC

Alternative text and data for figures

Figure 5-3: Building envelope thermal resistance (R values), EQuilibrium™ Housing projects

Project	Windows	Basement floor	Basement walls	Upper walls	Roof
Abondance	7	15	36	45	70
Avalon D3	4.8	60	NA	72	87
EchoHaven	6.25	32	54	59	108
ÉcoTerra™	4.8	7.5	24	35	54
Green Dream	7.5	20	44	44	60
Harmony House	8	20	40	38.5	60
Inspiration	5.7	15	40	44	60
Laebon CHESS	10	20	54	52	80
Now House®	5.7	12.5	25	41	36
Riverdale NetZero	10	24	50	56	100
Urban Ecology	7.6	20	46	60	80

Source: CMHC

Figure 5-9: Energy performance comparisons, conventional newly built houses (Ottawa) 2006-2011, and EQuilibrium™ Housing projects

Project	Actual energy consumption kWh/yr	Actual energy generation kWh/yr	Actual net-energy balance kWh/yr
Conventional newly built houses (Ottawa) 2006-2011[1]	38,250	0	0
Abondance[2]	10,169	5,078	5,091
Avalon D3	17,548	10,842	6,707
EchoHaven	9,369	9,028	341
ÉcoTerra™	16,045	2,644	13,401
Green Dream	14,635	9,725	4,911
Harmony House[3]	5,838.5	5,667	171.5
Laebon CHESS	18,989	17,667	1,322
Now House®	14,544	657	13,887
Riverdale East	10,333	6,933	3,400
Riverdale West	9,856	6,878	2,978
Urban Ecology	13,379	3,449	9,930

Monitoring data for Inspiration were not collected.

[1] 2006 - 2011 represents the period of construction of the EQuilibrium™ Initiative projects.

[2] Average per unit for three units.

[3] Average per unit for two units.

Source: CMHC; Conventional newly built houses - CanmetENERGY Ottawa energy efficiency analysis of Canadian housing. For more information on energy efficiency analysis, see *Energy Efficiency in Housing* at http://chba.ca/about/energyefficiency.aspx

Figure 5-10: Residential energy consumption by category

Category	Canadian annual average		Avalon Discovery 3[1] measured average	
	kWh	(%)	kWh	(%)
Space heating	19,318	65	6,148	35
Domestic hot water	4,958	17	3,026	17
Applicances and lighting[2]	5,014	17	8,206	46
Space cooling	298	1	0	0
Mechanical and ventilation	0	0	336	2
Total	29,589	100	17,716	100
Energy Saved is 11,874 kWh				

[1] Figures are a two-year average.

[2] Some of the difference in energy consumption by applicances and lighting is due to the different appliances included in the measurement.

Source: Canadian annual average - NRCan Energy Use Data Handbook 1990-2010, Residential Secondary Energy use by End-Use (2009), February 2013; Avalon Discovery 3 measured average - CMHC

Figure 5-11: Measured airtightness of building envelope, EQuilbrium™ Housing projects

Project	Measured airtightness (ACH@50Pa)	
Abondance	0.4	
Avalon D3	1.38	
EchoHaven	1.04	
ÉcoTerra™	0.83	
Green Dream	0.68	
Harmony House	0.73	
Inspiration	0.8	
Laebon CHESS	0.51	
	Pre-retrofit	Post-retrofit
Now House® (pre-&post retrofit)	5.6	2.6
Riverdale NetZero	0.5	
Urban Ecology	0.82	

Note: The yellow band represents a range of airtightness levels from 0.6 ACH (e.g. Passive House) to 1.5 ACH (e.g. R-2000).

Source: CMHC

Figure 5-12: Potable Water consumption comparisons, Canadian average[1] and EQuilbrium™ Housing projects

Project	Litres/person/day
Canadian average	251
Abondance	182
Avalon D3[2]	163
EchoHaven	50
ÉcoTerra™	160
Green Dream	122
Laebon CHESS	125
Now House®	320
Riverdale NetZero	150
Urban Ecology	145

[1] Residential water use in Canada, Environment Canada, 2011.

[2] Avalon Discovery 3 is based on monitoring over a continuous two-year period; the other projects over a one-year period.
Note: Water consumption data for Harmony House and Inspiration were not measured.

Source: CMHC

6

Newcomers' Housing

Doris McCarthy, Village of "Salvage" Newfoundland (Bonavista Bay), 1975, Watercolour, gouache and graphite on paper, 14.5" x 21.5", FAC 1514, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Immigration has long been a key driver of population and economic growth in Canada. As successive cohorts of new immigrants settle in Canada, their housing decisions, in turn, exert an important influence on housing markets.

This chapter describes demographic and socioeconomic characteristics of newcomers to Canada, examines where they are choosing to live, and reviews their housing choices and other aspects of their living conditions. Broadly, as the term is used here, newcomers are immigrants who have been in Canada for up to five-and-a-half years *(see Glossary on pages 6-20 and 6-21 for definitions of terms and notes on comparability of Census ans National Household Survey data)*. Examining the demographic characteristics and housing choices of newcomers, where they settle, and how their shelter costs and incomes change over time sheds light on trends in housing market demand and *core housing need* in Canada.

Newcomers contribute to population growth and serve as a potential counterweight to Canada's aging population

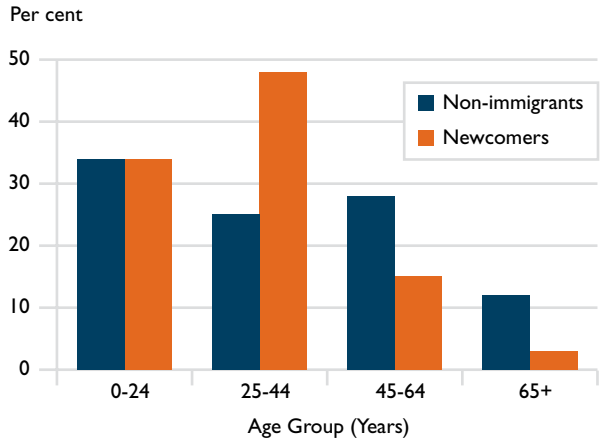
In 2011, there were 1,162,900 newcomers in Canada – 4% of Canada's total population and 17% of all immigrants. Newcomers maintained 335,300 households, 2.5% of all households in Canada. As a group, newcomers are relatively young. In 2011, 82% of newcomers were under 45 years of age, compared to 59% of the Canadian population *(see Figure 6-1)*.

Asian countries are high on the list of sources of newcomers to Canada

Where people come from can influence their housing preferences.

FIGURE 6-1

Distribution of newcomer and non-immigrant populations by age group, Canada, 2011

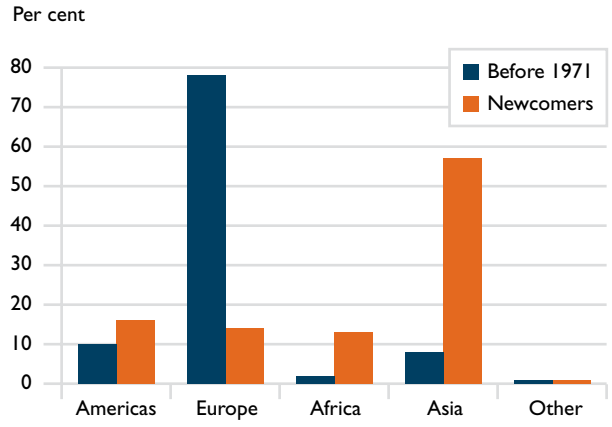


Percentages may not add to 100 because of rounding.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

FIGURE 6-2

Distribution of newcomer and pre-1971 immigrant populations by place of birth, Canada, 2011



Percentages may not add to 100 because of rounding.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

The source regions for immigrants to Canada have shifted away from Europe towards Asia. In 2011, 57% of all newcomers in Canada were born in Asia and 14% in Europe. In contrast, more than three-quarters (78%) of immigrants in 2011 who reported coming to Canada before 1971 were from Europe and just 8% were from Asia *(see Figure 6-2)*. The Asian share of immigration to Canada rose through the 1970s, 1980s, and 1990s, before dropping slightly in recent years.

The top five birthplaces for newcomers in 2011 were, in order, the Philippines, China, India, the United States, and Pakistan. Among immigrants who reported landing in Canada before 1971, by contrast, the top source countries were the United Kingdom, Italy, Germany, the Netherlands and the United States.

As discussed later in this chapter *(see page 6-10)*, homeownership rates in the years following landing differ by birthplace. Such differences could reflect a range of socioeconomic and cultural influences.

Most newcomers settle in Census Metropolitan Areas

Where newcomers choose to settle affects housing markets by adding to housing demand.

Newcomers are more likely than non-immigrants to settle in a Census Metropolitan Area (CMA). In 2011, CMAs were home to 92% of newcomers, but only 63% of non-immigrants. Newcomers tend to be drawn to large centres where family or friends may already be present.[1]

In 2011, most newcomers lived in one of the three largest CMAs in Canada – 33% of them in Toronto, 16% in Montréal, and 13% in Vancouver *(see Figure 6-3)*. Though these three communities were home to 62% of newcomers to Canada in 2011, their collective share of newcomers was lower than in the past: 73% of newcomers in 2001 lived in Toronto, Montréal, or Vancouver.

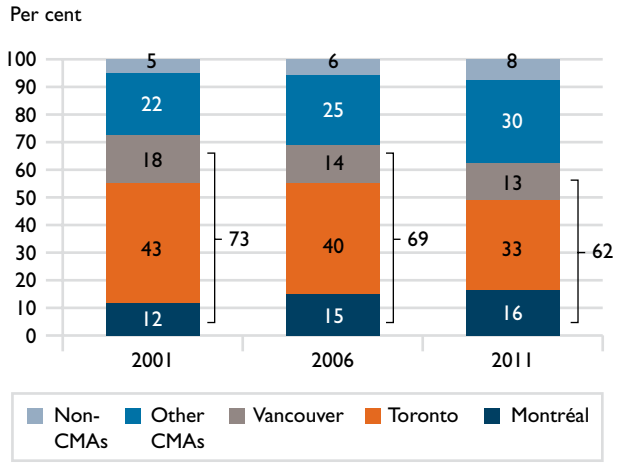
[1] For example, the *Longitudinal Survey of Immigrants to Canada* found that the presence of family or friends was the most common reason cited by newcomers for settling where they did. *Longitudinal Survey of Immigrants to Canada: Process, progress and prospects.* Catalogue no. 89-611-XIE. Ottawa: Statistics Canada, 2003. pp. 13-15.

During the decade from 2001 to 2011, increasing percentages of newcomers settled in places other than Vancouver or Toronto, most notably in CMAs in the Atlantic provinces, Quebec, and the Prairies.[2] In addition, there were signs that newcomers were more likely than in the past to settle in smaller communities. In 2011, 8% of newcomers lived somewhere other than in a CMA, compared to 5% of newcomers in 2001.

One reason for this shift in newcomer settlement patterns may be that provinces and territories are actively pursuing immigrants with required skills to fill labour shortages in particular regions. In addition, mid-sized centres and small towns and rural areas may be becoming more attractive to newcomers due to the presence of other immigrants there, more information being available prior to immigration,[3] or assistance being offered by local

FIGURE 6-3

Distribution of newcomers by place of residence, 2001, 2006, and 2011



Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

Fast Facts

- In 2011, 62% of newcomers (immigrants who landed in Canada between January 1, 2006 and May 10, 2011) settled in Toronto, Montréal, or Vancouver, down from 73% in 2001.
- In 2011, there were 335,300 newcomer households in Canada, 2.5% of all households.
- Newcomer households had a median income in 2010 of $42,698, compared to $61,665 for non-immigrant households.
- Newcomer households are larger overall (an average of 3.1 persons in 2011) than those formed by non-immigrants (2.4 persons).
- Shelter costs averaged 30% of newcomer households' before-tax incomes in 2011, compared to 21% for non-immigrant households.
- In 2011, 36% of newcomer households owned their homes, compared to 70% for non-immigrants. Newcomers who owned their homes were much more likely to have mortgages (83%) than non-immigrant owners (59%).
- In 2011, about 27% of newcomer households were crowded compared to about 4% of non-immigrant households.
- In 2011, 29.6% of newcomer households were in *core housing need,* almost three times the rate for non-immigrant households (11.0%). Finding affordable housing was the most common challenge for newcomer households in need, but crowding was also an important factor.

[2] From 2001 to 2011, Oshawa, Barrie, Greater Sudbury, and Thunder Bay were the only CMAs in Ontario that attracted an increasing share of newcomers to Canada. In all four instances, increases were small.

[3] See, for example, *Settling in Canada* www.cmhc-schl.gc.ca/en/co/buho/seca/ (August 22, 2014).

municipal or multicultural associations. Lower housing costs and shorter commuting times in smaller centres may also be attractive to newcomers.

Despite the increasingly dispersed pattern of immigrant settlement over the past decade, newcomer populations in the three largest CMAs remain by far the largest in Canada. Toronto was home to 381,700 newcomers in 2011 (7% of its population), Montréal to 189,700 newcomers (5% of its population), and Vancouver to 155,100 newcomers (7% of its population). Calgary was a distant fourth, home to 70,700 newcomers (6% of its population).

Finding employment is difficult for some newcomers despite high education levels

Employment and income are often key factors in determining housing choices.

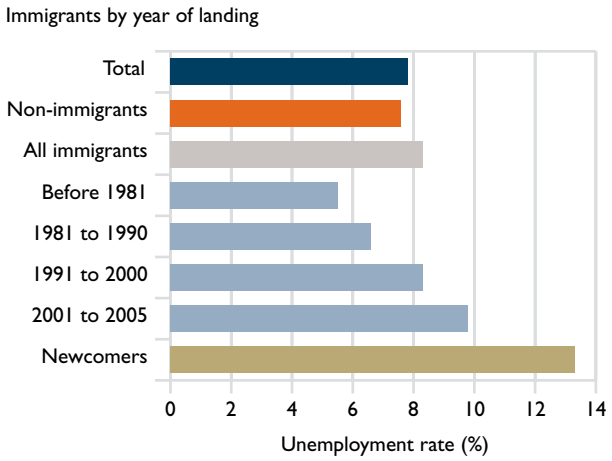
Newcomers in 2011 were relatively well-educated: 65% reported having a post-secondary diploma or certificate, compared to 52% of non-immigrants. If anything, the education levels of immigrants have been increasing. In 2011, 41% of newcomers had a university certificate, diploma, or degree at the bachelor level or above, compared to 31% of immigrants who landed in Canada from 1991 to 2000 and 18% of non-immigrants.

Official language proficiency is also important for immigrant settlement and adjustment to life in Canada, including finding employment and housing. A high proportion of newcomers in 2011 (91% overall) reported having knowledge of English (70%), French (8%), or English and French (13%). Only a small proportion (9%) reported not being able to conduct a conversation in either English or French.

Higher education levels and official language proficiency did not necessarily translate into immediate employment. The unemployment rate for newcomers was 13.3%, much higher than for non-immigrants (7.6%) *(see Figure 6-4).*[4] Unemployment rates for immigrants decreased the longer they had been in Canada, to the point where immigrants who came to Canada before 1981 had an unemployment rate of 5.5%. These patterns suggest that employment prospects improve over time as immigrants have their credentials recognized, gain experience, and adjust to their new surroundings.[5]

FIGURE 6-4

Unemployment rates, immigrants and non-immigrants, Canada, 2011



Unemployment rates are for the week of May 1 to May 7, 2011. Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Stable employment and income facilitate access to housing and, for those who prefer homeownership, to mortgage financing. They also enable households to accumulate savings for down payments on homes. Only 38% of newcomers in the labour force reported working full-time throughout 2010, considerably lower than the percentages for non-immigrants (54%) or immigrants who had been in Canada longer.[6] For example, 48% of immigrants who arrived between 2001 and 2005

[4] Unemployment rates derived from responses to the *National Household Survey* are for the week of May 1 to May 7, 2011.

[5] Caution should be exercised in interpreting these data since they are cross-sectional; that is, they describe conditions at a single moment, not over time.

[6] Statistics Canada defines working full year, full time as working 49 to 52 weeks—including vacation and paid sick leave—for 30 hours or more in the majority of weeks.

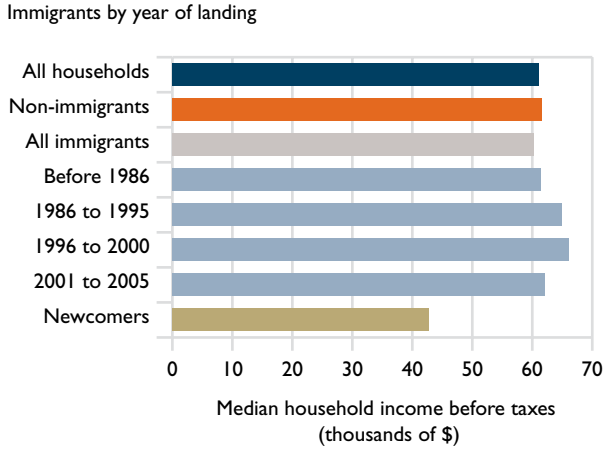
reported working full time throughout 2010, and more than half (52%) of those who arrived the previous decade (between 1991 and 2000) had full-time, year-long employment in 2010.

Newcomer incomes are low initially but tend to rise over time

Not surprisingly, given their difficulties in finding full-time, year-long employment, newcomers have relatively low incomes. Households maintained by newcomers in 2011 had a median income of $42,698 in 2010, compared to $61,665 for non-immigrants *(see Figure 6-5)*.[7]

FIGURE 6-5

Median incomes before taxes of immigrant and non-immigrant households, Canada, 2010



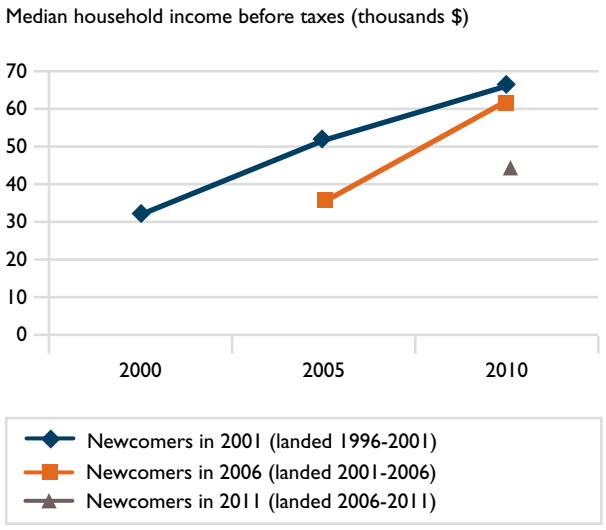
Income data collected by the 2011 *National Household Survey* are for 2010.
Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

However, newcomers could experience substantial gains in income as they establish themselves in the labour market. The household incomes of previous cohorts of newcomers grew substantially in the years following their arrival in Canada. Between 2000 and 2010, for example, the median income of households with primary maintainers who came to Canada from 1996 to 2001 more than doubled. Newcomers arriving between 2001 and 2006 experienced an even steeper income trajectory *(see Figure 6-6)*.[8] In 2010, the median household incomes of all immigrant cohorts other than newcomers were slightly above that of non-immigrant households.

FIGURE 6-6

Median household incomes of newcomer cohorts, Canada



Lines depict before-tax household incomes of cohorts of newcomers over time, in current dollars.
Income is for the calendar year preceding each census year.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey*)

[7] The median is the mid-point of a distribution: half of households have incomes at or below the median, and half have incomes at or above the median. Income data collected by the 2011 *National Household Survey* are for 2010.

[8] Rates of change are based on nominal dollar values (unadjusted for inflation).

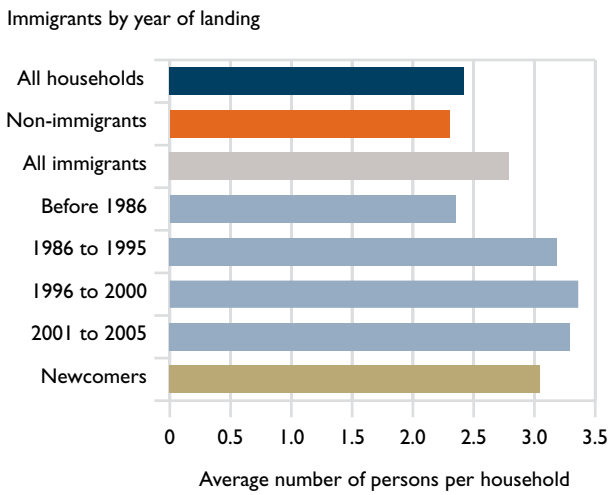
A recent study found that university-educated immigrants had a much steeper earnings growth trajectory than their less educated counterparts (trades and high-school graduates).[9] The earnings advantage of the university-educated over the less educated increases significantly with time spent in Canada.

Newcomers form larger-than-average households

In 2011, there were 335,300 newcomer households in Canada, 2.5% of all households. Newcomer households were larger on average (3.1 persons) than non-immigrant households (2.4 persons) *(see Figure 6-7)*.

FIGURE 6-7

Average household sizes, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

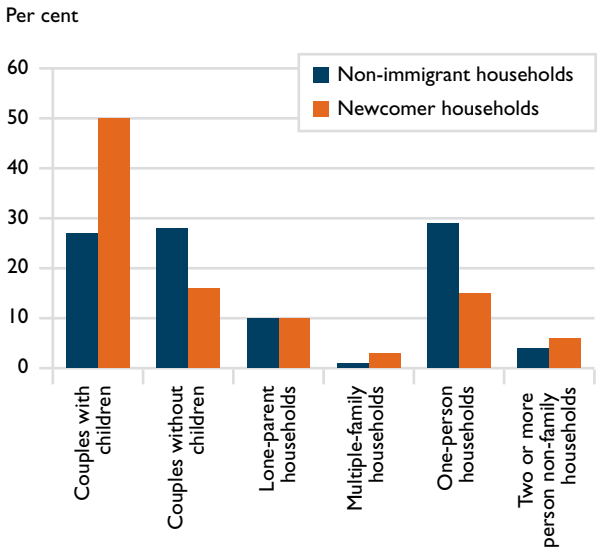
Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Couples with children, multi-family households and non-family households of two or more people were more common among newcomer households than among non-immigrant households *(see Figure 6-8)*. People who lived alone were relatively less common.

Differences in the size and composition of newcomer and non-immigrant households could reflect a variety of factors. To begin with, as noted earlier, newcomers tend to be relatively young, hence more likely than non-immigrants to be raising families: in 2011, more than two-thirds (69%) of newcomer households had primary maintainers aged 25 to 44 compared to just 33% of non-immigrant households. In addition, one way for newcomers to stretch their relatively low incomes is to share accommodation, either with extended family or with others. Finally, newcomers may come from societies in which larger families are more common than is currently the case in Canada.

FIGURE 6-8

Distributions of newcomer and non-immigrant households by household type, Canada, 2011



Percentages may not add to 100 because of rounding.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

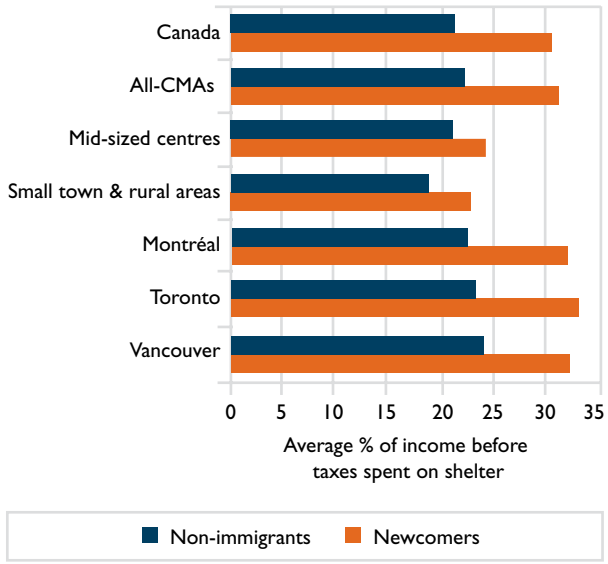
[9] Garnett Picot, Feng Hou, and Theresa Qiu, *The Human Capital Model of Selection and the Long-run Economic Outcomes of Immigrants.* Ottawa: Statistics Canada, 2014.

Newcomers spend high fractions of their incomes on shelter

Finding affordable housing can be a challenge for newcomers. Many live in large urban centres, such as Toronto and Vancouver, where housing is more expensive than in other parts of Canada, and many have incomes that are relatively low. In 2011, newcomer households in Canada spent an average of $1,177 on monthly shelter costs, compared to $1,003 for non-immigrant households. Shelter costs consumed an average of 30% of the before-tax incomes of newcomer households, well above the average percentage spent by non-immigrant households (21%) *(see Figure 6-9)*.

FIGURE 6-9

Shares of income spent on shelter, newcomer and non-immigrant households, selected geographies, 2011



Income data collected by the 2011 *National Household Survey* are for 2010.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Although household incomes in large communities are on average higher than incomes in other parts of Canada, newcomer households in 2011 who lived in CMAs actually had lower median incomes ($41,784) than newcomers in mid-sized centres ($56,923) or in small town and rural areas ($52,983).[10] Accordingly, newcomers living in CMAs spent much higher fractions of their incomes on shelter (an average of 31%) than newcomers in mid-sized centres (24%) or in small town and rural areas (23%). In most CMAs, the percentage of income spent by newcomers on shelter was considerably higher than that spent by non-immigrants—33% versus 23% in Toronto, 32% versus 22% in Montréal, and 32% versus 24% in Vancouver.

Having higher income and spending a lower fraction of income on shelter indicates that newcomers in mid-sized centres and small town and rural areas fare better in meeting their housing needs. It is not clear why median income for newcomers is higher in these areas; however, housing costs are typically lower in mid-sized centers and small town and rural areas making housing more affordable.

The percentage of income spent on shelter by immigrants is lower the longer they have been in Canada

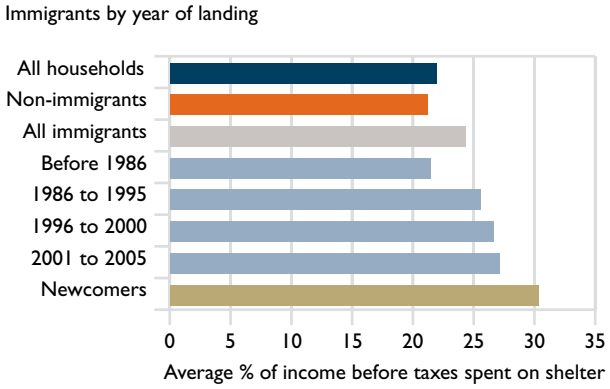
Differences in the percentage of income spent on shelter relative to non-immigrants are smaller the longer immigrants have been in Canada. In 2011, immigrant households with primary maintainers who came to Canada from 2001 to 2005 spent 27% of their incomes on shelter, and those with maintainers who came prior to 1986 spent about the same percentage as non-immigrants (21%) *(see Figure 6-10)*.

These patterns imply an extended period of adjustment for immigrants, during which incomes rise and housing conditions improve. It remains to be seen how the incomes and housing circumstances of newcomers in 2011 will change in coming decades. Each cohort of immigrants differs with respect to education, skills, and the economic environment in Canada in the

[10] Income data collected by the 2011 *National Household Survey* are for 2010.

FIGURE 6-10

Shares of income spent on shelter, immigrant and non-immigrant households, Canada, 2011

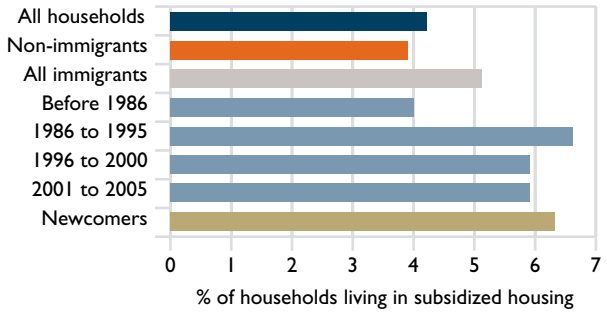


Income data collected by the 2011 *National Household Survey* are for 2010.
Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

FIGURE 6-11

Prevalence of subsidized housing, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Subsidized housing includes rent-geared-to-income housing, social housing, public housing, government-assisted housing, non-profit housing, rent supplements and housing allowances.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

years following their arrival. Newcomers in 2011, for example, were at least as well-educated as previous cohorts of immigrants, but landed during a period touched by recession.

Newcomers are more likely than non-immigrants to live in subsidized housing

In 2011, 6.3% of newcomer households lived in subsidized housing, higher than the percentage of non-immigrant households living in such housing (3.9%) *(see Figure 6-11)*.[11] The higher proportion of newcomers in subsidized housing is consistent with their relatively low incomes.

Despite their generally higher incomes than newcomers, households maintained by immigrants who landed in Canada between 1986 and 2005 were no less likely than newcomers to live in subsidized housing; for example, 6.6% of households with maintainers who arrived in Canada between 1986 and 1995 lived in subsidized housing in 2011.

Over a third of newcomer households own their homes

Newcomers add to demand for homeownership.

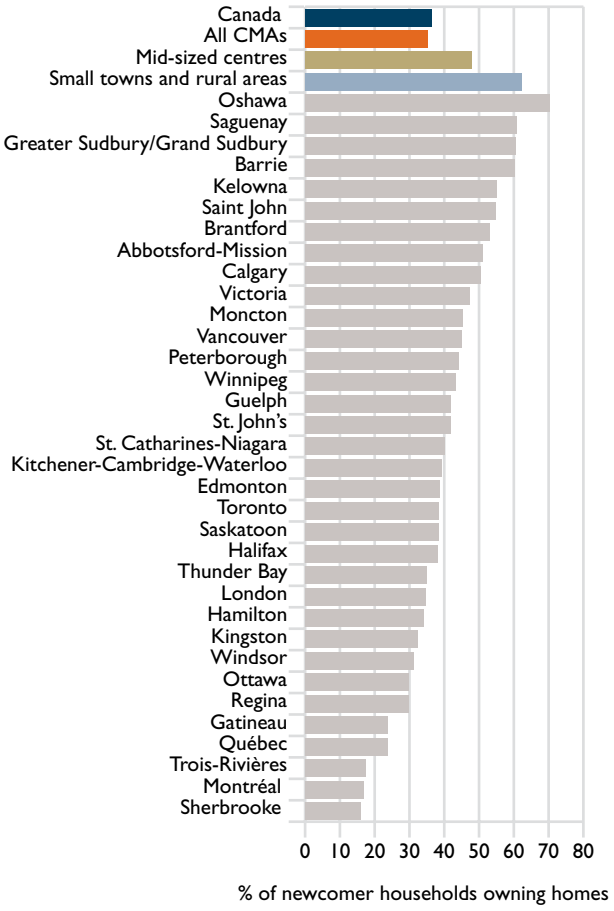
In 2011, 36% of newcomer households owned their homes, up from 35% in 2006 and 30% in 2001, but much lower than rates for non-immigrants (70% in 2011). Ownership rates for newcomers in small town and rural areas (62%) and in mid-sized centres (48%) were well above the rate in CMAs (35%), reflecting the higher cost of housing and relatively low incomes of newcomer households in CMAs *(see Figure 6-12)*.

Across CMAs, the rate of homeownership in 2011 for newcomer households varied considerably more than for the general population. Oshawa had the

[11] On the *National Household Survey* questionnaire, Statistics Canada instructs respondents that subsidized housing includes rent-geared-to-income housing, social housing, public housing, government-assisted housing, non-profit housing, rent supplements and housing allowances.

FIGURE 6-12

Homeownership rates, newcomer households, Canada, CMAs[1] and smaller communities, 2011



[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

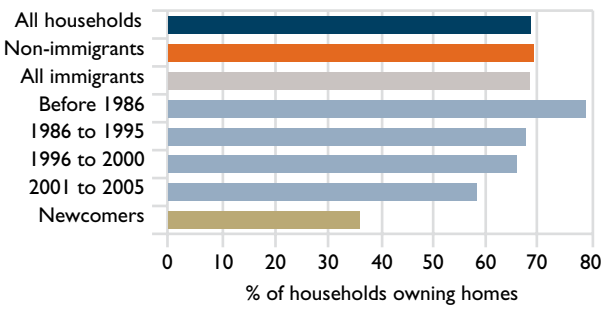
highest percentage of newcomer households owning homes (70%) of any CMA and Sherbrooke the lowest (16%). With the exception of Saguenay, ownership rates for newcomers were well below average in CMAs in Quebec, which historically has had relatively plentiful, affordable rental housing and the lowest homeownership rate among provinces. In Toronto and Vancouver, ownership rates for newcomers—38% and 45%, respectively—were slightly above the CMA average, in sharp contrast to the rate in Montréal (17%).

Homeownership rates of immigrants rise over time

In 2011, homeownership rates for immigrants were higher the longer they had been in Canada, presumably because of the time required to gain a solid footing in the labour market and to build up savings and a good credit rating. Households with immigrant maintainers who came to Canada from 1996 to 2000 and from 2001 to 2005 had much higher ownership rates (66% and 59%, respectively) in 2011 than newcomers *(see Figure 6-13)*. Five to ten years after landing in Canada, the homeownership rates of these two immigrant cohorts were more than 20 percentage points above the rates they posted as newcomers *(see Figure 6-14)*. These patterns indicate that many newcomers bought homes within a few years of landing in Canada.[12]

FIGURE 6-13

Homeownership rates, immigrant and non-immigrant households, Canada, 2011



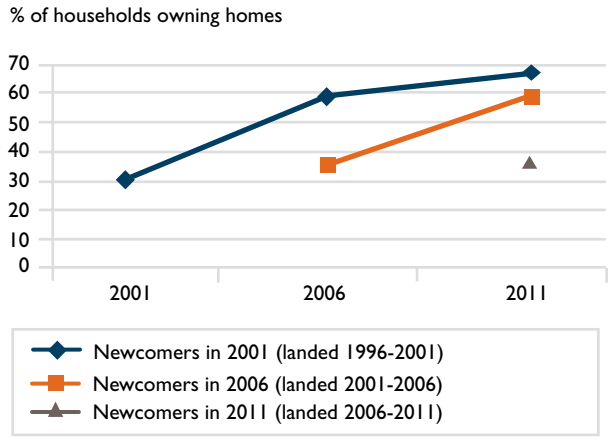
Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

[12] Recent longitudinal research on immigrants who landed in Canada between October 2000 and September 2001 supports this conclusion. Four years after they landed, these immigrants had a homeownership rate that had more than doubled in the previous three-and-a-half years. Michael Haan, *The Housing Experiences of New Canadians: Insights from the Longitudinal Survey of Immigrants to Canada* (LSIC) Ottawa: Citizenship and Immigration Canada, 2012, p. 13.

FIGURE 6-14

Homeownership rates of newcomer cohorts, Canada

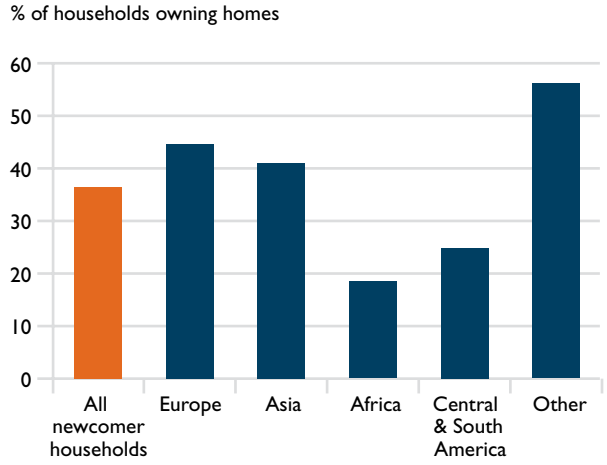


Lines depict homeownership rates of three cohorts of newcomer households over time.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

FIGURE 6-15

Homeownership rates, newcomer households by birthplace of maintainer, Canada, 2011



Newcomer household—a household with a primary household maintainer who is a newcomer.
"Other" birthplaces comprise mainly the United States, Australia, New Zealand, and Fiji.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Characteristics of newcomer owners and renters differ, most notably with respect to income

A number of studies have found that the low initial homeownership rates of newcomers rise quickly in the years following landing. They point to a number of potential influences on homeownership patterns among immigrants, including income, wealth, age, household type, length of residence in Canada, and place of birth.[13]

In 2011, homeownership rates for newcomers varied considerably by birthplace. Rates for households with maintainers from Europe, Asia, and "Other" regions were up to twice (in some cases more than twice) those of households with maintainers from Africa or from Central and South America *(see Figure 6-15)*.[14] Such differences could be rooted in a variety of factors, including incomes and wealth, attitudes towards homeownership, and local housing market conditions.

Newcomers who own their homes tend to be somewhat older than those who rent: in 2011, 73% were 35 or older compared to 59% of renters. Couples with children and multi-family households made up a higher percentage

[13] For examples see, Samual A. Laryea, "Housing Ownership Patterns of Immigrants in Canada" *Vancouver Centre of Excellence Working Paper Series* #99-19, 1999, pp. 1-30; Daniel Hiebert, "Newcomers in the Canadian housing market: A longitudinal study, 2001-2005" *The Canadian Geographer* 53(3) (2009), pp. 268-287; and Barry Edmonston and Sharon M. Lee, "Immigrants' Transition to Homeownership, 1991 to 2006" *Canadian Studies in Population* 40, no. 1-2 (2013), pp. 57-74.

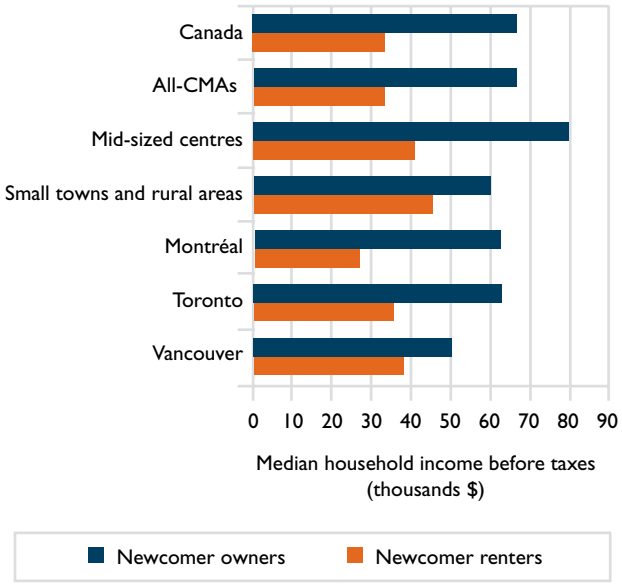
[14] "Other" birthplaces comprise mainly the United States, Australia, New Zealand, and Fiji.

of newcomer homeowners (66%) than of newcomer renters (46%). The average size of newcomer households who owned their homes was 3.5 persons, compared to 2.9 persons for newcomer renters.

Differences in the demographic make-up of newcomer homeowners and renters are minor compared to income differences between the two groups. The median income before taxes of households maintained by newcomers in 2011 who owned their homes was twice that of newcomers who rented—$66,330 compared to $33,355 *(see Figure 6-16)*.[15] Substantial income differences between newcomer owners and renters were evident in most CMAs, including Toronto, Montréal, and, to a lesser degree, Vancouver.

FIGURE 6-16

Median household incomes by tenure, newcomer households, selected geographies, 2010



Income data collected by the 2011 *National Household Survey* are for 2010.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

The magnitude of these differences suggests that income is one of the most important—if not the most important—influences on whether newcomers own or rent.

Most newcomers who own homes have mortgages

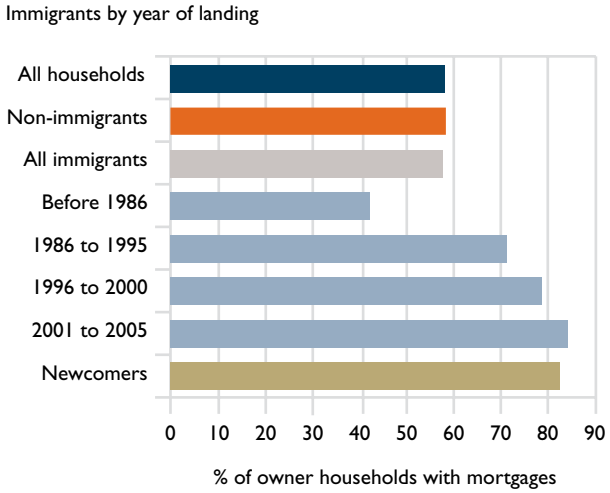
Newcomers also add to the demand for mortgages.

In 2011, 83% of newcomer homeowners had mortgages, compared to 59% of non-immigrant homeowners *(see Figure 6-17)*.

The high proportion of newcomer homeowners with mortgages largely reflects the relative youth of the newcomer population *(see Figure 6-1)*. Young homebuyers, both immigrants and non-immigrants, tend to take out mortgages to finance their purchases. In 2011, 65%

FIGURE 6-17

Percentage of homeowners with mortgages, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

[15] Income data collected by the 2011 *National Household Survey* are for 2010. Income differences between newcomer owners and renters are large even when household types and age groups are taken into account. For example, among households with maintainers between the ages of 35 and 44, newcomer couples with children who owned their homes had incomes that were 1.9 times those of newcomer couples with children who rented.

of newcomer homeowners were under age 45, double the percentage for non-immigrant homeowners (32%). A second factor behind the relatively high percentage of newcomer homeowners with mortgages is the tendency for older newcomers to require mortgage financing, unlike non-immigrant owners who are likely to have paid off mortgages by the time they approach retirement age. In 2011, three-quarters (76%) of newcomers aged 45 or more who owned homes had mortgages, compared to 46% of similarly aged non-immigrant owners.

Regardless of where they lived—in CMAs, mid-sized communities, or in small towns and rural areas—newcomers who owned their homes were far more likely to have mortgages than other homeowners. In Toronto, Montréal, and Vancouver, for example, 85%, 81%, and 77%, respectively, of newcomer homeowners had mortgages, compared to 62%, 63%, and 60%, respectively, of non-immigrant homeowners.

Newcomers financing the purchase of their homes generally spent relatively high fractions of their incomes on shelter—an average in 2011 of 31% in Canada as a whole compared to 23% for non-immigrant households with mortgages. The ratio of shelter cost-to-income for newcomer homeowners with mortgages was much higher in CMAs (32%) than in mid-sized centres (24%) or in small towns and rural areas (26%), a reflection of higher housing costs in large urban markets. Average monthly shelter costs for newcomer homeowners were $1,825 in CMAs, $1,684 in mid-sized centres, and $1,459 in small towns and rural areas.

Newcomers are more likely to live in condominiums than non-immigrants

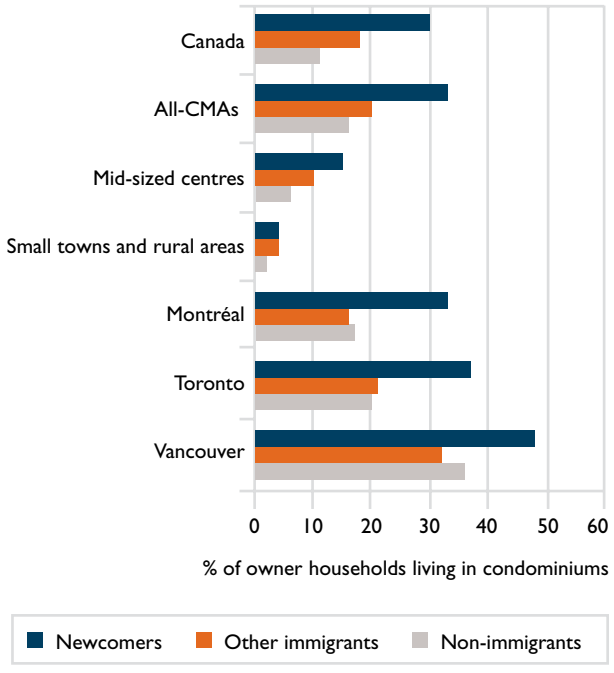
Newcomers are part of the reason for growing popularity of condominiums.[16]

Newcomers who purchase homes are more likely to choose condominiums than non-immigrant homeowners. In 2011, 30% of newcomer homeowners lived in condominiums, almost three times the percentage for non-immigrant owners (11%) *(see Figure 6-18)*. In Canada as a whole, other immigrants also had relatively high rates of condominium ownership, though lower than newcomers.

In 2011, 37% and 20%, respectively, of newcomer and non-immigrant homeowners in Toronto lived in condominiums, compared to 33% and 17% of newcomer and non-immigrant homeowners in Montréal, and 48% and 36% of newcomer and non-immigrant

FIGURE 6-18

Percentage of homeowners in condominiums, immigrant and non-immigrant households, selected geographies, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

[16] The term "condominium" ("strata" in British Columbia) describes a type of tenure that combines elements of both private and shared ownership. Condominiums are not limited to any single type of structure. For more information, see Chapter 2 "Condominiums" in the *Canadian Housing Observer 2013*.

homeowners in Vancouver. In large urban centres, condominiums represent a relatively affordable, but typically less spacious, homeownership choice: across Canada, owner-occupied condominiums in 2011 had an average of 5.0 rooms, compared to 7.5 rooms for other owner-occupied dwellings.[17]

In 2011, 17% of newcomer households who rented their homes lived in condominiums, compared to 10% of non-immigrant renters. Overall, 22% of newcomer households, owners and renters combined, lived in condominiums, more than double the percentage for non-immigrant households (10%).

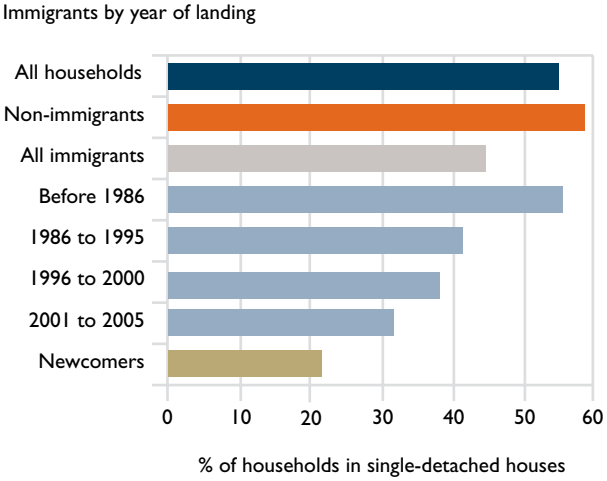
Most newcomer households live in multiple-unit dwellings

In 2011, 59% of newcomer households lived in apartments, more than twice the percentage for non-immigrants (25%). Just 22% of newcomer households lived in single-detached houses, compared to 59% of non-immigrants *(see Figure 6-19)*. The low percentage of newcomers living in single-detached housing reflects their low rates of homeownership as well as the large numbers who live in Montréal, Toronto, and Vancouver, densely populated communities where single-detached housing makes up less than half of the housing stock. Differences between the percentages of newcomer and non-immigrant households living in single-detached houses were less marked in mid-sized centres (43% versus 63%) and especially in small town and rural areas (72% versus 81%) than in CMAs (19% versus 49%).

Consistent with the previously discussed movement of newcomers from rental housing into homeownership in the years following landing in Canada, the percentage of immigrant households living in single-detached dwellings was higher the longer they had been in Canada. In 2011, 32% of households maintained by immigrants who came to Canada from 2001 to 2005 lived in detached homes, a percentage that rose to 56% among immigrants who landed prior to 1986—slightly below the percentage for non-immigrants. In fact, in most CMAs, including Toronto and Vancouver, immigrant households with maintainers who landed before 1986 had higher rates of single-detached occupancy than non-immigrant households.

FIGURE 6-19

Occupancy of single-detached houses, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Smaller dwellings and large household sizes add up to high rates of crowding for newcomers

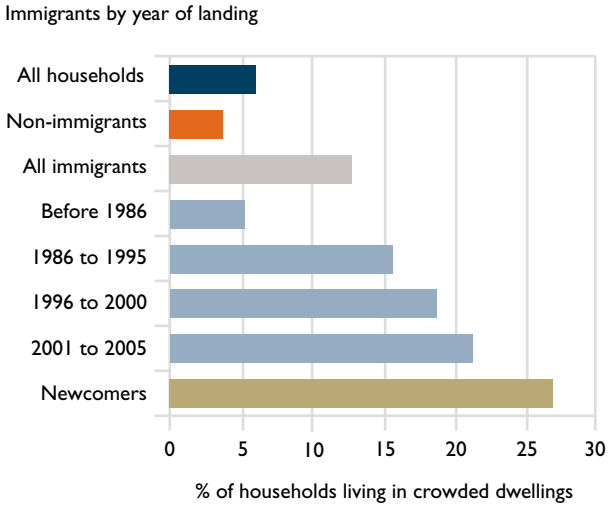
Although newcomer households tend to be larger than average, their dwellings are comparatively small. Homes occupied by newcomer households in 2011 had an average of 4.6 rooms and 2.3 bedrooms, compared to 6.4 rooms and 2.8 bedrooms for non-immigrants.

[17] For more information about characteristics of condominiums, including housing costs, see *Canadian Housing Observer 2013*. Ottawa: Canada Mortgage and Housing Corporation, 2013, pp. 2-1 to 2-25.

For newcomers, smaller dwellings and larger household sizes add up to high rates of crowding. In 2011, 27% of newcomer households in Canada lived in crowded conditions, seven times the percentage for non-immigrants *(see Figure 6-20)*. Although less prevalent in mid-sized centres and in small towns and rural areas than in CMAs, crowding in places other than CMAs was still far more common among newcomers than non-immigrants.

FIGURE 6-20

Incidence of crowding, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Crowding is less prevalent the longer immigrants have been in Canada

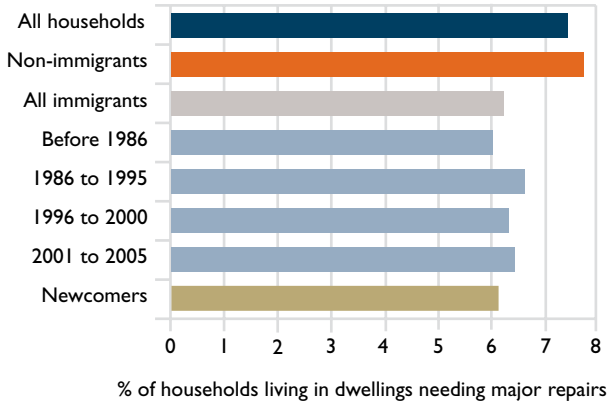
The longer immigrants have been in Canada, the less likely they are to live in crowded housing. In 2011, for example, 21% of households with immigrant maintainers who landed from 2001 to 2005 were crowded, six percentage points lower than the rate for newcomers, but much higher than the 5% rate for households with immigrant maintainers who landed before 1986. This pattern is consistent with previously noted characteristics of newcomer households—comparatively low household incomes, homeownership rates, and occupancy of single-detached housing—and income growth and improvements in living conditions in the years following immigration to Canada.

Newcomers rate their housing as being in good physical condition

Although crowded conditions could contribute to housing wear and tear, newcomer households in 2011 were slightly less likely (at 6%) than all households (at 7%) to report that their homes needed major repairs *(see Figure 6-21)*. While it is possible that newcomers use a different yardstick than others in assessing the condition of their housing, the above, taken at face value, suggests that the physical condition of the housing occupied by newcomers is on a par with Canadian norms.

FIGURE 6-21

Incidence of housing needing major repairs, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Ratings of physical condition are based on occupant judgments.

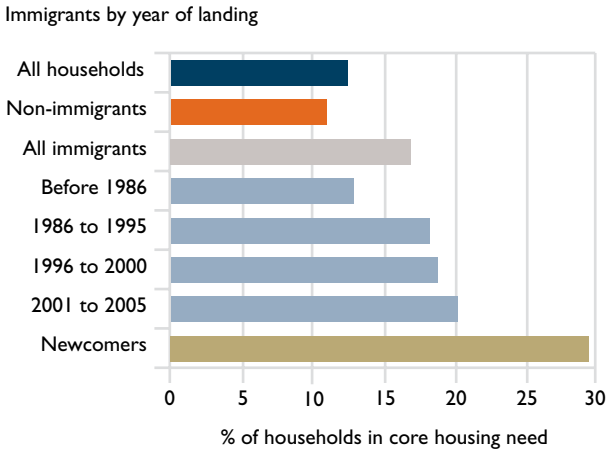
Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Newcomer households experience high rates of core housing need

Housing need estimates for newcomers and other immigrants echo the above-described pattern of initial difficulty and subsequent improvement in housing conditions. In 2011, 29.6% of newcomer households were in *core housing need,* almost three times the rate for non-immigrant households (11.0%) and well above the rate for all households (12.5%) *(see Figure 6-22 and Acceptable Housing and Core Housing Need on page 6-21)*. Newcomers in *core housing need* on average spent half their incomes on shelter, virtually the same proportion spent by other households in need, be they other immigrant or non-immigrant households. Given their higher incomes, newcomer homeowners (16.3%) were much less likely to be in *core housing need* than newcomer renters (37.6%).

FIGURE 6-22

Incidence of core housing need, immigrant and non-immigrant households, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Consistent with the relatively high proportions of income spent on shelter by newcomers in large urban centres, the percentage of newcomer households in *core housing need* in CMAs (30.5%) was more than double the percentages in mid-sized centres (14.5%) or in small towns and rural areas (14.5%) *(see Figure 6-23)*. The incidence of *core housing need* for newcomer households in Toronto (36.4%) was higher than in any other CMA. The percentages of newcomer households in housing need in Vancouver (33.3%) and Montréal (31.3%) were also above the CMA average. In Saguenay, the incidence of *core housing need* for newcomers (0%) was the lowest among CMAs, a reflection both of relatively inexpensive housing and incomes for newcomer households that were higher than in any other CMA.

The incidence of core housing need among immigrant households drops the longer they have been in Canada

Among immigrant households, the incidence of *core housing need* is lower the longer household maintainers have been in Canada. In 2011, 20.3% of households with immigrant primary maintainers who came to Canada between 2001 and 2005 were in *core housing need* in 2011, considerably below the percentage of newcomer households in need, but much higher than the incidence of need for households with maintainers who landed in Canada before 1986 (12.9%).

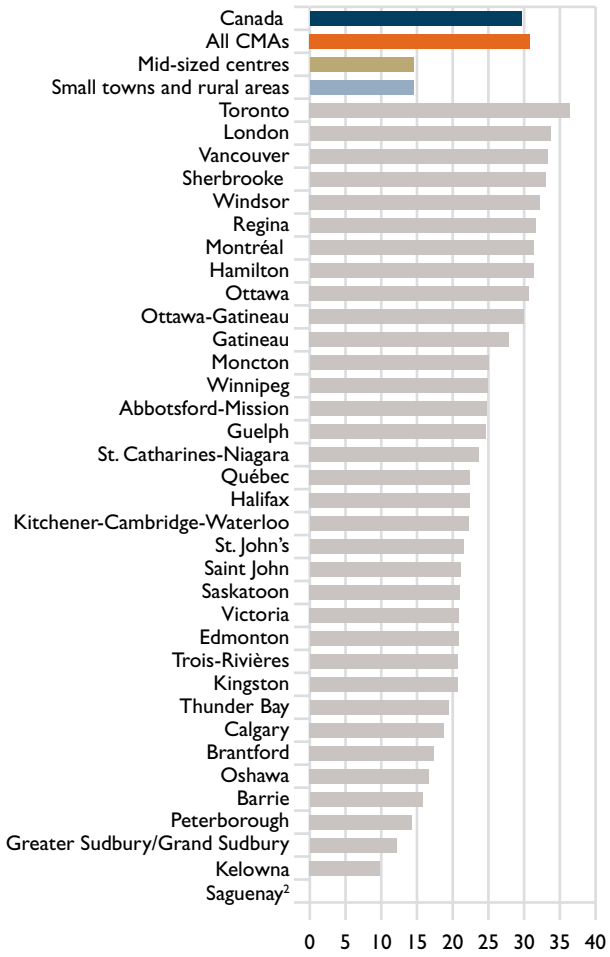
Affordability is the main reason newcomers fall into housing need, but crowding is also an important factor

By definition, all households in *core housing need* live in housing that fails to meet one or more housing standards.[18] Affordability is typically the main reason that households, including newcomers, fall into *core housing need*. In 2011, 86% of newcomer households in *core housing need* lived in housing that was unaffordable, compared to 90% of non-immigrant households in housing need *(see Figure 6-24)*.

[18] The reverse is not true: a household can be in housing below one or more standards and not be in core need if it has sufficient income to access acceptable local housing.

FIGURE 6-23

Incidence of core housing need, newcomer households, Canada, CMAs[1] and smaller communities, 2011

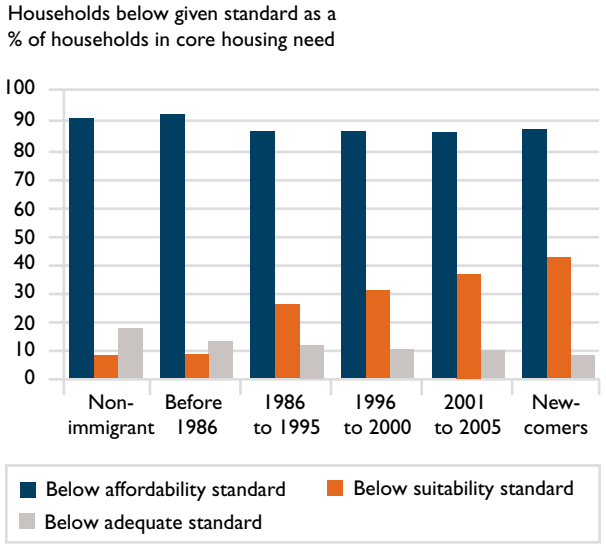


[1] Ottawa and Gatineau portions of the Ottawa-Gatineau CMA are also shown separately.
[2] In Saguenay, in 2011, none of the 140 households led by newcomers fell into core housing need.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

FIGURE 6-24

Housing standards not met, immigrant and non-immigrant households in core housing need, Canada, 2011



Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Although affordability was the most common reason that newcomers fell into housing need, crowding was also an important contributor. Four out of ten (42%) newcomer households in *core housing need* lived in crowded housing, five times higher than the percentage of non-immigrant households in need who lived in crowded housing (8%).

Crowding was less likely to be implicated in housing need the longer immigrants had lived in Canada. Among immigrant households with primary maintainers who landed in Canada before 1986, crowding accounted for about the same share of housing need (8%) as among non-immigrant households.

In keeping with the generally low incidence of Canadian housing needing major repair, only a small percentage of households in *core housing need,* whether immigrant or non-immigrant, report living in inadequate housing. In 2011, 8% of newcomer households in housing need lived in housing deemed to be in need of major repair (below the adequacy standard), compared to 17% of non-immigrant households in need.

Newcomer fortunes in coming years will depend on a variety of factors

The comparison of immigrants and non-immigrants presented above reveals relatively difficult initial conditions for newcomers, but also suggests progressive improvement in their fortunes over time, for example, better employment prospects, rising incomes and homeownership rates, decreasing shares of income spent on shelter, less crowding, and declining rates of housing need. Although the great majority still settle in CMAs, newcomers are settling in greater numbers in mid-sized and small towns and rural areas, where they have fared better in meeting their housing needs than in large CMAs. If this pattern of dispersion continues, it may mark a departure from previous trends.

As discussed above, the superior housing conditions in 2011 of other immigrants by comparison to newcomers are only suggestive of the extent to which the circumstances of the current group of newcomers might improve in the future. The fortunes of each cohort of newcomers will be influenced by a variety of factors in the years following landing in Canada, including labour and housing market conditions in the places where they choose to settle, and their own unique combination of education, skills, and other characteristics.

Annex

Doris McCarthy, Village of "Salvage" Newfoundland (Bonavista Bay), 1975, Watercolour, gouache and graphite on paper, 14.5" x 21.5", FAC 1514, Firestone Collection of Canadian Art, The Ottawa Art Gallery; Donated to the City of Ottawa by the Ontario Heritage Foundation, Photo Credit: Tim Wickens

Glossary

Glossary

Newcomers

Newcomer in 2011:
an immigrant who landed in Canada between January 1, 2006 and May 10, 2011 (Census Day).

Newcomer in 2006:
an immigrant who landed in Canada between January 1, 2001 and May 16, 2006 (Census Day).

Newcomer in 2001:
an immigrant who landed in Canada between January 1, 1996 and May 15, 2001 (Census Day).

Newcomer household:
a household with a primary household maintainer (as defined below) who is a newcomer.

Immigrants and non-permanent residents

Immigrant:
a person who is or has ever been a landed immigrant/ permanent resident. The person has been granted the right to live in Canada permanently by immigration authorities.

Immigrant household:
a household with a primary household maintainer (as defined below) who is an immigrant.

Non-immigrant household:
household with a primary household maintainer (as defined below) who is neither an immigrant nor a non-permanent resident.

Non-permanent resident:
a person from another country who has a work or study permit or who is a refugee claimant and any non-Canadian-born family member living in Canada with them.

Other immigrant:
an immigrant who is not a newcomer.

Other immigrant household:
a household with a primary household maintainer (as defined below) who is an immigrant but not a newcomer.

Other terminology

Census Metropolitan Area (CMA):
an urban area with a total population of at least 100,000 and an urban core population of at least 50,000.

Crowded household:
a household with fewer bedrooms than it requires. The number of bedrooms required is based on both the size and the composition of the household *(see also text box Acceptable housing and core housing need in the chapter Housing Affordability and Need).*

Mid-sized centre:
a Census Agglomeration (CA), that is, a community with an urban core population of 10,000 or more that is not big enough to qualify as a Census Metropolitan Area (CMA).

Family household:
a household that contains at least one census family (a couple with or without children, or a lone parent living with one or more children).

Non-family household:
a person living alone, or two or more people who share a dwelling and who do not constitute a family.

Primary household maintainer:
the person or one of the people in the household responsible for major household payments such as the rent or mortgage. In households with more than one maintainer, the primary maintainer is the first person listed as a maintainer.

Shelter costs for renters:
rent and any payments for electricity, fuel, water and other municipal services.

Shelter costs for homeowners:
mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water, and other municipal services.

Small towns and rural areas:
any part of Canada that does not fall within a CMA or mid-sized centre (CA).

Acceptable housing and *core housing need*

A household is in ***core housing need*** if its housing does not meet one or more of the adequacy, suitability or affordability standards and it cannot access acceptable local market housing without spending 30% or more of its before-tax income on shelter.

Acceptable housing is adequate in condition, suitable in size, and affordable.

- **Adequate housing** does not require any major repairs, according to residents.
- **Suitable housing** has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standard (NOS) requirements.
- **Affordable housing** costs less than 30% of before-tax household income.

For more detail on the concept of core housing need, *see Acceptable housing and core housing need in the chapter Housing Affordability and Need.*

Comparability of Census and National Household Survey Data (NHS)

Data described herein come from the 2011 *National Household Survey* and previous censuses. In 2011, the voluntary NHS replaced the former mandatory "long-form" census. Statistics Canada has cautioned that because of the methodological change from a mandatory to voluntary survey, data from the 2011 NHS may not be strictly comparable to those from earlier censuses *(see also Data sources in the glossary of the Housing Affordability and Need chapter).*

Alternative text and data for figures

Figure 6-1: Distribution of newcomer and non-immigrant populations by age group, Canada, 2011

Age Group (Years)	Non-immigrants (%)	Newcomers (%)
0-24	34	34
25-44	25	48
45-64	28	15
65+	12	3

Percentages may not add to 100 because of rounding.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-2: Distribution of newcomer and pre-1971 immigrant populations by place of birth, Canada, 2011

Geography	Immigrants who landed before 1971 (%)	Newcomers (%)
Americas	10	16
Europe	78	14
Africa	2	13
Asia	8	57
Other	1	1

Percentages may not add to 100 because of rounding.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-3: Distribution of newcomers by place of residence, 2001, 2006, and 2011

Geography	2001 (%)	2006 (%)	2011 (%)
Non-CMAs	5	6	8
Other CMAs	22	25	30
Vancouver	18	14	13
Toronto	43	40	33
Montréal	12	15	16

Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

Figure 6-4: Unemployment rates, immigrants and non-immigrants, Canada, 2011

Immigrants by year of landing	Unemployment rate (%)
Total	7.8
Non-immigrants	7.6
All immigrants	8.3
Before 1981	5.5
1981 to 1990	6.6
1991 to 2000	8.3
2001 to 2005	9.8
Newcomers	13.3

Unemployment rates are for the week of May 1 to May 7, 2011.
Newcomers in 2011 – immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-5: Median incomes before taxes of immigrant and non-immigrant households, Canada, 2010

Immigrants by year of landing	Median household income before taxes ($)
All households	61,072
Non-immigrants	61,665
All immigrants	60,297
Before 1986	61,446
1986 to 1995	64,990
1996 to 2000	66,082
2001 to 2005	62,111
Newcomers	42,698

Income data collected by the 2011 *National Household Survey* are for 2010.
Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-6: Median household incomes of newcomer cohorts, Canada

Cohorts	Median household income before taxes (current $)		
	2000	2005	2010
Newcomers in 2001 (landed 1996-2001)	31,898	51,647	66,082
Newcomers in 2006 (landed 2001-2006)		35,275	62,111
Newcomers in 2011 (landed 2006-2011)			42,698

Data show increasing household incomes for newcomers in 2001 and newcomers in 2006 in the years following landing.
Income is for the calendar year preceding each census year.
Newcomer household - a household with a primary household maintainer who is a newcomer.
Newcomers in 2011— immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

Figure 6-7: Average household sizes, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	Average number of persons per household
All households	2.47
Non-immigrants	2.35
All immigrants	2.85
Before 1986	2.40
1986 to 1995	3.25
1996 to 2000	3.43
2001 to 2005	3.36
Newcomers	3.11

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-8: Distributions of newcomer and non-immigrant households by household type, Canada, 2011

Houshold type	Non-immigrants households (%)	Newcomer households (%)
Couples with children	27	50
Couples without children	28	16
Lone-parent households	10	10
Multiple-family households	1	3
One-person households	29	15
Two or more person non-family households	4	6

Percentages may not add to 100 because of rounding.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-9: Shares of income spent on shelter, newcomer and non-immigrant households, selected geographies, 2011

	Average % of income before taxes spent on shelter	
Geography	Non-immigrants	Newcomers
Canada	21.1	30.2
All-CMAs	22.0	30.8
Mid-sized centres	20.9	24.0
Small town & rural areas	18.6	22.6
Montréal	22.2	31.6
Toronto	23.0	32.7
Vancouver	23.8	31.9

Income data collected by the 2011 *National Household Survey* are for 2010.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-10: Shares of income spent on shelter, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	Average % of income before taxes spent on shelter
All households	21.9
Non-immigrants	21.1
All immigrants	24.2
Before 1986	21.4
1986 to 1995	25.5
1996 to 2000	26.5
2001 to 2005	27.0
Newcomers	30.2

Income data collected by the 2011 *National Household Survey* are for 2010.
Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-11: Prevalence of subsidized housing, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of households living in subsidized housing
All households	4.2
Non-immigrants	3.9
All immigrants	5.1
Before 1986	4.0
1986 to 1995	6.6
1996 to 2000	5.9
2001 to 2005	5.9
Newcomers	6.3

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Subsidized housing includes rent-geared-to-income housing, social housing, public housing, government-assisted housing, non-profit housing, rent supplements and housing allowances.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-12: Homeownership rates, newcomer households, Canada, CMAs[1] and smaller communities, 2011

Geography	% of newcomer households owning homes 2011
Canada	36.5
All CMAs	35.1
Mid-sized centres	47.9
Small towns and rural areas	62.3
Oshawa	70.2
Saguenay	60.7
Greater Sudbury/Grand Sudbury	60.5
Barrie	60.2
Kelowna	55.1
Saint John	54.7
Brantford	53.1
Abbotsford-Mission	50.9
Calgary	50.4
Victoria	47.3
Moncton	45.3
Vancouver	44.9
Peterborough	44.0
Winnipeg	43.3
Guelph	41.8
St. John's	41.7
St. Catharines-Niagara	40.0
Kitchener-Cambridge-Waterloo	39.3
Edmonton	38.7
Toronto	38.4
Saskatoon	38.3
Halifax	38.2
Thunder Bay	34.9
London	34.6
Hamilton	34.0
Kingston	32.4
Windsor	31.3
Ottawa	29.8
Regina	29.7
Gatineau	23.8
Québec	23.7
Trois-Rivières	17.5
Montréal	16.9
Sherbrooke	16.0

[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-13: Homeownership rates, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of households owning homes
All households	69.0
Non-immigrants	69.6
All immigrants	68.8
Before 1986	79.4
1986 to 1995	68.1
1996 to 2000	66.4
2001 to 2005	58.7
Newcomers	36.5

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-14: Homeownership rates of newcomer cohorts, Canada

Cohorts	% of households owning homes		
	2001	2006	2011
Newcomers in 2001 (landed 1996-2001)	30.4	58.8	66.4
Newcomers in 2006 (landed 2001-2006)		35.3	58.7
Newcomers in 2011 (landed 2006-2011)			36.5

Data show increasing homeownership for newcomers in 2001 and newcomers in 2006 in the years following landing.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Newcomers in 2006—immigrants who landed between January 1, 2001 and May 16, 2006 (Census Day).
Newcomers in 2001—immigrants who landed between January 1, 1996 and May 15, 2001 (Census Day).

Source: CMHC, adapted from Statistics Canada (Census of Canada and *National Household Survey)*

Figure 6-15: Homeownership rates, newcomer households by birthplace of maintainer, Canada, 2011

Birthplace of primary household maintainer	% of households owning homes
All newcomer households	36.5
Europe	44.8
Asia	41.1
Africa	18.5
Central and South America	24.9
Other	56.3

Newcomer household—a household with a primary household maintainer who is a newcomer.
"Other" birthplaces comprise mainly the United States, Australia, New Zealand, and Fiji.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-16: Median household incomes by tenure, newcomer households, selected geographies, 2010

Geography	Median household income before taxes ($)	
	Newcomer owners	Newcomer renters
Canada	66,330	33,355
All-CMAs	66,004	32,839
Mid-sized centres	79,178	40,636
Small towns and rural areas	59,393	44,858
Montréal	61,578	26,120
Toronto	62,264	35,075
Vancouver	49,771	37,617

Income data collected by the 2011 *National Household Survey* are for 2010.
Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-17: Percentage of homeowners with mortgages, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of owners with mortgages
All households	58.5
Non-immigrants	58.6
All immigrants	58.0
Before 1986	42.4
1986 to 1995	71.5
1996 to 2000	79.1
2001 to 2005	84.6
Newcomers	82.8

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-18: Percentage of homeowners in condominiums, immigrant and non-immigrant households, selected geographies, 2011

Geography	% of owner households living in condominiums		
	Newcomers (%)	Other immigrants (%)	Non-immigrants (%)
Canada	30	18	11
All-CMAs	33	20	16
Mid-sized centres	15	10	6
Small towns and rural areas	4	4	2
Montréal	33	16	17
Toronto	37	21	20
Vancouver	48	32	36

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada (*National Household Survey)*

Figure 6-19: Occupancy of single-detached houses, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of households in single-detached houses
All households	55.0
Non-immigrants	58.6
All immigrants	44.7
Before 1986	55.6
1986 to 1995	41.5
1996 to 2000	38.2
2001 to 2005	31.8
Newcomers	21.6

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-20: Incidence of crowding, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of households living in crowded dwellings
All households	6.0
Non-immigrants	3.7
All immigrants	12.7
Before 1986	5.2
1986 to 1995	15.5
1996 to 2000	18.6
2001 to 2005	21.1
Newcomers	26.7

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-21: Incidence of housing needing major repairs, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of households living in dwellings needing major repairs
All households	7.4
Non-immigrants	7.7
All immigrants	6.2
Before 1986	6.0
1986 to 1995	6.6
1996 to 2000	6.3
2001 to 2005	6.4
Newcomers	6.1

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Ratings of physical condition are based on occupant judgments.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-22: Incidence of core housing need, immigrant and non-immigrant households, Canada, 2011

Immigrants by year of landing	% of households in core housing need
All households	12.5
Non-immigrants	11.0
All immigrants	17.0
Before 1986	12.9
1986 to 1995	18.3
1996 to 2000	18.9
2001 to 2005	20.3
Newcomers	29.6

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-23: Incidence of core housing need, newcomer households, Canada, CMAs[1] and smaller communities, 2011

Geography	% of newcomer households in core housing need
Canada	29.6
All CMAs	30.8
Mid-sized centres	14.5
Small towns and rural areas	14.5
Toronto	36.4
London	33.7
Vancouver	33.3
Sherbrooke	33.0
Windsor	32.2
Regina	31.6
Montréal	31.3
Hamilton	31.3
Ottawa	30.7
Ottawa-Gatineau	30.0
Gatineau	27.9
Moncton	25.0
Winnipeg	24.9
Abbotsford-Mission	24.7
Guelph	24.6
St. Catharines-Niagara	23.7
Québec	22.4
Halifax	22.4
Kitchener-Cambridge-Waterloo	22.2
St. John's	21.5
Saint John	21.1
Saskatoon	21.0
Victoria	20.9
Edmonton	20.8
Trois-Rivières	20.7
Kingston	20.7
Thunder Bay	19.4
Calgary	18.8
Brantford	17.4
Oshawa	16.7
Barrie	15.8
Peterborough	14.3
Greater Sudbury/Grand Sudbury	12.1
Kelowna	9.8
Saguenay[2]	0.0

[1] Ottawa and Gatineau portions of Ottawa-Gatineau are shown separately.
[2] In Saguenay, in 2011, none of the 140 households led by newcomers fell into core housing need.

Newcomer household—a household with a primary household maintainer who is a newcomer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada *(National Household Survey)*

Figure 6-24: Housing standards not met, immigrant and non-immigrant households in core housing need, Canada, 2011

	Households below given standard as a % of households in core housing need		
	Below affordability standard (%)	Below suitability standard (%)	Below adequacy standard (%)
Non-immigrant	90.4	8.0	17.2
Before 1986	91.7	8.3	12.8
1986 to 1995	85.9	25.7	11.5
1996 to 2000	85.7	30.6	9.9
2001 to 2005	85.5	36.2	9.5
2006 to 2011	86.4	41.9	7.8

Households grouped based on the immigrant status of the primary household maintainer.
Newcomers in 2011—immigrants who landed between January 1, 2006 and May 10, 2011 (Census Day).
Excludes farm, band, and reserve households; households with incomes of zero or less; and households spending 100% or more of income on shelter.

Source: CMHC, adapted from Statistics Canada (*National Household Survey*)

APPENDIX

Key Housing and Housing Finance Statistics

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TABLE 1

Housing Market Indicators, Canada, 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Construction										
Starts, total	233,431	225,481	227,395	228,343	211,056	149,081	189,930	193,950	214,827	187,923
Single-detached	129,171	120,463	121,313	118,917	93,202	75,659	92,554	82,392	83,657	76,893
Multiple	104,260	105,018	106,082	109,426	117,854	73,422	97,376	111,558	131,170	111,030
Semi-detached	14,297	13,477	14,358	14,432	12,651	11,114	13,006	12,570	14,285	12,544
Row	22,067	22,134	20,963	23,281	20,868	13,908	19,857	19,447	20,976	19,993
Apartment	67,896	69,407	70,761	71,713	84,335	48,400	64,513	79,541	95,909	78,493
Starts by intended market[1], total	204,389	193,471	195,024	193,744	187,368	130,369	166,175	174,351	193,563	170,134
Homeownership - freehold	124,678	114,008	113,743	112,730	94,871	78,617	97,085	91,250	93,521	82,778
Rental	20,343	17,210	18,518	18,605	18,265	16,237	19,735	20,721	21,990	24,267
Homeownership - condominium	58,852	60,251	61,817	61,595	73,574	34,382	48,506	61,605	77,693	62,794
Other (co-op and unknown)	516	2,002	946	814	658	1,133	849	775	359	295
Completions, total	215,621	211,242	215,947	208,889	214,137	176,441	186,855	175,623	180,093	185,494
Residential Building Permits[4]	241,471	238,882	233,233	237,813	205,245	165,257	203,170	199,975	212,228	207,689
Residential Building Permits($) (thousands)[4]	33,026	34,526	36,613	40,735	35,568	29,253	37,720	38,530	42,229	41,936
Available Supply										
Newly completed and unabsorbed homes[2]	10,932	10,115	12,230	11,632	15,340	13,791	15,048	15,600	17,388	17,636
Single- and semi-detached	5,766	5,029	5,786	6,292	8,566	5,515	5,810	6,121	6,657	7,080
Row and apartment	5,166	5,086	6,444	5,340	6,774	8,276	9,238	9,479	10,731	10,556
Rental vacancy rate (%)[3]	2.9	2.8	2.7	2.6	2.3	3.0	2.9	2.5	2.8	2.9
Rental availability rate (%)[3]	3.9	4.0	3.7	3.7	3.3	4.2	3.9	3.4	3.7	3.9
Vacancy Rate (Standard Spaces) in Seniors' Rental[7]	NA	NA	NA	NA	NA	9.2	10.8	10.7	10.6	10.3
Housing Costs										
New Housing Price Index (% change)[5]	5.6	5.0	9.7	7.7	3.4	-2.3	2.2	2.2	2.3	1.8
Teranet - National Bank House Price Index (% change)[6]	7.7	8.2	12.2	9.3	-0.8	5.4	4.0	7.4	3.1	4.2
Consumer Price Index (% change)[5]	1.9	2.2	2.0	2.1	2.4	0.3	1.8	2.9	1.5	0.9
Construction materials cost index (% change)[5]	6.8	0.0	1.1	0.1	1.1	1.3	1.1	0.7	1.9	2.1
Construction wage rate index (% change)[5]	1.4	1.7	4.0	5.0	1.5	3.9	1.6	3.8	4.1	2.1
Owned accommodation costs (% change)[5]	2.8	3.1	4.1	4.9	4.5	1.1	0.6	1.5	1.2	0.5
Rental accommodation costs (% change)[5]	1.0	0.8	1.0	1.5	1.7	1.5	1.2	1.1	1.4	1.6
Average rent ($)[3]										
Bachelor	523	529	547	563	582	594	607	636	639	659
One-bedroom	646	659	676	699	726	736	756	775	792	808
Two-bedroom	720	732	755	772	804	812	835	856	874	894
3+ bedroom	807	816	853	863	884	888	928	943	963	976
Demand Influences										
Population on July 1 (thousands)[4]	31,938	32,242	32,571	32,888	33,246	33,629	34,005	34,343	34,754	35,158
Labour force participation rate (%)[4]	67.5	67.1	67.0	67.4	67.7	67.2	67.0	66.8	66.7	66.5
Employment (% change)[5]	1.7	1.3	1.8	2.4	1.7	-1.6	1.4	1.6	1.2	1.3
Unemployment rate (%)[4]	7.2	6.8	6.3	6.0	6.1	8.3	8.0	7.4	7.2	7.1
Real disposable income (% change)[5]	3.9	2.7	5.9	4.0	4.1	0.9	3.5	1.2	0.9	NA
1-year mortgage rate (%)	4.59	5.06	6.28	6.90	6.70	4.02	3.49	3.52	3.17	3.08
3-year mortgage rate (%)	5.65	5.59	6.45	7.09	6.87	4.57	4.30	4.28	3.90	3.76
5-year mortgage rate (%)	6.23	5.99	6.66	7.07	7.06	5.63	5.61	5.37	5.27	5.24
Net migration[5]	196,281	203,810	219,578	224,650	255,087	275,532	268,784	234,952	277,415	273,411
Housing in GDP ($ millions)[4]										
Rent imputed to owners	99,112	103,783	109,824	117,266	124,573	130,690	136,332	142,349	149,638	156,858
Rent paid by tenants	34,953	36,203	37,943	40,115	42,287	44,239	46,048	47,902	50,149	52,435
Total housing-related spending in GDP[5]	226,044	238,244	252,668	269,072	273,395	271,241	288,589	299,213	314,967	322,014
Total consumption-related spending (including repairs)	143,543	148,885	154,508	160,203	166,148	171,575	177,349	183,018	188,658	194,531
Total residential investment	82,501	89,359	98,160	108,869	107,247	99,666	111,240	116,195	126,309	127,483
New construction (including acquisition costs)	41,618	43,322	47,082	51,101	50,970	39,782	48,428	49,905	57,747	56,790
Alterations and improvements	27,100	30,271	33,692	37,567	39,182	41,034	42,821	43,848	45,889	47,176
Transfer costs	13,783	15,766	17,386	20,201	17,095	18,850	19,991	22,442	22,673	23,517

[1] Housing units in centres 10,000+.

[2] Homeowner and Condominium housing units in centres 50,000+ for which construction has been completed but which have not been sold.

[3] In privately initiated apartment structures with at least 3 units.

[4] Statistics Canada (CANSIM).

[5] CMHC, adapted from Statistics Canada (CANSIM).

[6] Teranet – National Bank House Price Index™.

[7] CMHC *Seniors' Housing Survey*. Standard space: A space where the resident does not receive high-level care (that is, the resident receives less than 1.5 hours of care per day) or is not required to pay an extra amount to receive high-level care. Regional terms for this type of space may vary across the country.

Source: CMHC *(Starts and Completions Survey, Market Absorption Survey, Rental Market Survey, Seniors' Housing Survey)*; Bank of Canada (mortgage rates); Statistics Canada (CANSIM and custom tabulation of construction materials cost index); Teranet – National Bank House Price Index™

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 2

Residential Building Permits, Canada, Provinces and Metropolitan Areas, 2004-2013 (units)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**241,471**	**238,882**	**233,233**	**237,813**	**205,245**	**165,257**	**203,170**	**199,975**	**212,228**	**206,982**
Provinces										
Newfoundland and Labrador	2,644	2,171	2,065	2,525	3,200	3,013	3,165	3,355	3,473	2,868
Prince Edward Island	1,095	1,070	911	771	723	731	928	953	1,086	645
Nova Scotia	5,471	5,239	5,854	5,150	4,216	4,370	5,054	5,070	5,197	3,953
New Brunswick	4,059	4,062	4,089	4,182	4,375	3,939	3,997	3,527	3,771	2,970
Quebec	56,655	52,844	49,109	51,786	52,469	45,340	53,579	53,890	51,262	42,473
Ontario	89,118	84,757	72,418	73,271	70,031	57,653	68,703	65,374	69,884	70,048
Manitoba	4,794	4,730	5,636	6,058	5,912	4,504	6,064	6,084	7,340	7,017
Saskatchewan	3,230	2,915	3,341	5,332	5,890	4,401	5,958	6,701	8,643	8,749
Alberta	38,824	43,160	50,514	47,277	27,779	22,235	26,292	28,590	33,807	39,838
British Columbia	34,898	37,391	38,835	40,932	30,110	18,607	28,984	25,745	27,214	28,004
Metropolitan Areas										
St. John's	1,957	1,477	1,419	1,731	2,019	1,973	1,895	2,034	1,979	1,733
Halifax	3,151	2,664	3,316	2,841	1,923	2,199	2,803	3,054	3,001	2,048
Moncton	NA	NA	1,437	1,493	1,274	1,060	1,384	1,322	1,368	969
Saint John	640	615	734	828	979	873	667	535	448	408
Saguenay	507	493	623	784	1,029	675	933	1,013	1,518	906
Québec	6,064	6,192	4,864	6,114	5,877	6,595	7,324	5,950	6,958	4,917
Sherbrooke	1,398	1,066	1,669	1,333	1,729	1,762	1,709	1,762	1,748	1,681
Trois-Rivières	815	996	1,034	1,248	1,115	1,120	1,768	1,161	1,060	900
Montréal	30,780	27,365	24,392	24,695	24,452	19,278	22,905	26,003	22,722	19,429
Gatineau	3,028	2,148	3,330	3,374	2,980	2,585	3,162	3,092	2,958	1,960
Ottawa	7,507	5,174	5,222	6,956	7,102	6,732	7,094	6,488	6,628	5,468
Kingston	1,021	912	790	865	686	933	763	894	845	952
Peterborough	NA	NA	466	675	464	428	395	370	402	550
Oshawa	2,815	3,019	2,924	2,235	2,059	1,104	1,949	2,160	1,692	1,736
Toronto	42,992	43,642	34,438	35,627	33,318	28,269	32,982	32,709	38,002	39,431
Hamilton	4,063	3,469	3,300	3,283	3,595	2,100	3,456	3,137	3,205	2,561
St. Catharines-Niagara	1,832	1,443	1,451	1,183	1,276	978	1,252	1,250	1,362	1,502
Kitchener-Cambridge-Waterloo	4,037	3,741	2,994	2,837	2,743	2,790	3,952	3,396	2,280	2,431
Brantford	NA	NA	688	678	573	396	552	485	455	432
Guelph	NA	NA	922	1,078	963	831	1,019	648	839	1,176
London	3,353	3,302	4,073	2,901	3,133	1,981	2,322	1,615	2,243	2,317
Windsor	2,285	1,491	1,037	644	460	395	671	695	718	769
Barrie	NA	NA	1,309	1,262	1,409	394	758	696	694	823
Greater Sudbury/Grand Sudbury	355	430	491	625	582	1,069	445	658	488	464
Thunder Bay	274	288	248	223	241	237	308	443	338	345
Winnipeg	2,938	2,723	3,729	3,849	3,457	2,370	3,898	3,909	4,616	4,214
Regina	1,012	1,073	1,104	1,185	1,459	1,190	1,121	1,926	2,865	3,083
Saskatoon	1,529	1,139	1,502	2,624	2,181	1,856	3,079	3,181	3,760	3,705
Calgary	14,676	15,664	18,784	15,225	8,365	7,529	8,682	11,605	12,819	17,159
Edmonton	12,873	14,676	14,550	15,016	7,299	7,789	10,166	10,410	12,783	14,211
Kelowna	NA	NA	2,238	2,951	1,935	833	1,258	673	783	964
Abbotsford-Mission	1,002	1,113	1,210	1,107	1,193	435	553	535	482	645
Vancouver	20,973	20,017	21,095	22,803	14,781	10,028	17,814	17,384	18,645	19,938
Victoria	2,277	2,305	2,624	2,947	2,141	1,599	1,973	1,660	2,076	1,539

NA = Not available
Source: Statistics Canada (CANSIM)
For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 3

Residential Building Permits, Canada, Provinces and Metropolitan Areas, 2004-2013 ($) (thousands)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**33,026**	**34,526**	**36,613**	**40,735**	**35,568**	**29,253**	**37,720**	**38,530**	**42,229**	**41,852**
Provinces										
Newfoundland and Labrador	360	330	326	423	579	580	705	723	760	644
Prince Edward Island	137	132	126	114	118	115	145	132	172	113
Nova Scotia	757	783	863	844	789	807	956	922	972	780
New Brunswick	482	480	493	560	590	575	571	543	552	456
Quebec	7,971	7,886	7,779	8,416	8,912	8,407	9,846	10,175	10,196	8,944
Ontario	13,971	13,498	12,802	14,003	12,823	10,801	13,641	14,040	15,334	15,135
Manitoba	676	695	829	966	1,103	941	1,164	1,164	1,442	1,510
Saskatchewan	402	396	493	865	1,103	803	1,145	1,431	1,823	1,800
Alberta	4,864	6,047	8,140	9,010	6,175	5,446	6,663	7,010	8,287	9,859
British Columbia	5,869	6,971	7,621	8,612	6,899	4,491	6,706	6,113	6,712	6,862
Metropolitan Areas										
St. John's	266	227	221	291	385	386	466	483	467	394
Halifax	434	391	463	439	379	386	504	521	541	398
Moncton	NA	NA	138	153	135	128	156	165	159	122
Saint John	81	87	97	122	139	139	105	88	81	75
Saguenay	77	85	92	132	157	146	163	204	258	204
Québec	752	824	693	862	901	1,091	1,182	1,096	1,164	929
Sherbrooke	168	150	214	216	252	265	265	276	282	290
Trois-Rivières	113	136	136	175	164	175	264	221	204	201
Montréal	4,357	4,095	3,955	4,062	4,252	3,728	4,482	4,958	4,787	4,212
Gatineau	409	313	424	454	410	364	433	430	467	333
Ottawa	1,060	797	782	1,047	1,018	955	1,033	927	934	1,114
Kingston	113	103	102	114	96	129	115	134	125	136
Peterborough	NA	NA	68	101	90	80	74	81	81	117
Oshawa	502	598	563	504	456	337	530	629	522	491
Toronto	7,651	7,496	7,121	8,106	7,113	6,155	7,671	8,461	9,795	9,328
Hamilton	602	562	548	578	632	387	759	673	762	658
St. Catharines-Niagara	288	242	261	225	231	184	241	239	277	345
Kitchener-Cambridge-Waterloo	546	537	440	425	462	521	691	676	481	505
Brantford	NA	NA	80	86	66	43	68	64	67	66
Guelph	NA	NA	126	148	126	123	166	112	131	178
London	476	482	610	510	507	391	501	448	591	633
Windsor	367	262	206	139	104	99	146	171	206	237
Barrie	NA	NA	266	266	315	97	168	170	167	188
Greater Sudbury/Grand Sudbury	47	59	79	117	110	160	81	128	87	88
Thunder Bay	42	41	35	34	36	41	56	68	64	65
Winnipeg	407	401	529	595	664	539	734	731	930	941
Regina	127	127	165	192	259	209	252	346	535	541
Saskatoon	167	152	189	372	362	277	491	700	830	792
Calgary	1,962	2,329	2,988	3,155	1,976	1,874	2,219	2,724	3,269	4,323
Edmonton	1,375	1,909	2,435	2,746	1,713	2,095	2,741	2,640	3,109	3,525
Kelowna	NA	NA	426	622	439	202	303	179	210	219
Abbotsford-Mission	133	149	151	180	165	72	87	83	80	86
Vancouver	3,613	3,969	4,243	4,761	3,382	2,426	4,089	4,011	4,589	4,839
Victoria	401	434	551	668	556	395	490	420	443	359

NA = Not available
Source: Statistics Canada (CANSIM)
For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 4

Total Housing Starts, Canada, Provinces and Metropolitan Areas, 2004-2013 (units)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**233,431**	**225,481**	**227,395**	**228,343**	**211,056**	**149,081**	**189,930**	**193,950**	**214,827**	**187,923**
Provinces										
Newfoundland and Labrador	2,870	2,498	2,234	2,649	3,261	3,057	3,606	3,488	3,885	2,862
Prince Edward Island	919	862	738	750	712	877	756	940	941	636
Nova Scotia	4,717	4,775	4,896	4,750	3,982	3,438	4,309	4,644	4,522	3,919
New Brunswick	3,947	3,959	4,085	4,242	4,274	3,521	4,101	3,452	3,299	2,843
Quebec	58,448	50,910	47,877	48,553	47,901	43,403	51,363	48,387	47,367	37,758
Ontario	85,114	78,795	73,417	68,123	75,076	50,370	60,433	67,821	76,742	61,085
Manitoba	4,440	4,731	5,028	5,738	5,537	4,174	5,888	6,083	7,242	7,465
Saskatchewan	3,781	3,437	3,715	6,007	6,828	3,866	5,907	7,031	9,968	8,290
Alberta	36,270	40,847	48,962	48,336	29,164	20,298	27,088	25,704	33,396	36,011
British Columbia	32,925	34,667	36,443	39,195	34,321	16,077	26,479	26,400	27,465	27,054
Metropolitan Areas										
St. John's	1,834	1,534	1,275	1,480	1,863	1,703	1,816	1,923	2,153	1,734
Halifax	2,627	2,451	2,511	2,489	2,096	1,733	2,390	2,954	2,754	2,439
Moncton	1,151	1,191	1,416	1,425	1,359	973	1,400	1,194	1,297	911
Saint John	516	501	565	687	832	659	653	361	355	276
Saguenay	347	464	485	685	869	584	783	859	1,117	919
Québec	6,186	5,835	5,176	5,284	5,457	5,513	6,652	5,445	6,416	4,680
Sherbrooke	1,355	1,076	1,305	1,318	1,627	1,580	1,656	1,575	1,741	1,496
Trois-Rivières	874	919	1,017	1,197	1,148	1,027	1,691	1,114	1,021	849
Montréal	28,673	25,317	22,813	23,233	21,927	19,251	22,001	22,719	20,591	15,632
Gatineau	3,227	2,123	2,933	2,788	3,304	3,116	2,687	2,420	2,759	1,924
Ottawa	7,243	4,982	5,875	6,506	6,998	5,814	6,446	5,794	6,026	6,560
Kingston	872	683	968	880	672	717	653	959	896	856
Peterborough	514	619	437	540	428	371	404	351	343	354
Oshawa	3,153	2,934	2,995	2,389	1,987	980	1,888	1,859	1,803	1,384
Toronto	42,115	41,596	37,080	33,293	42,212	25,949	29,195	39,745	48,105	33,547
Hamilton	4,093	3,145	3,043	3,004	3,529	1,860	3,562	2,462	2,969	2,709
St. Catharines-Niagara	1,781	1,412	1,294	1,149	1,138	859	1,086	1,110	1,137	1,223
Kitchener-Cambridge-Waterloo	3,912	3,763	2,599	2,740	2,634	2,298	2,815	2,954	2,900	1,840
Brantford	482	534	409	589	432	317	504	428	402	396
Guelph	1,420	951	864	941	1,087	567	1,021	764	731	890
London	3,078	3,067	3,674	3,141	2,385	2,168	2,079	1,748	2,240	2,163
Windsor	2,287	1,496	1,045	614	453	391	617	719	717	708
Barrie	2,435	1,484	1,169	980	1,416	427	682	700	782	891
Greater Sudbury/Grand Sudbury	388	400	477	587	543	450	575	595	536	431
Thunder Bay	287	227	165	249	167	180	222	374	380	324
Winnipeg	2,489	2,586	2,777	3,371	3,009	2,033	3,244	3,331	4,065	4,705
Regina	1,242	888	986	1,398	1,375	930	1,347	1,694	3,093	3,122
Saskatoon	1,578	1,062	1,496	2,380	2,319	1,428	2,381	2,994	3,753	2,980
Calgary	14,008	13,667	17,046	13,505	11,438	6,318	9,262	9,292	12,841	12,584
Edmonton	11,488	13,294	14,970	14,888	6,615	6,317	9,959	9,332	12,837	14,689
Kelowna	2,224	2,755	2,692	2,805	2,257	657	957	934	836	1,013
Abbotsford-Mission	1,083	1,012	1,207	1,088	1,285	365	516	537	371	749
Vancouver	19,430	18,914	18,705	20,736	19,591	8,339	15,217	17,867	19,027	18,696
Victoria	2,363	2,058	2,739	2,579	1,905	1,034	2,118	1,642	1,700	1,685

Source: CMHC *(Starts and Completions Survey)*

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 5

MLS® Total Residential Sales, Canada, Provinces and Metropolitan Areas, 2004-2013 (units)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**459,934**	**484,875**	**484,612**	**522,495**	**433,058**	**466,205**	**447,933**	**459,525**	**454,341**	**457,761**
Provinces										
Newfoundland and Labrador	3,265	3,211	3,537	4,471	4,695	4,416	4,236	4,480	4,650	4,303
Prince Edward Island	1,500	1,449	1,492	1,769	1,413	1,404	1,487	1,521	1,614	1,425
Nova Scotia	8,887	10,948	10,697	11,857	10,869	10,021	10,036	10,312	10,437	9,151
New Brunswick	5,979	6,836	7,125	8,161	7,555	7,003	6,702	6,599	6,403	6,282
Quebec	68,268	70,385	71,619	80,647	76,752	79,105	80,027	77,165	77,375	71,203
Ontario	197,481	198,326	196,405	214,843	182,349	197,011	196,662	201,515	197,620	198,675
Manitoba	12,118	12,781	13,018	13,900	13,432	13,058	13,115	13,882	13,911	13,735
Saskatchewan	8,440	8,653	9,531	12,540	10,538	11,095	10,872	13,131	13,867	13,535
Alberta	57,216	65,531	73,970	70,954	56,045	57,543	49,723	53,756	60,369	66,080
British Columbia	96,385	106,310	96,671	102,805	68,923	85,028	74,640	76,721	67,637	72,936
Metropolitan Areas										
St. John's	3,265	3,211	3,537	4,471	4,695	4,416	4,236	4,480	4,650	4,303
Halifax	5,516	6,698	6,462	7,261	6,472	6,062	5,944	6,119	6,239	5,186
Moncton	2,028	2,341	2,561	2,849	2,663	2,386	2,402	2,467	2,259	2,194
Saint John	1,612	1,901	1,852	2,253	2,166	1,986	1,751	1,572	1,610	1,588
Saguenay	1,396	1,601	1,645	1,651	1,537	1,502	1,514	1,404	1,450	1,185
Québec	6,811	7,554	7,538	8,002	7,873	7,994	7,100	7,241	7,219	6,273
Sherbrooke	1,938	1,976	1,892	2,011	1,855	1,890	1,838	1,883	1,784	1,665
Trois-Rivières	971	906	1,021	1,046	1,021	1,049	958	991	1,026	928
Montréal	38,319	39,111	39,141	43,666	40,440	41,751	42,298	40,353	40,086	36,495
Gatineau	4,158	4,165	4,339	4,647	4,229	4,379	4,285	3,913	3,864	3,544
Ottawa	13,457	13,300	14,003	14,739	13,908	14,923	14,586	14,551	14,497	14,049
Kingston	3,764	3,464	3,517	3,725	3,473	3,377	3,209	3,179	3,321	3,165
Peterborough	2,980	2,847	2,714	2,880	2,506	2,458	2,537	2,507	2,553	2,539
Oshawa	9,816	9,232	9,354	10,217	8,797	9,328	9,479	9,604	10,288	10,019
Toronto	84,854	85,672	84,842	95,164	76,387	89,255	88,214	91,760	88,157	88,946
Hamilton	13,176	13,565	13,059	13,866	12,110	12,680	12,934	13,932	13,035	13,471
St. Catharines-Niagara	6,722	6,698	6,410	6,668	5,896	5,808	6,024	5,798	5,554	5,483
Kitchener-Cambridge-Waterloo	6,059	6,306	6,166	6,988	6,205	6,477	6,553	6,395	6,314	6,467
Brantford	2,281	2,204	2,139	2,305	2,097	1,884	2,086	1,971	1,983	2,230
Guelph	2,918	2,932	2,859	3,088	2,794	2,878	2,834	2,982	2,929	3,164
London	9,238	9,133	9,234	9,686	8,620	8,314	8,389	8,272	8,272	8,113
Windsor	5,832	5,661	5,047	4,987	4,546	4,661	4,893	4,946	5,082	5,341
Barrie	4,657	4,675	4,397	5,017	4,058	4,326	4,105	4,228	4,576	4,648
Greater Sudbury/Grand Sudbury	2,500	2,726	2,762	2,754	2,396	1,977	2,244	2,507	2,478	2,308
Thunder Bay	1,447	1,358	1,750	1,902	1,973	2,041	2,146	2,076	2,056	2,053
Winnipeg	10,797	11,415	11,594	12,319	11,854	11,509	11,572	12,297	12,094	12,088
Regina	2,785	2,730	2,953	3,957	3,338	3,704	3,581	3,899	3,952	3,692
Saskatoon	2,999	3,246	3,430	4,446	3,540	3,834	3,574	5,183	5,398	5,543
Calgary	26,511	31,569	33,027	32,176	23,136	24,880	20,996	22,466	26,634	29,954
Edmonton	17,652	18,634	21,984	20,427	17,369	19,139	16,403	16,963	17,641	19,552
Kelowna	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Abbotsford-Mission	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	37,972	42,222	36,479	38,978	25,149	36,257	31,144	32,936	25,445	28,985
Victoria	7,685	7,970	7,500	8,403	6,171	7,660	6,169	5,773	5,460	5,691

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The geographic definitions used by CREA differ from those used by Statistics Canada.
The Centris® System contains all the listings of Québec real estate brokers.
NA = Not available
Source: CREA (MLS®), Centris® Statistics

TABLE 6

MLS® Average Residential Price, Canada, Provinces and Metropolitan Areas, 2004-2013 (dollars)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**226,575**	**249,021**	**276,904**	**306,743**	**304,612**	**320,020**	**338,732**	**362,397**	**363,477**	**382,576**
Provinces										
Newfoundland and Labrador	131,499	141,167	139,542	149,258	178,477	206,374	235,341	251,581	268,776	283,101
Prince Edward Island	110,815	117,238	125,430	133,457	139,944	146,044	147,196	149,617	152,250	156,108
Nova Scotia	146,033	159,221	168,614	180,989	189,932	196,690	206,186	212,512	220,413	217,192
New Brunswick	112,933	120,641	126,864	136,603	145,762	154,906	157,240	160,545	161,116	162,652
Quebec	165,773	179,474	191,062	204,579	214,831	224,545	242,257	254,207	264,096	267,673
Ontario	245,277	262,450	277,589	298,707	301,375	317,490	341,425	365,132	384,455	402,547
Manitoba	119,393	133,904	150,359	169,647	191,450	202,170	222,877	235,509	247,786	260,849
Saskatchewan	110,856	122,990	132,340	174,121	223,931	232,882	242,258	259,461	275,700	288,698
Alberta	195,092	218,718	286,149	357,483	353,748	341,818	352,301	353,394	363,208	380,969
British Columbia	289,107	332,224	390,963	439,119	454,599	465,725	505,178	561,304	514,836	537,414
Metropolitan Areas										
St. John's	131,499	141,167	139,542	149,258	178,477	206,374	235,341	251,581	268,776	283,101
Halifax	175,132	189,196	203,178	216,339	232,106	239,158	253,610	260,950	270,742	274,880
Moncton	113,096	124,088	128,547	140,032	143,173	150,135	152,251	158,561	158,107	160,092
Saint John	116,836	119,718	128,202	140,544	158,117	171,027	171,104	170,354	168,048	173,042
Saguenay	95,489	105,088	114,381	129,701	143,291	151,837	167,091	177,406	185,623	192,237
Québec	139,336	152,165	161,928	180,115	196,309	210,903	235,696	245,462	257,879	267,294
Sherbrooke	142,226	162,028	166,571	183,328	186,896	192,475	203,536	214,357	216,662	229,483
Trois-Rivières	100,686	111,356	115,822	131,495	137,669	141,270	150,482	156,206	154,558	158,582
Montréal	203,926	218,515	231,908	247,831	258,553	270,569	293,014	308,861	321,059	323,986
Gatineau	153,163	164,002	172,720	184,031	192,466	204,294	216,765	231,748	238,536	243,355
Ottawa	238,152	248,358	257,481	273,058	290,483	304,801	328,439	344,791	352,610	358,876
Kingston	175,821	195,757	212,157	222,300	235,047	242,729	249,509	261,968	270,275	279,339
Peterborough	188,624	206,270	213,469	231,596	230,656	236,637	249,763	254,605	264,946	271,162
Oshawa	237,084	252,606	258,362	265,620	272,429	278,505	299,983	314,450	333,201	354,548
Toronto	315,266	336,176	352,388	377,029	379,943	396,154	432,264	466,352	498,973	524,089
Hamilton	215,922	229,753	248,754	268,857	280,790	290,946	311,683	333,498	360,059	383,892
St. Catharines-Niagara	170,452	182,443	194,671	202,314	203,647	209,563	217,938	223,066	232,050	238,449
Kitchener-Cambridge-Waterloo	207,993	222,412	238,092	252,153	268,945	267,169	291,182	303,000	312,419	324,604
Brantford	166,885	182,470	198,716	209,151	218,890	220,369	229,678	237,283	245,436	264,443
Guelph	215,511	236,140	245,676	262,186	267,329	265,799	295,207	305,100	325,553	343,564
London	167,344	178,910	190,521	202,908	212,092	214,510	228,114	233,731	241,160	246,943
Windsor	159,597	163,001	164,123	163,215	159,709	153,691	159,347	166,008	172,047	179,820
Barrie	215,275	232,045	244,394	258,999	264,034	263,959	281,966	287,588	299,685	317,883
Greater Sudbury/Grand Sudbury	122,866	133,938	150,434	182,536	211,614	200,947	221,699	229,485	240,312	245,307
Thunder Bay	112,404	121,183	122,064	123,237	132,470	138,090	144,034	164,393	182,447	195,100
Winnipeg	121,926	137,063	154,607	174,202	196,941	207,342	228,707	241,409	255,058	268,381
Regina	111,869	123,600	131,851	165,613	229,716	244,088	258,023	277,473	301,145	312,355
Saskatoon	132,549	144,787	160,577	232,754	287,803	278,895	296,293	301,232	319,470	332,058
Calgary	222,860	250,832	346,675	414,066	405,267	385,882	398,764	402,851	412,315	437,036
Edmonton	179,610	193,934	250,915	338,636	332,852	320,378	328,803	325,595	334,318	344,977
Kelowna	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Abbotsford-Mission	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	373,877	425,745	509,876	570,795	593,767	592,441	675,853	779,730	730,063	767,765
Victoria	325,412	380,897	427,154	466,974	484,898	476,137	504,561	498,300	484,164	480,997

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NA = Not available
Source: CREA (MLS®), Centris® Statistics

TABLE 7

Teranet - National Bank National Composite House Price Index™ 2004-2013 (2005 = 100)

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**95.36**	**103.16**	**115.79**	**126.57**	**125.61**	**132.37**	**137.67**	**147.82**	**152.35**	**158.72**
Halifax	95.81	99.71	108.66	113.22	118.02	123.56	130.37	132.48	139.88	140.43
Québec	93.94	100.76	107.02	117.48	132.61	143.56	154.95	166.18	173.11	175.64
Montréal	94.19	99.81	108.81	116.80	121.57	127.74	135.35	143.69	148.06	148.71
Ottawa - Gatineau	97.48	101.51	105.30	111.57	116.62	123.82	131.07	137.04	140.57	141.98
Toronto	96.10	102.21	104.38	113.12	112.31	120.64	125.66	138.15	146.84	154.05
Hamilton	95.59	103.27	107.59	112.55	115.75	118.83	121.89	131.28	141.01	146.17
Winnipeg	93.97	103.45	115.72	135.84	147.74	158.21	165.83	180.28	187.32	193.66
Calgary	96.17	106.55	153.34	171.16	158.00	157.73	153.48	154.88	161.17	171.67
Edmonton	95.11	104.45	145.91	180.30	163.31	163.20	162.03	163.64	166.16	172.16
Vancouver	93.90	106.56	128.76	143.99	141.60	148.93	156.45	169.29	165.89	175.03
Victoria	92.85	107.50	123.01	138.81	138.19	143.08	139.07	139.51	139.51	133.92

Data as of December of each year.
Source: ©Teranet and National Bank of Canada, all rights reserved
For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 8

Occupied Housing Stock by Structure Type and Tenure, Canada, 2001, 2006 and 2011 (dwelling units)

	2001				2006				2011			
	Owned	Rented	Band	Total	Owned	Rented	Band	Total	Owned	Rented	Band	Total
Total	**7,610,390**	**3,907,170**	**45,415**	**11,562,975**	**8,509,780**	**3,878,500**	**49,180**	**12,437,470**	**9,185,845**	**4,078,230**	**55,180**	**13,319,250**
Single-detached house	5,972,985	620,950	41,135	6,635,065	6,329,200	507,550	43,210	6,879,965	6,732,800	547,090	47,900	7,327,785
Semi-detached house	395,460	169,585	800	565,850	452,965	141,385	1,265	595,615	504,225	156,215	1,575	662,015
Row house	340,870	276,140	995	618,010	439,175	254,335	1,635	695,145	520,825	276,870	2,100	799,795
Apartment detached duplex	154,385	258,210	165	412,760	335,835	329,075	290	665,200	347,440	340,300	410	688,150
Apartment building that has five or more storeys	213,205	836,440	10	1,049,655	288,800	824,045	120	1,112,965	358,740	875,970	10	1,234,715
Apartment building that has fewer than five storeys	386,165	1,696,730	510	2,083,410	507,850	1,779,910	540	2,288,300	550,760	1,839,750	660	2,391,160
Other single-attached house	16,850	24,945	50	41,845	18,865	18,810	65	37,735	15,350	16,405	80	31,845
Movable dwelling	130,470	24,165	1,750	156,385	137,085	23,385	2,055	162,535	155,705	25,640	2,450	183,795

The sum of individual categories may not always add up to the total as a result of rounding.
Source: Statistics Canada (Census of Canada) for 2001 and 2006. Statistics Canada *(National Household Survey)* for 2011
For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 9

Dwelling Condition by Tenure and Period of Construction, Canada, 2011

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	**13,319,250**	**9,026,475**	**67.8**	**3,310,580**	**24.9**	**982,200**	**7.4**
1945 or before	1,516,140	762,425	50.3	516,705	34.1	237,010	15.6
1946-1960	1,756,965	1,009,465	57.5	554,760	31.6	192,735	11.0
1961-1970	1,757,155	1,094,165	62.3	503,810	28.7	159,185	9.1
1971-1980	2,395,555	1,528,610	63.8	681,865	28.5	185,080	7.7
1981-1990	2,112,115	1,452,725	68.8	540,885	25.6	118,505	5.6
1991-1995	874,850	634,415	72.5	202,240	23.1	38,200	4.4
1996-2000	833,025	653,315	78.4	154,720	18.6	24,990	3.0
2000-2005	1,031,020	912,190	88.5	103,415	10.0	15,420	1.5
2006-2011	1,042,425	979,160	93.9	52,180	5.0	11,085	1.1
Owned	**9,185,845**	**6,288,235**	**68.5**	**2,309,930**	**25.1**	**587,680**	**6.4**
1945 or before	1,016,080	498,900	49.1	361,985	35.6	155,205	15.3
1946-1960	1,130,545	646,465	57.2	371,560	32.9	112,515	10.0
1961-1970	985,580	613,270	62.2	296,360	30.1	75,950	7.7
1971-1980	1,592,000	1,002,975	63.0	475,980	29.9	113,045	7.1
1981-1990	1,467,910	1,002,720	68.3	393,025	26.8	72,165	4.9
1991-1995	661,340	476,270	72.0	160,640	24.3	24,430	3.7
1996-2000	672,355	527,515	78.5	127,845	19.0	16,990	2.5
2000-2005	847,955	753,680	88.9	84,095	9.9	10,175	1.2
2006-2011	812,090	766,445	94.4	38,440	4.7	7,205	0.9
Rented	**4,078,225**	**2,724,040**	**66.8**	**983,690**	**24.1**	**370,495**	**9.1**
1945 or before	499,845	263,495	52.7	154,680	30.9	81,665	16.3
1946-1960	625,580	362,885	58.0	183,025	29.3	79,670	12.7
1961-1970	769,195	480,575	62.5	206,905	26.9	81,715	10.6
1971-1980	797,380	524,715	65.8	204,345	25.6	68,320	8.6
1981-1990	629,905	447,450	71.0	143,690	22.8	38,760	6.2
1991-1995	205,040	156,455	76.3	38,750	18.9	9,835	4.8
1996-2000	152,530	123,900	81.2	23,830	15.6	4,800	3.1
2000-2005	175,865	156,100	88.8	16,680	9.5	3,090	1.8
2006-2011	222,890	208,470	93.5	11,780	5.3	2,645	1.2
Band	**55,180**	**14,200**	**25.7**	**16,955**	**30.7**	**24,020**	**43.5**
1945 or before	215	45	20.9	40	18.6	140	65.1
1946-1960	845	125	14.8	175	20.7	550	65.1
1961-1970	2,385	325	13.6	545	22.9	1,520	63.7
1971-1980	6,180	920	14.9	1,540	24.9	3,715	60.1
1981-1990	14,295	2,555	17.9	4,160	29.1	7,575	53.0
1991-1995	8,465	1,690	20.0	2,850	33.7	3,930	46.4
1996-2000	8,145	1,895	23.3	3,050	37.4	3,200	39.3
2000-2005	7,200	2,410	33.5	2,640	36.7	2,150	29.9
2006-2011	7,445	4,250	57.1	1,960	26.3	1,240	16.7

The sum of individual categories may not always add up to the total as a result of rounding.
Source: Statistics Canada *(National Household Survey)*
For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 10

Ownership Rate, Canada, Provinces, Territories and Metropolitan Areas, 1971-2011 (per cent)[1]

	1971	1976	1981	1986	1991	1996	2001	2006	2011
Canada	**60.3**	**61.8**	**62.1**	**62.1**	**62.6**	**63.6**	**65.8**	**68.4**	**69.0**
Provinces and Territories									
Newfoundland and Labrador	80.0	80.6	80.6	80.1	78.6	77.1	78.2	78.7	77.5
Prince Edward Island	74.3	76.6	75.7	74.0	73.6	72.1	73.1	74.1	73.4
Nova Scotia	71.2	72.4	71.5	71.6	70.6	70.4	70.8	72.0	70.8
New Brunswick	69.4	71.8	73.4	74.2	74.1	73.8	74.5	75.5	75.7
Quebec	47.4	50.4	53.3	54.7	55.5	56.5	57.9	60.1	61.2
Ontario	62.9	63.6	63.3	63.6	63.7	64.3	67.8	71.0	71.4
Manitoba	66.1	66.4	65.8	65.5	65.8	66.4	67.8	68.9	70.1
Saskatchewan	72.7	75.5	72.9	70.1	69.9	68.8	70.8	71.8	72.6
Alberta	63.9	64.8	63.1	61.7	63.9	67.8	70.4	73.1	73.6
British Columbia	63.3	65.3	64.4	62.2	63.8	65.2	66.3	69.7	70.0
Yukon	50.2	49.3	52.7	55.7	57.6	58.5	63.0	63.8	66.5
Northwest Territories[2]	24.7	25.0	22.6	27.6	31.5	38.6	53.1	52.8	51.5
Nunavut[2]	NA	NA	NA	NA	NA	NA	24.2	22.7	21.0
Metropolitan Areas									
St. John's	66.6	68.9	69.5	68.3	67.1	67.5	69.5	71.5	70.3
Halifax	53.2	55.7	55.6	58.3	58.0	59.9	61.7	64.0	62.8
Moncton	64.1	66.1	68.2	69.3	69.5	69.2	68.6	70.1	70.6
Saint John	52.0	56.8	59.6	61.6	63.4	65.6	67.4	70.0	71.0
Saguenay	55.5	60.3	62.0	61.5	60.9	60.8	62.3	63.3	64.1
Québec	43.8	46.6	50.9	52.9	53.6	54.9	55.5	58.6	59.7
Sherbrooke	43.9	48.0	49.4	50.1	49.2	50.2	51.9	53.5	54.9
Trois-Rivières	50.3	53.0	55.6	55.4	54.5	55.5	57.3	57.6	58.0
Montréal	35.5	38.4	41.9	44.7	46.7	48.5	50.2	53.4	55.0
Gatineau	58.6	59.7	59.1	59.2	59.8	61.5	62.4	67.5	67.9
Ottawa	50.1	50.1	51.4	50.0	54.4	58.2	61.4	66.7	68.0
Kingston	55.1	57.7	59.3	59.7	59.4	61.2	63.9	67.4	67.9
Peterborough	71.7	71.0	68.6	70.0	68.8	69.4	71.6	72.7	67.0
Oshawa	69.0	70.0	68.8	70.2	70.1	71.4	75.6	78.6	73.7
Toronto	55.4	56.7	57.3	58.3	57.9	58.4	63.2	67.6	79.6
Hamilton	63.9	63.8	63.4	64.6	64.6	65.2	68.3	71.6	68.3
St. Catharines-Niagara	72.2	72.9	71.6	72.0	71.4	70.7	73.2	74.6	71.4
Kitchener-Cambridge-Waterloo	60.8	60.4	60.8	61.9	61.5	62.4	66.7	69.8	74.5
Brantford	69.2	68.1	66.6	66.4	66.1	67.4	66.8	73.7	70.2
Guelph	64.5	62.4	61.2	62.5	61.8	62.1	68.4	71.2	74.0
London	60.1	59.5	58.0	57.8	57.6	60.0	62.8	65.9	72.7
Windsor	70.4	69.9	68.0	67.2	68.4	68.6	71.8	74.3	66.7
Barrie	70.0	72.8	71.6	72.4	71.5	71.7	77.3	80.7	73.1
Greater Sudbury/Grand Sudbury	57.6	62.2	64.3	64.4	63.8	62.6	65.8	66.9	79.3
Thunder Bay	73.6	72.0	69.4	69.0	68.4	69.7	71.9	72.9	68.0
Winnipeg	59.6	59.2	59.1	60.8	62.0	63.9	65.5	67.2	72.0
Regina	60.9	66.2	65.4	65.7	66.2	66.0	68.2	70.1	68.4
Saskatoon	61.3	65.7	61.8	59.9	61.0	61.4	65.0	66.8	71.2
Calgary	56.5	59.2	58.4	57.9	60.6	65.5	70.6	74.1	69.1
Edmonton	57.1	58.1	57.9	57.1	59.2	64.4	66.3	69.2	73.9
Kelowna	70.8	73.0	71.5	67.1	71.1	72.4	73.5	77.3	70.6
Abbotsford-Mission	74.7	75.5	72.2	70.4	72.6	71.5	71.1	73.5	76.2
Vancouver	58.8	59.4	58.5	56.3	57.5	59.4	61.0	65.1	75.4
Victoria	61.5	61.2	59.8	59.2	61.1	62.1	63.1	64.7	65.5

[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.

NA = Not available

Source: CMHC, adapted from Statistics Canada (Census of Canada and National Household Survey)

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 11

Rental Vacancy Rate, Canada, Provinces and Metropolitan Areas, 2004-2013 (per cent)[1]

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada	**2.9**	**2.8**	**2.7**	**2.6**	**2.3**	**3.0**	**2.9**	**2.5**	**2.8**	**2.9**
Provinces										
Newfoundland and Labrador	4.1	4.6	4.1	2.1	1.1	1.0	1.0	1.3	2.2	2.7
Prince Edward Island	4.2	4.4	5.3	4.1	2.6	3.1	2.2	2.9	5.0	7.1
Nova Scotia	3.0	3.4	3.3	3.2	3.5	3.1	2.9	2.7	3.4	3.7
New Brunswick	5.3	5.0	6.0	5.3	3.6	3.8	4.5	4.8	6.9	8.9
Quebec	1.7	2.0	2.5	2.6	2.2	2.4	2.7	2.6	3.0	3.1
Ontario	4.1	3.8	3.4	3.3	2.7	3.5	2.9	2.2	2.5	2.6
Manitoba	1.4	1.9	1.6	1.5	0.9	1.1	0.9	1.0	1.6	2.4
Saskatchewan	5.3	4.5	3.3	1.2	1.2	1.5	2.2	1.9	2.3	3.1
Alberta	4.6	3.1	0.9	1.6	2.5	5.6	4.6	3.4	2.0	1.6
British Columbia	2.4	1.9	1.2	1.0	1.0	2.8	2.7	2.4	2.7	2.4
Metropolitan Areas										
St. John's	3.1	4.5	5.1	2.6	0.8	0.9	1.1	1.3	2.8	3.2
Halifax	2.9	3.3	3.2	3.1	3.4	2.9	2.6	2.4	3.0	3.2
Moncton	5.0	4.7	5.6	4.3	2.4	3.8	4.2	4.3	6.7	9.1
Saint John	5.8	5.7	6.8	5.2	3.1	3.6	5.1	5.9	9.7	11.4
Saguenay	5.3	4.5	4.1	2.8	1.6	1.5	1.8	1.4	2.0	2.8
Québec	1.1	1.4	1.5	1.2	0.6	0.6	1.0	1.6	2.0	2.3
Sherbrooke	0.9	1.2	1.2	2.4	2.8	3.9	4.6	4.7	5.0	5.3
Trois-Rivières	1.2	1.5	1.0	1.5	1.7	2.7	3.9	3.9	5.2	5.1
Montréal	1.5	2.0	2.7	2.9	2.4	2.5	2.7	2.5	2.8	2.8
Gatineau	2.1	3.1	4.2	2.9	1.9	2.2	2.5	2.2	3.3	5.1
Ottawa	3.9	3.3	2.3	2.3	1.4	1.5	1.6	1.4	2.5	2.9
Kingston	2.4	2.4	2.1	3.2	1.3	1.3	1.0	1.1	1.7	2.3
Peterborough	1.7	2.8	2.8	2.8	2.4	6.0	4.1	3.5	2.7	4.8
Oshawa	3.4	3.3	4.1	3.7	4.2	4.2	3.0	1.8	2.1	2.1
Toronto	4.3	3.7	3.2	3.2	2.0	3.1	2.1	1.4	1.7	1.6
Hamilton	3.4	4.3	4.3	3.5	3.2	4.0	3.7	3.4	3.5	3.4
St. Catharines - Niagara	2.6	2.7	4.3	4.0	4.3	4.4	4.4	3.2	4.0	4.1
Kitchener-Cambridge-Waterloo	3.5	3.3	3.3	2.7	1.8	3.3	2.6	1.7	2.6	2.9
Brantford	1.7	1.8	2.3	2.9	2.4	3.3	3.7	1.8	3.5	2.9
Guelph	3.3	3.6	2.8	1.9	2.3	4.1	3.4	1.1	1.4	1.9
London	3.7	4.2	3.6	3.6	3.9	5.0	5.0	3.8	3.9	3.3
Windsor	8.8	10.3	10.4	12.8	14.6	13.0	10.9	8.1	7.3	5.9
Barrie	3.0	2.1	2.8	3.2	3.5	3.8	3.4	1.7	2.0	3.0
Greater Sudbury/Grand Sudbury	2.6	1.6	1.2	0.6	0.7	2.9	3.0	2.8	2.7	3.4
Thunder Bay	5.0	4.6	4.9	3.8	2.2	2.3	2.2	1.7	1.1	2.6
Winnipeg	1.1	1.7	1.3	1.5	1.0	1.1	0.8	1.1	1.7	2.5
Regina	2.7	3.2	3.3	1.7	0.5	0.6	1.0	0.6	1.0	1.8
Saskatoon	6.3	4.6	3.2	0.6	1.9	1.9	2.6	2.6	2.6	2.7
Calgary	4.3	1.6	0.5	1.5	2.1	5.3	3.6	1.9	1.3	1.0
Edmonton	5.3	4.5	1.2	1.5	2.4	4.5	4.2	3.3	1.7	1.4
Kelowna	1.0	0.5	0.6	0.0	0.3	3.0	3.5	3.0	4.0	1.8
Abbotsford-Mission	2.8	3.8	2.0	2.1	2.6	6.1	6.5	6.7	4.2	3.2
Vancouver	1.3	1.4	0.7	0.7	0.5	2.1	1.9	1.4	1.8	1.7
Victoria	0.6	0.5	0.5	0.5	0.5	1.4	1.5	2.1	2.7	2.8
Average of Metropolitan Areas[2]	**2.7**	**2.7**	**2.6**	**2.6**	**2.2**	**2.8**	**2.6**	**2.2**	**2.6**	**2.7**

[1] In privately initiated apartment structures with at least three units.

[2] Prior to 2007, Moncton, Peterborough, Brantford, Guelph, Barrie, and Kelowna are not included in the average of metropolitan areas.

Source: CMHC *(Rental Market Survey)*

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 12

Average Rent for Two-Bedroom Apartments, Canada, Provinces and Metropolitan Areas, 2004-2013 (dollars)[1]

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canada[2]	**720**	**732**	**755**	**772**	**804**	**812**	**835**	**856**	**875**	**894**
Provinces										
Newfoundland and Labrador	571	578	585	575	596	634	668	701	725	784
Prince Edward Island	603	612	631	648	660	688	719	745	787	790
Nova Scotia	711	726	760	777	795	838	851	882	909	929
New Brunswick	576	586	609	619	635	656	668	687	707	715
Quebec	572	591	607	616	628	640	666	684	681	699
Ontario	898	903	919	924	948	955	980	1,002	1,033	1,059
Manitoba	650	669	692	721	748	788	815	850	887	937
Saskatchewan	572	577	596	656	762	833	873	914	958	995
Alberta	754	765	866	1,008	1,074	1,042	1,034	1,042	1,083	1,157
British Columbia	821	844	885	922	969	1,001	1,019	1,050	1,073	1,087
Metropolitan Areas										
St. John's	618	634	635	614	630	677	725	771	798	864
Halifax	747	762	799	815	833	877	891	925	954	976
Moncton	611	612	636	643	656	675	691	715	731	742
Saint John	520	526	556	570	618	644	645	670	691	691
Saguenay	459	472	485	490	518	518	535	557	549	571
Québec	596	621	637	641	653	676	692	718	741	757
Sherbrooke	495	505	515	529	543	553	566	577	578	591
Trois-Rivières	457	474	488	487	505	520	533	547	550	555
Montréal	594	616	636	647	659	669	700	719	711	730
Gatineau	663	660	667	662	677	690	711	731	743	744
Ottawa	940	920	941	961	995	1,028	1,048	1,086	1,115	1,132
Kingston	785	807	841	856	880	909	935	965	1,005	1,054
Peterborough	775	797	818	822	850	875	890	899	904	915
Oshawa	852	855	861	877	889	900	903	941	939	985
Toronto	1,052	1,052	1,067	1,061	1,095	1,096	1,123	1,149	1,183	1,213
Hamilton	789	791	796	824	836	831	862	884	886	932
St. Catharines - Niagara	722	736	752	765	777	804	817	833	862	872
Kitchener-Cambridge-Waterloo	765	811	824	829	845	856	872	889	908	952
Brantford	684	722	712	749	752	754	778	792	838	835
Guelph	829	830	839	848	869	874	887	903	941	957
London	758	775	790	816	834	896	869	881	919	924
Windsor	776	780	774	773	772	747	752	753	778	788
Barrie	920	909	906	934	954	961	968	1,001	1,037	1,048
Greater Sudbury/Grand Sudbury	655	668	706	749	800	830	840	881	915	914
Thunder Bay	679	689	696	709	719	742	763	772	818	858
Winnipeg	664	683	709	740	769	809	837	875	911	969
Regina	602	607	619	661	756	832	881	932	979	1,018
Saskatoon	580	584	608	693	841	905	934	966	1,002	1,041
Calgary	806	808	960	1,089	1,148	1,099	1,069	1,084	1,150	1,224
Edmonton	730	732	808	958	1,034	1,015	1,015	1,034	1,071	1,141
Kelowna	723	755	800	846	967	897	898	922	927	970
Abbotsford-Mission	684	704	719	752	765	781	785	800	818	820
Vancouver	984	1,004	1,045	1,084	1,124	1,169	1,195	1,237	1,261	1,281
Victoria	799	837	874	907	965	1,001	1,024	1,045	1,059	1,068

[1] In privately initiated apartment structures with at least three units.

[2] Only includes provincial data.

Source: CMHC *(Rental Market Survey)*

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 13

Seniors' Rental Housing[1] Canada, Provinces and Metropolitan Areas, 2010-2013

	Standard Spaces[2]				Vacancy Rate of Standard Spaces[2] (%)				Average Rent for Standard[2] Bachelor/Private Rooms with Meals included in Rent ($)			
	2010	2011	2012	2013	2010	2011	2012	2013	2010	2011	2012	2013
Canada[3]	**153,106**	**162,746**	**167,369**	**167,705**	**10.8**	**10.7**	**10.6**	**10.3**	**1,857**	**1,909**	**1,969**	**1,995**
Provinces												
Newfoundland and Labrador	859	1,024	1,028	1,054	18.1	37.6	38.7	25.0	**	**	**	**
Prince Edward Island	740	557	960	893	7.1	9.1	8.2	6.6	2,326	2,154	2,608	2,386
Nova Scotia	786	1,108	1,165	1,322	15.0	8.2	6.9	8.5	2,066	2,263	2,368	2,559
New Brunswick	955	1,615	1,243	1,540	6.2	7.8	7.7	6.8	2,131	1,957	2,240	1,883
Quebec	86,025	90,309	90,722	87,679	8.4	8.1	8.4	8.7	1,329	1,397	1,405	1,453
Ontario	36,392	39,276	43,061	44,899	16.4	15.7	14.4	13.4	2,585	2,677	2,744	2,789
Manitoba	2,979	3,446	3,215	3,598	7.9	7.1	4.8	4.8	1,617	1,647	1,730	1,779
Saskatchewan	3,372	3,932	3,782	4,345	6.2	4.1	6.7	8.8	2,117	2,187	2,260	2,337
Alberta	7,187	7,128	6,824	6,765	12.2	12.8	11.3	10.2	2,160	2,178	2,211	2,351
British Columbia	13,811	14,351	15,369	15,610	10.4	11.5	12.6	11.4	2,029	1,977	1,991	2,045
Metropolitan Areas												
St. John's	394	372	357	358	21.3	16.7	8.7	6.4	**	**	**	**
Halifax	348	494	493	555	4.3	4.3	3.2	1.6	2,170	2,297	2,433	2,571
Moncton	308	541	445	633	3.2	6.3	5.2	3.5	**	**	**	**
Saint John	114	437	257	368	**	**	**	**	**	**	**	**
Saguenay	2,079	1,949	2,337	2,341	3.4	4.6	15.6	12.7	1,168	1,203	1,150	1,172
Québec	9,794	11,385	11,338	10,828	8.1	6.2	5.2	6.3	1,438	1,555	1,552	1,549
Sherbrooke	3,599	3,825	3,592	3,659	7.8	7.0	9.8	9.0	1,168	1,220	1,197	1,283
Trois-Rivières	2,958	2,791	3,090	3,419	5.1	6.6	12.8	14.0	1,272	1,213	1,311	1,305
Montréal	37,503	38,793	37,961	35,688	8.6	8.5	7.9	8.4	1,495	1,588	1,585	1,668
Gatineau	2,749	3,011	2,843	2,432	21.3	19.3	17.7	12.2	1,683	1,665	1,671	1,840
Ottawa	4,831	5,111	5,441	5,433	17.4	17.0	14.7	13.0	2,822	2,901	2,991	2,991
Kingston	535	660	760	701	6.6	25.5	18.8	15.2	2,638	2,722	2,910	2,851
Peterborough	512	694	505	492	14.1	10.4	7.7	6.3	2,733	2,832	2,943	2,840
Oshawa	926	911	1,285	1,221	17.2	16.9	17.8	14.7	2,755	2,787	2,928	2,958
Toronto	8,056	10,101	11,102	12,213	18.5	19.9	17.9	16.2	2,923	3,092	3,173	3,266
Hamilton	2,457	2,737	2,732	2,813	11.2	11.0	9.9	9.3	2,697	2,693	2,794	2,927
St. Catharines-Niagara	1,791	1,538	1,759	1,986	27.5	16.7	15.1	11.0	2,437	2,351	2,494	2,575
Kitchener-Cambridge-Waterloo	1,712	2,016	2,046	1,884	8.3	9.2	4.0	9.1	2,569	2,775	2,797	2,871
Brantford	365	634	660	677	7.4	9.8	6.5	4.7	2,349	2,362	2,495	2,581
Guelph	437	659	891	671	10.9	10.9	7.0	7.0	2,556	2,987	2,981	2,700
London	1,593	1,546	1,896	1,886	16.7	16.9	15.5	17.1	2,701	2,814	2,815	2,846
Windsor	1,319	1,264	1,403	1,409	17.8	18.0	22.8	17.8	2,605	2,578	2,442	2,516
Barrie	773	538	766	786	15.5	18.7	10.5	8.3	2,520	2,571	2,682	2,688
Greater Sudbury/Grand Sudbury	644	582	656	623	2.2	3.1	1.8	2.9	2,124	2,271	2,290	2,448
Thunder Bay	315	362	272	333	**	**	**	**	**	**	**	**
Winnipeg	2,512	2,977	2,939	3,269	7.1	7.8	5.0	4.6	1,553	1,567	1,643	1,606
Regina	878	918	903	1,220	3.4	2.3	4.1	6.7	2,600	2,741	2,796	2,781
Saskatoon	1,238	1,515	1,400	1,560	3.7	4.6	7.1	7.4	2,202	2,276	2,389	2,329
Calgary	2,748	2,648	2,664	2,720	10.0	10.4	8.5	7.5	2,296	2,379	2,435	2,622
Edmonton	2,782	2,749	2,481	2,237	11.0	10.4	11.4	7.3	2,067	2,086	2,109	2,189
Kelowna	1,505	1,484	1,473	1,535	12.3	10.0	8.1	10.4	1,724	1,708	1,754	1,727
Abbotsford-Mission	579	601	601	729	8.6	18.1	13.3	7.8	**	**	**	**
Vancouver	5,131	4,868	5,735	5,770	9.8	8.7	12.8	11.9	2,306	2,079	2,228	2,410
Victoria	2,112	2,314	2,295	2,197	10.2	11.5	12.8	11.3	2,114	2,222	2,184	2,171

[1] The Seniors' Housing Survey targets only residences that have at least one unit that is not subsidized, have been in operation for at least one year, have at least 10 rental units (in Quebec, Ontario and the Prairies) or 5 rental units (in the Atlantic provinces and B.C.), offer an on-site meal plan, do not mandate high levels of health care (defined as 1.5 hours or more of care per day) to all of its residents (nursing homes and long-term care homes are examples of residences that were not included in the survey), offer rental units; life lease units and owner-occupied units are excluded from this survey, and have at least 50 per cent of its residents who are 65 years of age or older.

[2] Standard space: A space where the resident does not receive high-level care (that is, the resident receivesless than 1.5 hours of care per day) or is not required to pay an extra amount to receive high-level care. Regional terms for this type of space may vary across the country.

[3] Only includes provincial data.

** Data suppressed to protect confidentiality or data not statistically reliable

Source: CMHC (Seniors' Housing Survey)

TABLE 14

Secondary Rental Market, Selected Metropolitan Areas, 2007-2013

	2007	2008	2009	2010	2011	2012	2013
Rented Condominium Apartments							
Units							
Metropolitan Areas							
St. John's	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Halifax	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Québec	18,526	19,092	20,326	21,718	23,466	25,642	28,294
Montréal	88,488	93,438	101,433	107,261	115,505	130,691	141,673
Ottawa	19,699	20,999	21,860	24,206	26,134	26,216	27,844
Toronto	217,483	225,538	245,990	255,842	269,597	281,445	295,884
Barrie	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Winnipeg	N/A	N/A	N/A	N/A	13,289	13,863	14,345
Regina	N/A	2,590	2,662	2,904	3,863	5,231	5,616
Saskatoon	N/A	7,260	7,413	8,169	8,318	8,772	9,417
Calgary	30,109	33,055	36,824	40,473	42,361	47,156	49,204
Edmonton	28,104	32,698	34,797	39,413	41,183	40,597	42,452
Kelowna	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abbotsford-Mission	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vancouver	140,594	148,511	160,213	168,871	174,176	187,347	194,598
Victoria	N/A	19,017	20,486	21,582	21,928	22,319	22,760
Vacancy Rate (%)							
St. John's	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Halifax	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Québec	2.4	1.3	1.6	1.7	2.3	2.2	5.9
Montréal	3.8	3.2	2.7	4.2	2.8	2.7	2.7
Ottawa	0.5	0.5	1.1	2.0	1.4	3.2	3.6
Toronto	0.7	0.4	0.9	1.7	1.1	1.2	1.8
Barrie	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Winnipeg	N/A	N/A	N/A	N/A	1.8	1.3	1.5
Regina	N/A	0.3	3.0	1.4	0.6	1.9	1.4
Saskatoon	N/A	1.8	1.0	0.9	0.4	0.9	0.7
Calgary	0.7	3.5	1.5	5.2	5.7	2.1	1.0
Edmonton	1.5	4.3	3.1	5.2	3.7	2.5	1.1
Kelowna	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abbotsford-Mission	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vancouver	0.2	0.6	1.7	2.2	0.9	1.0	1.1
Victoria	N/A	2.0	1.7	1.6	1.2	2.2	2.1
Average Rent ($)							
St. John's	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Halifax	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Québec	852	873	839	907	900	927	958
Montréal	1,054	1,043	1,040	1,125	1,087	997	1,124
Ottawa	1,002	1,093	1,135	1,182	1,247	1,258	1,400
Toronto	1,443	1,483	1,399	1,497	1,508	1,526	1,672
Barrie	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Winnipeg	N/A	N/A	N/A	N/A	**	1,134	1,265
Regina	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Saskatoon	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Calgary	1,158	1,244	1,256	1,355	1,378	1,288	1,356
Edmonton	953	1,028	1,056	1,001	1,084	1,186	1,146
Kelowna	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Abbotsford-Mission	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vancouver	1,290	1,334	1,308	1,460	1,474	1,499	1,521
Victoria	N/A	1,049	1,152	**	1,190	1,296	1,245

TABLE 14

Secondary Rental Market, Selected Metropolitan Areas, 2007-2013 (continued)

	2007	2008	2009	2010	2011	2012	2013
Other Secondary Rental Market Units (excluding Condominiums)							
Estimated Households							
Metropolitan Areas							
St. John's	13,896	12,687	12,896	14,617	15,340	15,376	15,464
Halifax	15,321	14,108	15,739	13,514	13,669	13,846	13,964
Québec	28,906	30,336	28,462	21,198	21,466	21,825	20,100
Montréal	187,969	200,503	199,188	115,402	117,257	119,356	109,969
Ottawa	36,465	35,433	34,118	33,998	33,935	37,797	33,780
Toronto	134,578	153,053	127,473	116,469	121,843	117,703	114,738
Barrie	5,977	6,714	6,168	6,136	6,217	6,517	7,686
Winnipeg	N/A	N/A	N/A	N/A	24,234	22,159	22,246
Regina	N/A	8,622	7,795	9,891	10,109	9,711	10,084
Saskatoon	N/A	11,766	11,076	13,124	13,456	13,162	13,386
Calgary	49,052	47,764	47,893	53,312	54,878	55,355	57,166
Edmonton	43,856	46,310	47,713	47,073	47,756	48,873	49,586
Kelowna	8,167	7,634	8,063	8,719	8,932	9,482	9,318
Abbotsford-Mission	7909	7161	7285	8322	8501	9365	9340
Vancouver	97,952	101,050	95,328	99,869	101,808	103,780	104,923
Victoria	N/A	17,949	18,292	19,471	19,244	19,347	20,003
Average Rent ($)							
St. John's	592	618	653	676	703	704	734
Halifax	731	792	790	846	895	873	885
Québec	559	581	626	648	638	695	695
Montréal	601	665	650	689	712	744	743
Ottawa	957	1,009	1,063	1,072	1,134	1,179	1,183
Toronto	1,021	1,109	1,130	1,201	1,194	1,224	1,306
Barrie	981	1,041	1,046	1,081	1,128	1,130	1,134
Winnipeg	N/A	N/A	N/A	N/A	815	829	768
Regina	N/A	764	**	832	908	982	1,011
Saskatoon	N/A	888	876	952	1,002	1,004	978
Calgary	1,045	1,125	1,155	1,141	1,151	1,152	1,180
Edmonton	925	1,078	1,049	1,106	1,196	1,191	1,165
Kelowna	962	1,092	1,086	1,106	1,100	1,134	1,196
Abbotsford-Mission	840	910	948	869	835	913	937
Vancouver	984	1,069	1,101	1,149	1,201	1,180	1,212
Victoria	N/A	1,029	1,081	1,037	1,061	1,111	1,087

** Data suppressed to protect confidentiality or data not statistically reliable.
N/A: Not applicable
Source: CMHC Secondary Rental Market Survey

TABLE 15

Households by Age of Maintainer and Tenure, Canada, 1971-2011

	1971	1976	1981	1986	1991	1996	2001	2006	2011
Total Households									
15-24	413,570	584,270	674,825	535,945	466,225	437,460	447,165	456,625	458,915
25-34	1,262,315	1,678,965	2,036,370	2,124,040	2,219,995	2,045,210	1,792,025	1,782,270	1,912,825
35-44	1,250,530	1,339,425	1,589,410	1,971,475	2,363,020	2,630,170	2,747,615	2,591,890	2,388,765
45-54	1,172,285	1,305,650	1,370,800	1,412,515	1,666,415	2,102,365	2,509,625	2,829,775	3,023,355
55-64	955,825	1,079,005	1,215,890	1,327,005	1,379,945	1,434,725	1,659,775	2,130,820	2,560,680
65-74	627,395	763,350	905,740	1,021,305	1,168,255	1,280,605	1,324,885	1,387,285	1,620,080
75+	352,590	415,430	488,490	599,385	754,405	889,510	1,081,880	1,258,805	1,354,635
Total	**6,034,505**	**7,166,095**	**8,281,535**	**8,991,670**	**10,018,265**	**10,820,050**	**11,562,975**	**12,437,470**	**13,319,250**
Owners									
15-24	57,750	111,125	127,180	88,815	64,625	61,670	70,990	96,380	109,280
25-34	541,240	866,895	1,064,390	1,029,220	1,043,470	936,020	837,010	914,485	1,002,800
35-44	838,995	949,750	1,142,890	1,374,245	1,606,665	1,741,120	1,844,450	1,797,405	1,651,275
45-54	851,190	970,265	1,037,395	1,062,030	1,246,970	1,555,580	1,868,280	2,135,865	2,259,800
55-64	682,985	775,350	894,035	989,245	1,041,660	1,093,570	1,276,610	1,654,860	1,973,495
65-74	432,440	504,665	595,650	695,155	824,185	936,610	997,030	1,056,105	1,233,900
75+	232,330	253,190	280,405	342,175	445,450	553,210	716,015	854,680	955,290
Total	**3,636,925**	**4,431,230**	**5,141,935**	**5,580,875**	**6,273,030**	**6,877,780**	**7,610,390**	**8,509,780**	**9,185,845**
Renters									
15-24	355,820	473,150	547,645	443,735	399,360	372,805	373,060	357,010	346,085
25-34	721,070	812,075	971,985	1,083,920	1,168,780	1,098,795	943,670	857,475	899,375
35-44	411,535	389,670	446,520	588,310	750,085	879,555	890,540	781,090	724,040
45-54	321,095	335,390	333,405	343,705	415,175	540,525	633,160	683,720	750,770
55-64	272,845	303,655	321,860	332,095	335,185	337,020	378,015	469,565	579,060
65-74	194,955	258,685	310,095	321,750	342,100	341,440	324,590	327,400	381,740
75+	120,260	162,240	208,080	254,975	307,840	335,010	364,135	402,240	397,150
Total	**2,397,580**	**2,734,860**	**3,139,595**	**3,368,485**	**3,718,525**	**3,905,145**	**3,907,170**	**3,878,500**	**4,078,230**
Avg. Household Size	**3.5**	**3.1**	**2.9**	**2.8**	**2.7**	**2.6**	**2.6**	**2.5**	**2.5**

Total household counts for 1986-2011 include households on-reserve (1986) or in band housing (1991, 1996, 2001, 2006, 2011) and are therefore larger than the sum of owners and renters.
The sum of individual categories may not always add up to the total as a result of rounding.
Source: Statistics Canada (Census of Canada) for 1971, 1976, 1981, 1986, 1991, 1996, 2001 and 2006. Statistics Canada *(National Household Survey)* for 2011

TABLE 16

Households by Type and Tenure, Canada, 1971-2011

	1971	1976	1981	1986	1991	1996	2001	2006	2011
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	12,437,470	13,319,250
Family households	4,928,130	5,633,945	6,231,485	6,634,995	7,235,230	7,685,470	8,155,560	8,651,330	9,110,430
One-family households	4,807,010	5,542,295	6,140,330	6,537,880	7,118,660	7,540,625	7,951,960	8,421,050	8,849,655
Couples with children	3,028,315	3,266,655	3,523,205	3,604,045	3,729,800	3,853,800	3,857,620	3,902,390	3,952,105
Couples without children	1,354,970	1,759,510	1,948,700	2,130,935	2,485,115	2,608,435	2,910,180	3,242,530	3,547,075
Lone parents	423,725	516,125	668,425	802,905	903,745	1,078,385	1,184,165	1,276,130	1,350,485
Multiple-family households	121,120	91,655	91,160	97,115	116,575	144,845	203,600	230,280	260,775
Non-family households	1,106,375	1,532,150	2,050,045	2,356,675	2,783,035	3,134,580	3,407,415	3,786,130	4,208,820
One person only	810,395	1,205,340	1,681,130	1,934,710	2,297,060	2,622,180	2,976,880	3,327,045	3,662,800
Two or more persons	295,980	326,810	368,915	421,965	485,975	512,400	430,535	459,085	546,015
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	8,509,780	9,185,845
Family households	3,220,840	3,918,915	4,465,250	4,755,765	5,240,405	5,626,670	6,145,835	6,737,530	7,144,225
One-family households	3,124,275	3,842,355	4,390,265	4,677,435	5,145,490	5,511,500	5,985,695	6,550,125	6,930,885
Couples with children	2,095,895	2,488,795	2,807,650	2,868,915	2,975,720	3,083,980	3,148,020	3,268,070	3,302,090
Couples without children	820,960	1,106,650	1,267,930	1,445,650	1,765,205	1,954,540	2,239,700	2,581,035	2,867,825
Lone parents	207,420	246,910	314,685	362,870	404,565	472,980	597,970	701,020	760,975
Multiple-family households	96,560	76,560	74,985	78,330	94,910	115,170	160,140	187,405	213,335
Non-family households	416,085	512,320	676,690	825,110	1,032,630	1,251,110	1,464,555	1,772,240	2,041,625
One person only	299,805	391,475	539,200	668,270	848,310	1,050,520	1,307,170	1,590,125	1,815,135
Two or more persons	116,285	120,850	137,490	156,845	184,325	200,595	157,380	182,115	226,490
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	3,878,500	4,078,230
Family households	1,707,290	1,715,035	1,766,240	1,845,340	1,972,740	2,028,420	1,972,310	1,874,090	1,921,895
One-family households	1,682,735	1,699,940	1,750,065	1,828,435	1,952,400	2,000,890	1,933,895	1,837,590	1,881,985
Couples with children	932,420	777,860	715,555	715,655	740,235	752,150	690,815	616,430	631,650
Couples without children	534,015	652,860	680,770	679,600	717,520	650,285	666,775	657,110	674,075
Lone parents	216,310	269,220	353,745	433,180	494,645	598,450	576,290	564,050	576,260
Multiple-family households	24,555	15,095	16,170	16,900	20,340	27,530	38,415	36,500	39,905
Non-family households	690,290	1,019,825	1,373,355	1,523,145	1,745,785	1,876,725	1,934,860	2,004,410	2,156,330
One person only	510,595	813,865	1,141,935	1,260,065	1,445,450	1,566,635	1,662,845	1,728,725	1,838,675
Two or more persons	179,695	205,960	231,425	263,085	300,330	310,095	272,015	275,685	317,655

Total household counts for 1986-2011 include households in on-reserve (1986) or band housing (1991, 1996, 2001, 2006, 2011) 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, 2006 and 2011 — except for one-person households — is not strictly comparable to data from earlier censuses.

The sum of individual categories may not always add up to the total as a result of rounding

Source: Statistics Canada (Census of Canada) for 1971, 1976, 1981, 1986, 1991, 1996, 2001 and 2006. Statistics Canada *(National Household Survey)* for 2011

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 17

Housing Profile of One-person and Lone-parent Households by Gender, Canada, 2011

	All private households	One-person households			Lone-parent households		
		Total	Female	Male	Total	Female	Male
Total households[1]							
Number of households	13,319,255	3,662,800	1,994,855	1,667,950	1,350,485	1,073,840	276,635
Average household income before taxes in 2005 ($)	79,102	40,054	36,447	44,369	57,875	53,822	73,606
Average household income after taxes in 2005 ($)	66,149	33,702	31,345	36,521	50,973	48,176	61,830
Average monthly shelter costs ($)[2]	1,051	799	778	826	1,015	1,002	1,068
Single-detached houses	7,327,785	1,184,440	599,945	584,495	617,695	459,405	158,290
Semi-detached houses	662,015	136,725	82,470	54,250	98,345	82,075	16,275
Row houses	799,795	195,190	124,855	70,335	153,530	133,170	20,365
Duplex apartments	688,150	208,225	109,065	99,165	86,670	68,560	18,115
Apartments in buildings that have fewer than five storeys	2,391,160	1,230,250	672,705	557,550	260,750	216,960	43,790
Apartments in buildings that have five or more storeys	1,234,715	633,635	372,050	261,585	111,730	97,255	14,470
Other dwellings[3]	215,640	74,340	33,765	40,575	21,755	16,425	5,330
Part of a condominium	1,615,485	678,870	414,630	264,240	155,490	130,280	25,210
Owner households							
Number of households	9,185,850	1,815,135	1,012,345	802,785	760,975	576,910	184,065
Average household income before taxes in 2005 ($)	94,049	49,208	44,323	55,367	70,991	67,050	83,343
Average household income after taxes in 2005 ($)	77,731	40,543	37,318	44,609	61,237	58,731	69,089
Average monthly shelter costs ($)[2]	1,138	863	815	925	1,133	1,130	1,142
Single-detached houses	6,732,800	1,039,885	536,865	503,020	509,445	372,105	137,335
Semi-detached houses	504,225	95,470	60,665	34,810	61,770	50,460	11,310
Row houses	520,825	132,635	88,335	44,300	70,560	59,905	10,655
Duplex apartments	347,440	71,805	39,095	32,710	35,670	26,865	8,800
Apartments in buildings that have fewer than five storeys	550,760	246,955	153,020	93,935	43,850	35,460	8,395
Apartments in buildings that have five or more storeys	358,740	172,885	108,410	64,475	24,160	20,560	3,600
Other dwellings[3]	171,055	55,495	25,955	29,540	15,525	11,565	3,960
Part of a condominium	1,153,585	488,610	316,005	172,610	99,285	83,720	15,565
Homeowners with mortgages[4]	5,297,810	851,860	420,405	431,460	497,890	377,840	120,055
Homeowners without mortgages[4]	3,755,315	949,060	589,020	360,035	258,215	196,485	61,730
Renter households							
Number of households	4,078,230	1,838,675	979,125	859,550	576,260	486,660	89,600
Average household income before taxes in 2005 ($)	45,969	31,127	28,363	34,274	41,198	38,653	55,018
Average household income after taxes in 2005 ($)	40,432	27,029	25,214	29,098	37,916	36,064	47,972
Average monthly shelter costs ($)[2]	855	737	739	734	860	849	917
Single-detached houses	547,090	137,620	60,555	77,065	96,695	78,375	18,315
Semi-detached houses	156,215	40,870	21,635	19,235	36,210	31,320	4,890
Row houses	276,870	61,790	36,185	25,605	82,495	72,870	9,620
Duplex apartments	340,300	136,285	69,910	66,375	50,920	41,615	9,300
Apartments in buildings that have fewer than five storeys	1,839,750	983,030	519,565	463,470	216,760	181,390	35,370
Apartments in buildings that have five or more storeys	875,970	460,745	263,645	197,110	87,575	76,705	10,870
Other dwellings[3]	42,045	18,330	7,630	10,705	5,615	4,385	1,230
Part of a condominium	461,215	190,125	98,580	91,545	56,000	46,410	9,595
Living in subsidized housing	560,745	304,455	192,415	112,040	123,220	113,460	9,760

[1] Where band housing is present, total household counts are larger than the sum of owner and renter households.

[2] The *National Household Survey* does not collect shelter costs for households living in band housing or for farm operators. For renters, shelter costs include rent and any payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes, and any condominium fees, along with payments for electricity, fuel, water and other municipal services.

[3] Other dwellings comprise other single-attached houses, mobile homes, and other movable dwellings.

[4] Mortgage data exclude farm operators.

Source: Statistics Canada *(National Household Survey)*

TABLE 18

Household Growth Summary, Canada, Provinces, Territories and Census Metropolitan Areas, 2006 and 2011

	2006	2011	Growth (per cent)	Avg. Annual Growth
Canada	**12,435,520**	**13,320,614**	**7.1**	**177,019**
Provinces and Territories				
Newfoundland and Labrador	197,245	208,842	5.9	2,319
Prince Edward Island	53,084	56,462	6.4	676
Nova Scotia	376,829	390,279	3.6	2,690
New Brunswick	295,871	314,007	6.1	3,627
Quebec	3,188,713	3,395,343	6.5	41,326
Ontario	4,554,251	4,887,508	7.3	66,651
Manitoba	448,766	466,138	3.9	3,474
Saskatchewan	387,160	409,645	5.8	4,497
Alberta	1,256,192	1,390,275	10.7	26,817
British Columbia	1,642,715	1,764,637	7.4	24,384
Yukon	12,615	14,117	11.9	300
Northwest Territories	14,224	14,700	3.3	95
Nunavut	7,855	8,661	10.3	161
Census Metropolitan Areas				
St. John's	70,663	78,960	11.7	1,659
Halifax	155,138	165,153	6.5	2,003
Moncton	51,593	58,294	13.0	1,340
Saint John	49,107	52,281	6.5	635
Saguenay	66,251	69,507	4.9	651
Québec	318,001	345,892	8.8	5,578
Sherbrooke	84,605	91,099	7.7	1,299
Trois-Rivières	65,153	70,138	7.7	997
Montréal	1,525,625	1,613,260	5.7	17,527
Ottawa-Gatineau	450,333	498,636	10.7	9,661
Kingston	61,978	65,965	6.4	797
Peterborough	46,667	48,848	4.7	436
Oshawa	119,028	129,698	9.0	2,134
Toronto	1,801,071	1,989,705	10.5	37,727
Hamilton	266,377	282,186	5.9	3,162
St. Catharines-Niagara	156,386	160,455	2.6	814
Kitchener-Waterloo-Cambridge	169,063	181,493	7.4	2,486
Brantford	47,847	52,726	10.2	976
Guelph	51,116	54,868	7.3	750
London	184,946	195,056	5.5	2,022
Windsor	125,848	126,843	0.8	199
Barrie	63,877	68,495	7.2	924
Greater Sudbury/Grand Sudbury	65,076	67,767	4.1	538
Thunder Bay	51,426	52,062	1.2	127
Winnipeg	281,745	291,316	3.4	1,914
Regina	80,323	85,731	6.7	1,082
Saskatoon	95,257	104,237	9.4	1,796
Calgary	415,592	464,001	11.6	9,682
Edmonton	405,311	450,786	11.2	9,095
Kelowna	66,925	74,942	12.0	1,603
Abbotsford-Mission	55,948	59,317	6.0	674
Vancouver	817,033	891,336	9.1	14,861
Victoria	145,388	153,328	5.5	1,588

Data for 2006 are based on 2011 Census Metropolitan Area boundaries. Between 2006 and 2011, CMA boundaries changed in Saguenay, Québec, Sherbrooke, Trois-Rivières, Montréal, Ottawa-Gatineau, and Guelph.

Data are census-based estimates of dwellings occupied by usual residents, which were released by Statistics Canada on February 8, 2012.

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

TABLE 19

Households in Core Housing Need, Canada, Provinces, Territories and Metropolitan Areas, 1996-2011

	Number of Households in Core Housing Need (#)				Incidence of Core Housing Need (%)				GNR (%)
	1996	2001	2006	2011	1996	2001	2006	2011	2011
Canada	**1,567,180**	**1,485,340**	**1,494,395**	**1,552,145**	**15.6**	**13.7**	**12.7**	**12.5**	**26.1**
Provinces and Territories									
Newfoundland and Labrador	26,310	26,605	27,305	22,945	14.8	14.6	14.2	11.4	31.4
Prince Edward Island	6,060	6,200	6,435	4,945	13.4	12.9	12.6	9.2	33.4
Nova Scotia	48,105	51,590	43,760	46,285	14.9	15.2	12.1	12.5	28.2
New Brunswick	34,735	29,990	29,360	29,565	13.6	11.2	10.3	9.9	28.6
Quebec	426,655	352,350	324,590	348,485	16.3	12.5	10.6	10.8	22.4
Ontario	594,250	599,660	627,530	616,935	16.1	15.1	14.5	13.4	27.1
Manitoba	55,015	45,390	46,915	43,410	14.7	11.6	11.3	10.3	26.2
Saskatchewan	39,685	37,160	40,835	47,350	12.6	11.5	11.8	13.2	29.3
Alberta	100,775	106,285	119,055	137,485	11.3	10.5	10.1	10.7	27.4
British Columbia	228,970	223,675	221,475	247,280	17.4	15.8	14.6	15.4	26.1
Yukon	1,970	1,615	1,880	1,885	19.2	15.8	16.3	14.6	29.9
Northwest Territories[1]	4,665	2,085	2,390	2,215	25.4	17.4	17.5	15.7	16.1
Nunavut[1]	NA	2,740	2,870	3,355	NA	38.8	37.3	39.3	25.2
Census Metropolitan Areas[2]	1,063,310	1,033,380	1,093,025	1,146,285	16.7	14.7	13.6	13.4	23.9
St. John's	8,640	8,375	9,255	9,055	15.0	13.5	13.5	11.9	27.5
Halifax	20,100	22,390	20,200	20,415	16.6	16.3	13.6	13.0	24.9
Moncton[4]	5,400	4,850	5,370	5,295	13.2	10.8	10.8	9.5	23.4
Saint John	6,405	5,185	4,580	5,435	14.3	11.2	9.6	10.8	29.2
Saguenay	7,410	6,615	5,090	3,975	13.3	11.2	8.2	5.9	20.4
Québec	39,970	34,590	28,695	28,895	15.3	12.3	9.3	8.6	21.4
Sherbrooke	9,240	7,560	7,580	8,590	16.2	12.0	9.5	9.8	17.3
Trois - Rivières	8,765	7,260	7,645	5,545	16.3	12.9	12.3	8.2	19.3
Montréal	238,275	188,980	184,640	203,700	19.0	14.1	12.6	13.3	19.7
Ottawa - Gatineau (Total)	54,925	54,535	52,350	50,905	15.0	13.7	12.1	10.7	22.3
Gatineau	12,735	10,910	11,585	12,045	14.3	11.0	10.3	9.6	24.2
Ottawa	42,195	43,625	40,760	38,855	15.2	14.5	12.7	11.1	21.7
Kingston[3]	8,035	8,290	7,545	7,910	15.5	15.0	12.7	12.7	28.4
Peterborough[4]	5,740	5,045	6,160	6,055	16.0	13.2	14.0	13.2	36.3
Oshawa	11,775	12,025	13,310	13,070	13.1	12.0	11.6	10.5	28.3
Toronto	269,670	295,475	322,415	315,910	19.3	19.1	19.0	16.9	25.4
Hamilton	33,590	32,985	33,090	30,645	15.0	13.7	12.9	11.3	26.7
St. Catharines-Niagara	19,760	18,510	18,425	17,920	14.5	12.9	12.2	11.6	29.2
Kitchener	18,160	17,155	16,845	17,855	13.5	11.6	10.3	10.3	23.4
Brantford[4]	5,990	5,155	5,250	6,515	16.7	15.9	11.4	13.4	28.0
Guelph[4]	5,060	4,560	5,540	5,445	13.6	10.7	11.8	10.4	25.4
London	23,075	21,640	22,625	23,710	15.7	13.2	12.8	12.9	23.7
Windsor	13,940	14,390	15,285	13,575	13.9	12.8	12.7	11.3	28.1
Barrie[4]	6,420	7,145	8,290	9,130	16.1	14.2	13.5	14.0	26.2
Greater Sudbury	8,970	7,410	6,315	6,480	15.2	12.4	10.0	10.0	27.9
Thunder Bay	6,215	5,640	5,415	5,265	13.2	11.9	10.9	10.5	25.6
Winnipeg	38,025	28,085	28,375	28,785	15.3	10.8	10.4	10.3	21.9
Regina	8,645	7,420	7,435	9,860	12.2	10.1	9.6	12.0	23.5
Saskatoon	10,645	8,985	8,515	12,295	13.4	10.7	9.3	12.4	24.4
Calgary	32,300	38,305	36,135	44,465	11.1	11.2	9.0	10.1	23.6
Edmonton	33,285	36,730	41,220	48,225	11.0	10.9	10.6	11.3	25.4
Kelowna[4]	7,290	6,325	6,615	8,075	15.2	11.8	11.1	12.2	27.8
Abbotsford[3]	6,215	5,505	6,795	7,710	14.3	11.5	12.9	13.9	31.5
Vancouver	122,350	122,285	129,145	144,720	19.0	17.3	17.0	17.7	24.4
Victoria	19,170	17,055	16,900	20,870	15.7	13.4	12.4	14.7	22.7

[1] In 1999, Nunavut was established as a territory distinct from the Northwest Territories (N.W.T.). As a result, beginning with the 2001 Census, data for Nunavut are presented exclusive of N.W.T.

[2] A Census Metropolitan Area (CMA) is an area consisting of one or more adjacent municipalities situated around a major urban core and which has a population of at least 100,000. The CMA total represents all the CMAs in Canada at the time of each census. Note that it is adjusted neither for changes in CMA boundaries nor for changes in the number of CMAs between census years.

[3] Kingston and Abbotsford were not CMAs in 1996 and therefore their data are not included in the CMA total for these years.

[4] Moncton, Peterborough, Brantford, Guelph, Barrie and Kelowna were not CMAs in 1996 and 2001 and therefore their data are not included in the CMA total for these years.

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

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% 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 living in unacceptable housing and unable to access acceptable housing is considered to be in core housing need.

The Global Non-response Rate (GNR) is included for each geography. Statistics Canada uses the GNR as an indicator of data quality. For more information on the GNR, see Statistics Canada's National *Household Survey User Guide*.

NA = Not available

Source: CMHC (Census-based and NHS-based housing indicators and data)

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 20

Characteristics of Households in Core Housing Need, Canada, 2011

	All Households		Renters		Owners	
	Number of Households in Core Housing Need (#)	Incidence of Core Housing Need (%)	Number of Households in Core Housing Need (#)	Incidence of Core Housing Need (%)	Households in Core Housing Need (#)	Incidence of Core Housing Need (%)
All Households	**1,552,145**	**12.5**	**989,385**	**26.4**	**562,765**	**6.5**
Components:						
Below Affordability Standard Only	1,137,715	9.1	715,250	19.1	422,470	4.8
Below Suitability Standard Only	68,335	0.5	52,880	1.4	15,460	0.2
Below Adequacy Standard Only	80,075	0.6	33,890	0.9	46,185	0.5
Below Multiple Housing Standards	266,015	2.1	187,365	5.0	78,655	0.9
Household Type						
Senior-led	394,295	13.7	219,765	28.9	174,530	8.2
Family	87,600	5.3	32,760	14.0	54,835	3.9
Non-Family	306,695	24.5	187,000	35.5	119,695	16.6
Individuals Living Alone	300,485	25.2	183,795	36.1	116,695	17.1
Female	229,275	27.1	137,640	37.7	91,635	19.1
Male	71,210	20.5	46,155	32.0	25,060	12.4
Non-Senior-led	1,157,850	12.1	769,615	25.8	388,235	5.9
Family	685,985	9.8	408,765	25.9	277,225	5.1
Couples with Children	257,490	7.2	127,085	22.0	130,400	4.3
Couples without Children	113,880	5.3	64,050	13.5	49,825	3.0
Lone Parent Families	299,630	28.4	211,465	43.0	88,160	15.6
Female	262,005	31.2	189,155	45.4	72,850	17.2
Male	37,625	17.4	22,310	29.3	15,320	10.9
Non-Family	471,865	18.3	360,855	25.6	111,010	9.5
Individuals Living Alone	417,735	19.6	320,030	28.1	97,705	9.9
Female	201,245	20.4	151,950	29.1	49,290	10.6
Male	216,495	18.9	168,080	27.2	48,415	9.2
Individuals Sharing with Others	54,125	12.3	40,830	15.2	13,300	7.7
Aboriginal Status						
Non-Aboriginal Household	1,456,360	12.2	916,865	25.9	539,495	6.4
Aboriginal Household	95,785	19.0	72,515	34.7	23,270	7.9
Status Indian	42,370	23.4	33,260	37.5	9,105	9.9
Non-Status Indian	22,375	18.6	17,050	34.0	5,325	7.6
Métis	37,395	15.3	26,180	30.7	11,215	7.0
Inuit	6,690	33.6	5,705	45.0	985	13.7
Period of Immigration						
Non-immigrant	1,041,975	11.0	685,970	24.4	356,010	5.3
Immigrant	486,920	17.0	283,070	32.8	203,845	10.2
Prior to 1986	181,610	12.9	89,390	31.3	92,225	8.2
1986 to 1995	105,725	18.3	58,255	31.9	47,470	12.0
1996 to 2000	52,450	18.9	29,415	31.9	23,040	12.4
2001 to 2005	64,040	20.3	40,260	31.3	23,780	12.7
2006 to 2011	83,085	29.6	65,760	37.6	17,325	16.3

These data, from the National Household Survey (NHS), apply to all non-farm, non-band, non-reserve private households reporting positive incomes and shelter-cost-to-income ratios less than 100%.

Income data collected by the NHS refer to the calendar year preceding the survey, 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% 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 living in unacceptable housing and unable to access acceptable housing is considered to be in core housing need.

All estimates, being derived from data provided by the 1 in 3 sample of households that receive the NHS questionnaire, are subject to sampling error and non-response bias. Global non-response rate: 26.1%

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

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 21

Real Median After-Tax Household Income, Canada, Provinces and Selected Metropolitan Areas, 2003-2011 (2011 constant dollars)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Canada	**49,900**	**50,300**	**51,400**	**53,000 a**	**54,300 a**	**55,400 a**	**55,400 a**	**54,900 a**	**55,400 a**
Provinces									
Newfoundland and Labrador	41,200	41,100	41,700	44,400 a	46,800 b	48,000 b	49,600 a	50,200 a	49,800 b
Prince Edward Island	43,800	44,200	45,600	46,100 b	48,500 b	50,400 b	50,800 b	50,600 b	49,100 b
Nova Scotia	42,300	44,300	44,600	45,900 a	48,200 a	46,900 a	47,500 a	48,300 a	49,500 a
New Brunswick	42,800	42,700	42,900	44,100 a	46,600 a	47,000 a	47,900 b	49,400 a	49,100 b
Quebec	43,900	43,800	43,900	45,500 a	46,300 a	45,500 a	48,000 a	47,300 a	47,800 a
Ontario	57,200	56,900	57,700	58,000 a	59,700 a	60,100 a	60,100 a	60,300 a	59,600 a
Manitoba	45,900	46,400	47,600	48,100 a	50,500 a	52,900 a	53,600 a	52,900 b	51,800 a
Saskatchewan	45,000	44,700	46,300	47,800 a	51,100 a	53,700 a	55,200 a	55,400 a	57,700 b
Alberta	56,900	60,600	61,900	65,500 a	68,300 a	70,000 a	69,100 a	68,300 a	69,700 a
British Columbia	48,700	50,400	52,200	55,000 a	55,600 a	58,100 a	55,700 a	54,800 a	55,200 b
Metropolitan Area									
St John's	45,400	46,100	47,000	47,700 c	51,200 c	54,900 c	56,100 c	57,700 c	59,700 c
Halifax	45,500	48,400	48,100	48,600 c	52,900 b	51,700 b	52,600 c	55,300 b	60,200 b
Saint John	46,700	47,400	46,200	49,200 c	49,800 c	58,100 c	59,100 c	60,000 c	57,200 c
Saguenay	39,600	40,700	41,800	42,300 b	41,800 c	41,200 c	46,100 c	46,300 c	47,300 c
Québec	47,800	48,300	47,200	47,400 c	48,900 c	53,800 c	53,900 c	55,200 c	55,500 c
Sherbrooke	42,500	43,100	40,800	41,300 c	43,900 c	42,800 c	44,200 c	47,800 d	44,000 c
Trois-Rivières	38,000	40,600	35,700	37,100 c	41,300 c	41,900 c	42,800 c	42,800 c	41,000 d
Montreal	46,900	46,600	45,600	47,000 b	47,700 b	46,000 b	48,400 b	46,900 b	48,600 b
Ottawa - Gatineau	60,000	63,200	59,200	60,300 c	62,400 c	63,300 c	65,100 c	66,100 c	69,700 c
Kingston	55,400	56,900	48,900	51,700 d	54,000 c	63,200 c	53,100 d	50,200 d	54,100 d
Oshawa	67,200	64,400	65,000	62,200 c	64,300 c	63,000 c	64,600 c	64,100 c	59,500 c
Toronto	63,400	61,700	62,000	61,700 b	63,800 b	64,100 b	64,400 b	67,800 b	64,600 b
Hamilton	62,400	61,500	58,500	62,900 c	63,600 c	63,200 c	66,300 c	65,600 c	63,600 b
St. Catharines-Niagara	59,200	57,800	51,700	54,500 c	52,500 c	52,900 c	54,800 c	56,200 c	54,600 c
Kitchener-Cambridge-Waterloo	56,200	56,800	54,700	57,700 c	57,900 c	56,300 c	60,200 d	57,600 c	57,800 d
London	50,000	50,400	57,000	58,100 b	63,000 c	56,100 c	55,800 c	50,400 c	46,200 c
Windsor	57,900	57,500	57,400	58,500 c	58,400 c	55,800 c	51,800 c	57,000 c	50,000 c
Greater Sudbury/Grand Sudbury	46,400	46,900	49,900	52,100 c	52,900 c	51,300 c	49,100 c	48,200 c	57,300 c
Thunder Bay	53,900	55,400	55,100	56,100 c	60,700 c	58,100 c	57,000 c	52,300 d	49,200 d
Winnipeg	49,600	51,200	50,700	50,000 b	52,700 b	56,400 b	56,800 b	56,700 b	56,600 b
Regina	52,700	51,700	56,000	56,400 c	57,900 c	61,000 c	67,600 c	67,600 c	66,400 c
Saskatoon	50,200	48,700	46,900	49,600 c	54,000 b	54,900 c	56,100 b	56,000 b	64,700 c
Calgary	59,700	65,200	63,100	69,300 b	72,400 b	71,800 c	70,900 c	72,800 c	78,800 c
Edmonton	60,500	61,000	61,800	64,000 b	68,300 b	68,900 b	66,200 c	68,300 b	66,500 b
Abbotsford-Mission	45,400	47,400	56,300	59,500 d	62,900 c	60,700 d	60,500 c	60,300 c	59,800 c
Vancouver	53,900	53,700	55,100	60,100 b	61,300 b	59,700 c	57,000 c	56,100 b	58,400 b
Victoria	47,000	49,000	50,100	50,300 c	50,500 c	62,000 c	58,500 c	54,700 d	54,600 c

All data are rounded to the nearest $100.

Data quality indicators are based on the coefficient of variation (CV) and number of observations: a - Excellent (CV between 0% and 2%); b - Very good (CV between 2% and 4%); c - Good (CV between 4% and 8%); d - Acceptable (CV between 8% and 16%); e - Use with caution (CV greater than or equal to 16%); f - Too unreliable to be published.

Source: Statistics Canada *(Survey of Consumer Finances* - 1990-1993; *Survey of Consumer Finances* and *Survey of Labour and Income Dynamics* - 1994-1997; *Survey of Labour and Income Dynamics* - 1998-2011)

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 22

Home Equity and Net Worth by Tenure and Age Group, Canada, 1999, 2005 and 2012 (2012 constant dollars)

Age Group[2]	Renters[1]		Owned with a Mortgage		Owned without a Mortgage		All Owners		All Households	
	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average
Equity in Principal Residence[3]										
2012										
All ages	0	0	128,000	185,000	300,000	365,000	200,000	267,000	93,000	175,000
15-24	0	0	70,000*	110,000*	NA	NA	87,000*	148,000	0	26,000*
25-34	0	0	70,000	98,000	350,000	416,000	80,000	144,000	0	70,000
15-34	0	0	70,000*	99,000	350,000	406,000	80,000	144,000	0	62,000
35-44	0	0	127,000	183,000	350,000	406,000	150,000	222,000	70,000	150,000
45-54	0	0	175,000	238,000	340,000	411,000	228,000	298,000	138,000	216,000
55-64	0	0	167,000	206,000	300,000	376,000	230,000	308,000	170,000	230,000
35-64	0	0	150,000	209,000	300,000	391,000	200,000	278,000	125,000	199,000
65 years or over	0	0	155,000	204,000	269,000	328,000	250,000	310,000	175,000	222,000
2005										
All ages	0	0	96,000	137,000	199,000	260,000	137,000	192,000	66,000	125,000
15-24	0	0	NA	NA	NA	NA	NA	NA	0	NA
25-34	0	0	51,000	80,000	NA	287,000	60,000	101,000	0	45,000
15-34	0	0	51,000	85,000	205,000*	278,000	60,000	107,000	0	40,000
35-44	0	0	97,000	141,000	216,000	259,000	118,000	164,000	61,000	114,000
45-54	0	0	116,000	155,000	193,000	263,000	142,000	199,000	99,000	149,000
55-64	0	0	114,000	162,000	222,000	266,000	171,000	226,000	125,000	178,000
35-64	0	0	114,000	150,000	205,000	264,000	142,000	193,000	91,000	143,000
65 years or over	0	0	126,000*	160,000	191,000	253,000	182,000	242,000	114,000	169,000
1999										
All ages	0	0	66,000	94,000	157,000	197,000	105,000	142,000	42,000	89,000
15-24	0	0	45,000*	79,000*	183,000*	321,000*	98,000	170,000*	0	29,000*
25-34	0	0	39,000	60,000	144,000	181,000	46,000	76,000	0	36,000
15-34	0	0	39,000	61,000	157,000	207,000	47,000	84,000	0	34,000
35-44	0	0	66,000	89,000	157,000	197,000	79,000	114,000	37,000	73,000
45-54	0	0	88,000	120,000	170,000	214,000	122,000	159,000	77,000	115,000
55-64	0	0	100,000	123,000	170,000	209,000	131,000	180,000	105,000	135,000
35-64	0	0	74,000	104,000	164,000	208,000	105,000	145,000	59,000	101,000
65 years or over	0	0	89,000	115,000	155,000	181,000	144,000	174,000	92,000	118,000

TABLE 22

Home Equity and Net Worth by Tenure and Age Group, Canada, 1999, 2005 and 2012 (2012 constant dollars) (continued)

Age Group[2]	Renters[1]		Owned with a Mortgage		Owned without a Mortgage		All Owners		All Households	
	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average
					Net Worth[4] 2012					
All ages	14,000	120,000	332,000	552,000	785,000	1,145,000	513,000	824,000	276,000	582,000
15-24	5,000*	24,000*	120,000*	202,000*	NA	NA	170,000*	362,000*	8,000*	83,000*
25-34	10,000	36,000	162,000	293,000	631,000	900,000	197,000	381,000	65,000	204,000
15-34	8,000	33,000	161,000	286,000	631,000	915,000	195,000	379,000	43,000	181,000
35-44	14,000*	80,000	307,000	477,000	722,000	983,000	355,000	564,000	198,000	407,000
45-54	19,000*	134,000	501,000	702,000	960,000	1,375,000	589,000	937,000	390,000	716,000
55-64	NA	282,000*	561,000	731,000	990,000	1,330,000	783,000	1,091,000	561,000	886,000
35-64	15,000*	157,000	410,000	617,000	930,000	1,297,000	555,000	875,000	358,000	671,000
65 years or over	48,000*	190,000	446,000	713,000	668,000	987,000	624,000	947,000	467,000	730,000
					2005					
All ages	16,000	79,000	249,000	430,000	597,000	869,000	372,000	628,000	188,000	436,000
15-24	NA	20,000*	71,000*	NA	NA	NA	NA	453,000*	NA	79,000*
25-34	11,000*	27,000	123,000	200,000	306,000*	445,000	132,000	225,000	49,000	115,000
15-34	8,000*	25,000	118,000	211,000	321,000*	487,000	128,000	243,000	34,000	107,000
35-44	16,000*	39,000	241,000	382,000	445,000	933,000	267,000	487,000	162,000	352,000
45-54	16,000*	NA	312,000	494,000	584,000	936,000	408,000	673,000	264,000	536,000
55-64	NA	171,000*	497,000	778,000	759,000	1,005,000	656,000	918,000	497,000	760,000
35-64	17,000*	96,000*	297,000	489,000	656,000	965,000	390,000	672,000	256,000	522,000
65 years or over	46,000*	168,000	404,000	460,000	558,000	762,000	525,000	726,000	351,000	558,000
					1999					
All ages	16,000	80,000	192,000	323,000	457,000	682,000	292,000	489,000	155,000	337,000
15-24	NA	12,000*	NA	210,000*	344,000*	659,000*	179,000*	378,000*	8,000	74,000*
25-34	11,000	49,000*	111,000	175,000	338,000	444,000	122,000	211,000	50,000	125,000
15-34	NA	12,000*	NA	210,000*	344,000*	659,000*	179,000*	378,000*	8,000	74,000*
35-44	19,000	74,000	182,000	286,000	384,000	596,000	210,000	358,000	134,000	257,000
45-54	27,000	99,000	285,000	419,000	496,000	779,000	364,000	568,000	246,000	440,000
55-64	26,000*	105,000	364,000	530,000	624,000	880,000	553,000	761,000	364,000	599,000
35-64	22,000	87,000	223,000	364,000	516,000	774,000	308,000	526,000	198,000	392,000
65 years or over	49,000	150,000	317,000	463,000	404,000	581,000	397,000	569,000	279,000	434,000

All dollar figures are rounded to the nearest $1,000.

[1] Includes households occupying their homes rent free.

[2] Age of the highest income earner in the household. Where owners and renters are both present, refers to the owner with the highest income.

[3] Home equity is the value of the principal residence less any outstanding mortgages.

[4] Includes the value of employer pension plan benefits. Net worth is the difference between a household's assets and its liabilities.

NA - Not available. Suppressed by Statistics Canada due to unreliability of the estimate or to meet the confidentiality requirements of the Statistics Act.

* Use with caution.

Source: Statistics Canada *(Survey of Financial Security)*

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 23

Home Equity and Net Worth by Tenure, Canada and Provinces, 2012 (2012 constant dollars)

Province	Renters[1]		Owned with a Mortgage		Owned without a Mortgage		All Owners		All Households	
	Median	Average	Median	Average	Median	Average	Median	Average	Median	Average
Home Equity[2]										
Newfoundland and Labrador	0	0	91,000	116,000	155,000	187,000	128,000	154,000	75,000	109,000
Prince Edward Island	0	0	66,000	81,000	117,000	133,000	80,000	106,000	50,000*	73,000
Nova Scotia	0	0	65,000	91,000	150,000	182,000	110,000	137,000	58,000	96,000
New Brunswick	0	0	52,000	75,000	130,000	146,000	92,000	111,000	65,000	83,000
Québec	0	0	116,000	153,000	225,000	274,000	165,000	206,000	59,000	122,000
Ontario	0	0	140,000	198,000	340,000	414,000	230,000	295,000	115,000	197,000
Manitoba	0	0	95,000	126,000	243,000	251,000	166,000	183,000	80,000	122,000
Saskatchewan	0	0	102,000	127,000	250,000	244,000	175,000	189,000	100,000	134,000
Alberta	0	0	125,000	167,000	360,000	396,000	240,000	269,000	115,000	187,000
British Columbia	0	0	210,000	300,000	425,000	532,000	306,000	411,000	150,000	271,000
Canada	**0**	**0**	**128,000**	**185,000**	**300,000**	**365,000**	**200,000**	**267,000**	**93,000**	**175,000**
Equity in Other Real Estate[3]										
Newfoundland and Labrador	0	NA	0	24,000*	0	46,000*	0	35,000*	0	27,000*
Prince Edward Island	0	NA	0	20,000*	0	43,000*	0	31,000*	0	24,000*
Nova Scotia	0	NA	0	25,000*	0	46,000*	0	36,000	0	29,000
New Brunswick	0	NA	0	NA	0	24,000*	0	23,000*	0	18,000*
Québec	0	12,000*	0	40,000*	0	58,000	0	48,000	0	33,000
Ontario	0	14,000*	0	38,000	0	104,000*	0	68,000	0	50,000
Manitoba	0	NA	0	30,000*	0	49,000*	0	39,000	0	36,000*
Saskatchewan	0	NA	0	35,000*	0	96,000*	0	68,000*	0	55,000*
Alberta	0	16,000*	0	NA	0	140,000*	0	108,000*	0	80,000*
British Columbia	0	23,000*	0	128,000*	0	117,000	0	123,000*	0	89,000
Canada	**0**	**15,000**	**0**	**54,000**	**0**	**92,000**	**0**	**71,000**	**0**	**52,000**
Household Net Worth[4]										
Newfoundland and Labrador	NA	NA	227,000	376,000	363,000	597,000	305,000	494,000	182,000	374,000
Prince Edward Island	NA	NA	217,000*	370,000*	263,000*	449,000	233,000	408,000	156,000*	305,000
Nova Scotia	NA	98,000*	264,000	414,000	409,000	664,000	315,000	539,000	198,000	409,000
New Brunswick	NA	73,000*	178,000	313,000	429,000	639,000	271,000	481,000	175,000	378,000
Québec	20,000	126,000*	338,000	552,000	666,000	1,000,000	465,000	750,000	219,000	494,000
Ontario	9,000*	119,000*	321,000	515,000	901,000	1,246,000	528,000	844,000	297,000	604,000
Manitoba	NA	155,000*	279,000	468,000	674,000	904,000	420,000	669,000	249,000	498,000
Saskatchewan	NA	137,000*	293,000	534,000	748,000	1,103,000	509,000	836,000	310,000	632,000
Alberta	15,000	82,000*	356,000	553,000	870,000	1,335,000	537,000	902,000	314,000	652,000
British Columbia	21,000*	139,000	511,000	790,000	990,000	1,343,000	739,000	1,055,000	404,000	744,000
Canada	**14,000**	**120,000**	**332,000**	**552,000**	**785,000**	**1,145,000**	**513,000**	**824,000**	**276,000**	**582,000**

All dollar figures are rounded to the nearest $1,000.

[1] Includes households occupying their homes rent free.

[2] Age of the highest income earner in the household. Where owners and renters are both present, refers to the owner with the highest income.

[3] Home equity is the value of the principal residence less any outstanding mortgages.

[4] Includes the value of employer pension plan benefits. Net worth is the difference between a household's assets and its liabilities.

NA - Not available. Suppressed by Statistics Canada due to unreliability of the estimate or to meet the confidentiality requirements of the Statistics Act.

* Use with caution.

Source: Statistics Canada *(Survey of Financial Security)*

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 24

National Mortgage Market Highlights, Canada, 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Residential Mortgages Outstanding, year-end ($ billions)[1]	**597.8**	**656.6**	**723.6**	**813.3**	**896.4**	**954.3**	**1,019.3**	**1,095.8[2]**	**1,159.5**	**1,219.4**
Chartered banks	366.0	388.6	416.9	455.4	445.0	456.7	495.7	813.3[2]	864.3	916.1
Trust and mortgage loan companies	7.2	8.3	7.9	9.3	10.2	10.6	11.2	36.4[2]	34.8	25.2
Credit unions and caisses populaires	80.4	89.3	97.6	107.1	114.2	120.6	125.5	135.5[2]	144.3	155.2
Life insurance companies	15.4	14.4	15.0	14.8	15.4	14.9	14.0	15.5[2]	14.8	14.8
Pension funds	10.1	11.0	12.5	14.0	16.1	15.4	14.4	12.3[2]	12.9	13.1
Non-depository credit intermediaries and other financial institutions	27.9	30.0	31.1	31.4	29.8	30.2	29.0	39.5[2]	40.5	45.5
National Housing Act mortgage-backed securities (NHA MBS)	75.7	96.7	119.6	157.1	245.6	291.9	316.6	34.6[2]	36.5	37.2
Special purpose corporations (securitization)[3]	15.1	18.3	23.1	24.1	20.2	14.0	13.0	8.7[2]	11.5	12.3
Mortgage Performance										
Mortgage arrears rate (%)[4]	0.29	0.26	0.25	0.25	0.28	0.41	0.43	0.41	0.34	0.31
Net impaired Canadian mortgages ratio (%)[5]	0.13	0.12	0.12	0.13	0.25	0.37	0.39	0.29	0.22	0.20
Loss provisions ratio (%)[6]	0.01	0.01	0.01	0.00	0.01	0.04	0.06	0.05	0.05	0.05
Household Affordability										
Mortgage debt service ratio[7] (interest paid on mortgage as per cent of disposable income) (%)	3.9	3.9	4.1	4.4	4.4	4.0	3.9	3.8	3.7	3.7
Mortgage payment ratio[8] (interest and principal as per cent of personal disposable income per worker) (%)	29.4	30.5	34.1	38.1	36.1	32.1	33.5	33.9	32.7	33.7
Household debt to GDP (%)[7]	67.0	69.5	72.1	76.6	80.6	88.4	92.2	92.2	93.3	94.9

Components may not add up to totals due to rounding.

[1] Statistics Canada (CANSIM).

[2] Following the adoption of International Financial Reporting Standards (IFRS) beginning in 2011 in Canada, a significant amount of residential mortgage loans securitized under the NHA mortgage-backed securities (NHA MBS) program or by private special purpose corporations is no longer eligible for off-balance sheet treatment, and thus must be consolidated on the balance sheets of the respective lenders or issuers. This represents a key factor behind the variations from 2010 to 2011 in amounts of mortgages outstanding reported as NHA MBS and special purpose corporations versus those reported as holdings by the banks and other financial institutions.

[3] Private residential mortgage securitization.

[4] CMHC, adapted from the Canadian Bankers Association by calculating the annual average mortgage arrears rate. Mortgage arrears rate is the number of mortgages in arrears as a per cent of the total number of mortgages, based on data from 9 banks. Arrears are defined as mortgages that are 90 days past due.

[5] CMHC, adapted from annual reports from the Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, and TD Banking Group (as at Oct. 31 of each year) by calculating the ratio. Impaired loans are residential mortgages that are 90 days past due, or 365 days past due if government-guaranteed, net of allowances for credit losses. The ratio is the value of net impaired Canadian residential mortgages as a per cent of total Canadian residential mortgages.

[6] CMHC, adapted from annual reports from the Bank of Montreal, Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Royal Bank of Canada, and TD Banking Group (as at Oct. 31 of each year) by calculating the ratio. Provisions for credit losses on residential mortgages (all countries) are annual charges to income to provide for impaired loans, as per financial statements and accounting policies and assumptions. The ratio is the value of provision as a per cent of total residential mortgages (all countries).

[7] Statistics Canada (CANSIM). Changes to this series from last year's presentation resulted from new data classification made by Statistics Canada.

[8] CMHC, adapted from Statistics Canada (CANSIM) and the Canadian Real Estate Association (CREA) by calculating the ratio. Changes to this series from last year's presentation are due to historical adjustments to the raw data made by Statistics Canada and CREA. The monthly mortgage payment is calculated using the prevailing average Multiple Listing Service® (MLS®) price and the 5 year fixed mortgage posted rate prevailing in each period, assuming a 25% down payment and 25 year amortization. The income figure is personal disposable (after tax) income per worker.

Source: CMHC, unless otherwise noted

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 25

CMHC Mortgage Loan Insurance Highlights, 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Overview[1]										
CMHC insurance-in-force outstanding ($ billions)	243.8	273.7	291.4	345.2	407.7	472.6	514.2	566.5	566.1	557.1
Annual number of insured units[2]	652,573	746,157	528,074	695,971	798,309	1,048,736	643,991	630,957	386,222	343,773
Annual CMHC insurance volumes ($ billions)[3]	60.1	77.1	70.7	104.5	126.3	154.9	106.1	106.0	66.0	61.1
Homeowner Loans by Interest Rate Type (%)[4]										
Fixed	80.4	78.2	88.4	89.2	72.1	80.3	75.7	73.9	92.9	90.4
Non-fixed[5]	19.6	21.8	11.6	10.8	27.9	19.7	24.3	26.1	7.1	9.6
Credit Profile										
Distribution of CMHC homeowner insurance-in-force by LTV ratio, based on updated property value (%)[4]										
Share with LTV 80% or under	NA	NA	NA	NA	NA	71	70	75	76	75
Share with LTV 80.01% to 90%	NA	NA	NA	NA	NA	16	21	17	17	18
Share with LTV 90.01% to 95%	NA	NA	NA	NA	NA	9	7	7	6	6
Share with LTV 95.01% and over	NA	NA	NA	NA	NA	4	2	1	1	1
Average LTV ratio of CMHC-insured homeowner mortgages (%)[4]	NA	NA	NA	NA	NA	54	56	56	55	55
Average CMHC-insured loan amount per household ($)[6]	NA	NA	NA	NA	NA	132,442	137,349	141,290	140,587	140,781
Distribution of insurance-in-force by average outstanding loan amount (%)[6]										
$60,000 or under	NA	NA	NA	NA	NA	8	7	7	7	7
Over $60,000 to $100,000	NA	NA	NA	NA	NA	11	10	9	9	10
Over $100,000 to $250,000	NA	NA	NA	NA	NA	47	47	45	44	44
Over $250,000 to $400,000	NA	NA	NA	NA	NA	24	25	26	27	27
Over $400,000 to $550,000	NA	NA	NA	NA	NA	6	7	8	8	8
Over $550,000	NA	NA	NA	NA	NA	4	4	5	5	4
Distribution of approved high-ratio homeowner loans by credit score at origination (%)[7]										
No score	0	0	0	0	0	0	0	0	0	0
Under 600	3	3	3	3	2	1	0	0	0	0
600 - 659	14	14	14	14	13	11	9	8	7	6
660 - 699	18	19	18	18	18	16	17	16	14	13
700 and over	64	64	65	65	66	72	74	76	79	81
Performance										
CMHC insured mortgages arrears rate (%)[6,8]	0.33	0.33	0.33	0.32	0.36	0.47	0.44	0.41	0.35	0.34
CMHC losses on claims expense ($ millions)[6,9]	166.0	147.1	217.9	217.4	248.2	512.0	678.0	616.8	532.4	435.6

Components may not add up to totals due to rounding.

[1] For homeowner high-ratio and low-ratio, low-ratio portfolio and multi-unit residential (5+ units) loans.

[2] From 2006 on, the series were revised to refer to mortgages for which CMHC received a premium (including portfolio insurance for low-ratio loans), rather than approved applications.

[3] Data is based on the loans for which premiums were received in a given year.

[4] For homeowner high-ratio and low-ratio loans.

[5] Includes: variable, capped variable, adjustable, buydown, and indexed rates.

[6] For homeowner high-ratio and low-ratio, and multi-unit residential loans.

[7] Canadian credit scores generally range from 300 to 900.

[8] Number of all loans that are 90 days or more past due as a per cent of the total number of outstanding insured loans.

[9] Deficit after sale of CMHC-insured foreclosed properties and payment of all claim expenses to lenders.

NA = Not available

Source: CMHC

For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 26

Private Mortgage Securitization, Canada, 2008-2013[1]

	2008	2009	2010	2011	2012	2013
Total Canadian Private Mortgage Securitization Outstanding ($ billions)	**23.68**	**19.69**	**16.82**	**16.21**	**13.47**	**17.67**
Mortgage Assets as Share of the Total Canadian Private Securitization (%)	**28.3**	**31.6**	**30.2**	**29.6**	**24.0**	**29.3**
Breakdown of the Mortgage Assets by Type ($ billions)						
Home Equity Line of Credit (HELOC)[2]	8.07	7.81	7.28	6.05	**6.47**	**8.21**
Conventional Mortgage[3]	10.52	7.41	6.32	5.70	**1.14**	**1.48**
Insured Mortgage[4]	2.99	2.60	2.01	3.67	**5.75**	**7.98**
Non-Conventional Mortgage[5]	2.11	1.87	1.21	0.79	**0.11**	**0.00**

[1] This table reports Canadian private residential mortgage securitization transactions rated by DBRS, including asset-backed securities (ABS) and asset-backed commercial paper (ABCP), but excluding floating-rate structured notes (FRSN).

[2] This credit facility is secured by residential real estate.

[3] Uninsured residential mortgages with a loan-to-value (LTV) ratio equal or less than 80% at origination and underwritten by financial institutions to a prime credit borrower for property purchase, with full documentation, scheduled monthly amortizing payments and generally maximum gross debt-service ratio of 32% and total debt-service ratio of 40%.

[4] Residential mortgages insured by mortgage insurers with insurance premiums paid by either the borrower or the lender. The insurers must be rated at least AA (low) by DBRS to be eligible as securitization counterparty.

[5] Uninsured residential mortgages with a LTV ratio greater than 80%, limited underwriting documentation, lower than monthly amortizing payments and/or less credit worthy borrowers.

Source: CMHC, adapted from DBRS Monthly Canadian ABS and ABCP Reports

TABLE 27

Covered Bond Market, Canada, 2007-2013[1,2]

	2007	2008	2009	2010	2011	2012	2013
Total Annual Covered Bond Issuance (C$ billions)	**2.84**	**6.98**	**1.45**	**17.34**	**25.67**	**17.00**	**13.21**
Issuance per Issuer (C$ billions)							
Royal Bank of Canada (RBC)	2.84	1.88	0.75	2.36	1.66	3.93	9.90
Canadian Imperial Bank of Commerce (CIBC)	-	3.60	0.70	5.66	7.30	0.22	1.85
Bank of Montreal (BMO)	-	1.50	-	2.08	3.51	2.02	-
Bank of Nova Scotia (BNS)	-	-	-	5.17	4.87	5.76	-
Toronto-Dominion Bank (TD)	-	-	-	2.08	4.93	2.98	-
National Bank of Canada (NBC)	-	-	-	-	2.42	0.60	1.46
Caisse centrale Desjardins du Québec (CCDQ)	-	-	-	-	0.99	1.49	0.00
Issuance by Currency (billions in currency indicated)							
Canadian Dollar (CAD)	-	-	0.75	0.85	1.10	-	-
Euro (EUR)	2.00	4.57	-	-	-	-	5.50
United States Dollar (USD)	-	-	-	14.75	21.90	16.85	3.75
Swiss Franc (CHF)	-	-	0.68	0.50	0.50	0.20	-
Australian Dollar (AUD)	-	-	-	0.75	2.30	-	1.75
Issuance by Term (C$ billions)							
2-yr	-	3.60	0.31	-	-	-	-
3-yr	-	-	-	5.89	11.97	2.73	3.48
4-yr	-	-	-	-	0.61	-	
5-yr	2.84	1.50	1.14	11.00	11.43	14.05	7.01
7-yr	-	-	-	0.45	1.10	0.22	2.73
10-yr	-	1.88	-	-	0.56	-	-
Total Covered Bonds Outstanding (C$ billions)	**2.84**	**9.83**	**11.27**	**25.02**	**50.37**	**64.53**	**70.36**
Outstanding per Issuer (C$ billions)							
RBC	2.84	4.73	5.48	7.84	9.49	10.58	20.48
CIBC	-	3.60	4.30	6.36	13.35	13.57	12.14
BMO	-	1.50	1.50	3.58	7.09	9.10	7.60
BNS	-	-	-	5.17	10.03	15.79	13.19
TD	-	-	-	2.08	7.01	9.99	9.99
NBC	-	-	-	-	2.42	3.01	4.47
CCDQ	-	-	-	-	0.99	2.48	2.48
Outstanding by Currency (billions in currency indicated)							
CAD	-	-	0.75	1.60	2.70	2.70	2.70
EUR	2.00	6.57	6.57	4.25	4.25	2.25	6.75
USD	-	-	-	14.75	36.65	51.50	52.35
CHF	-	-	0.68	1.18	1.38	1.58	1.58
AUD	-	-	-	0.75	3.05	3.05	4.05
Outstanding by Term (C$ billions)							
2-yr	-	3.60	3.91	0.31	-	-	-
3-yr	-	-	-	5.89	17.86	20.59	18.18
4-yr	-	-	-	-	0.61	0.61	0.61
5-yr	2.84	4.34	5.48	16.48	27.91	39.12	44.63
7-yr	-	-	-	0.45	1.55	1.77	4.50
10-yr	-	1.88	1.88	1.88	2.44	2.44	2.44

Components may not add up to totals due to rounding.
[1] There were no covered bonds issued in Canada prior to 2007.
[2] Denominated in Canadian dollars (except where indicated) based on the exchange rates posted in issuers' covered bond investor reports at time of issuance.
- = 0
Source: CMHC, adapted from DBRS Monthly Canadian Covered Bond Report, Issuers' Monthly Covered Bond Program Investor Reports

TABLE 28

CMHC National Housing Act Mortgage-Backed Securities (NHA MBS) Program, 2004-2013[1]

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Annual NHA MBS Issuance ($ billions)	**37.713**	**46.002**	**58.447**	**85.673**	**144.972**	**134.236**	**124.638**	**139.893**	**146.721**	**146.915**
Annual NHA MBS Issuance by Pool Type ($ billions)										
867 Pool (Multi-Component FRM[2])	-	-	-	-	-	17.058	3.848	13.662	9.925	11.987
880 Pool (Multi-Component ARM[3])	-	-	-	-	-	0.108	0.074	2.530	3.396	2.939
885 Pool (Multi-Component VRM[4])	-	-	-	-	-	-	0.097	0.264	2.900	2.177
964 Pool (Homeowner)	0.910	0.193	0.267	0.162	1.064	1.789	0.573	0.010	0.014	0.027
965 Pool (Mixed)	0.529	0.442	0.572	1.139	3.397	4.593	3.575	3.271	3.747	4.387
966 Pool (Multi-Family)	0.181	-	-	0.059	0.180	0.145	0.065	-	0.425	2.537
967 Pool (Homeowner - prepayments retained)	-	-	-	-	-	-	-	-	-	-
970 Pool (Homeowner - 36 mth prepayment lock-out)	6.705	5.272	4.855	3.431	1.723	1.289	0.146	0.100	-	-
975 Pool (Homeowner - 60 mth prepayment lock-out)	23.722	27.531	41.080	66.586	79.764	73.531	77.921	78.092	94.056	107.960
980 Pool (Homeowner ARM)	-	0.266	0.291	1.491	4.562	11.878	12.808	10.723	5.612	5.295
985 Pool (Homeowner VRM)	5.422	10.634	9.600	8.689	46.810	19.443	18.777	20.756	23.758	8.177
987 Pool (Homeowner WAC[5])	-	1.382	1.048	3.022	6.956	3.737	6.098	9.996	2.243	1.022
990 Pool (Social Housing Loans)	0.244	0.282	0.735	1.092	0.515	0.666	0.657	0.488	0.647	0.408
Total NHA MBS Outstanding ($ billions)	**NA**	**NA**	**124.155**	**166.291**	**254.274**	**298.246**	**325.133**	**368.308**	**387.415**	**404.908**
NHA MBS Outstanding by Pool Type ($ billions)										
867 Pool (Multi-Component FRM)	NA	NA	-	-	-	13.782	12.691	21.727	24.328	28.303
880 Pool (Multi-Component ARM)	NA	NA	-	-	-	0.097	0.151	2.612	5.286	6.258
885 Pool (Multi-Component VRM)	NA	NA	-	-	-	-	0.097	0.315	2.921	3.585
964 Pool (Homeowner)	NA	NA	1.288	1.018	1.635	2.590	2.450	1.804	1.268	0.915
965 Pool (Mixed)	NA	NA	2.893	3.604	6.300	10.211	12.881	15.063	16.969	17.656
966 Pool (Multi-Family)	NA	NA	1.752	1.190	1.092	1.018	0.942	0.729	0.876	3.172
967 Pool (Homeowner - prepayments retained)	NA	NA	0.0048	0.0011	0.0007	0.0005	0.0004	0.0002	0.0001	0.0001
970 Pool (Homeowner - 36 mth prepayment lock-out)	NA	NA	15.275	13.272	9.121	5.685	2.735	1.137	0.280	0.108
975 Pool (Homeowner - 60 mth prepayment lock-out)	NA	NA	80.103	118.910	160.592	178.558	201.814	219.582	229.765	263.958
980 Pool (Homeowner ARM)	NA	NA	0.379	1.694	5.867	15.859	23.849	29.288	28.121	23.380
985 Pool (Homeowner VRM)	NA	NA	16.729	18.065	55.498	54.579	48.947	51.668	55.527	40.194
987 Pool (Homeowner WAC)	NA	NA	1.738	4.068	9.587	11.139	13.534	19.407	17.163	12.621
990 Pool (Social Housing Loans)	NA	NA	3.994	4.468	4.582	4.727	5.042	4.977	4.913	4.759
Total Number of NHA MBS Pools Outstanding	**NA**	**NA**	**2,558**	**3,313**	**4,791**	**6,528**	**7,807**	**9,115**	**9,968**	**10,279**
Number of NHA MBS Pools Outstanding										
867 Pool (Multi-Component FRM)	NA	NA	-	-	-	151	279	429	637	731
880 Pool (Multi-Component ARM)	NA	NA	-	-	-	12	21	75	132	134
885 Pool (Multi-Component VRM)	NA	NA	-	-	-	-	6	28	56	59
964 Pool (Homeowner)	NA	NA	132	107	143	243	262	235	179	111
965 Pool (Mixed)	NA	NA	205	225	265	312	378	451	500	541
966 Pool (Multi-Family)	NA	NA	118	91	72	57	52	45	61	121
967 Pool (Homeowner - prepayments retained)	NA	NA	16	4	3	2	2	2	2	2
970 Pool (Homeowner - 36 mth prepayment lock-out)	NA	NA	413	424	408	358	245	155	60	10
975 Pool (Homeowner - 60 mth prepayment lock-out)	NA	NA	1,201	1,712	2,653	3,635	4,351	5,055	5,568	5,993
980 Pool (Homeowner ARM)	NA	NA	35	117	270	551	943	1,351	1,484	1,435
985 Pool (Homeowner VRM)	NA	NA	272	344	532	644	673	674	688	599
987 Pool (Homeowner WAC)	NA	NA	73	180	330	432	451	466	450	389
990 Pool (Social Housing Loans)	NA	NA	93	109	115	131	144	149	151	154

Components may not add up to totals due to rounding.

[1] This includes NHA MBS purchased by the Canada Housing Trust under the Canada Mortgage Bonds (CMB) program, market NHA MBS sold to capital market investors or held by the issuers, and NHA MBS purchased under the Insured Mortgage Purchase Program (IMPP).

[2] FRM are Fixed Rate Mortgages.

[3] ARM are Adjustable Rate Mortgages.

[4] VRM are Variable Rate Mortgages.

[5] WAC is Weighted Average Mortgage Rate.

NA = Not available; - = 0

Source: CMHC

TABLE 29

CMHC Canada Mortgage Bonds (CMB) Program, 2004-2013

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Annual CMB Issuance ($ billions)	**19.3**	**18.0**	**25.1**	**35.7**	**43.5**	**46.9**	**39.4**	**41.3**	**39.9**	**38.7**
Annual CMB Issuance by Term ($ billions)										
3-yr Fixed	-	-	-	-	6.0	2.0	-	-	-	-
5-yr Floating Rate Note	0.8	3.0	-	-	1.5	9.2	7.9	9.3	10.9	10.7
5-yr Fixed	18.5	15.0	25.1	35.7	34.0	28.5	23.8	22.8	20.0	20.0
10-yr Fixed	-	-	-	-	2.0	7.2	7.8	9.3	9.0	8.0
Total CMB Outstanding ($ billions)	**54.5**	**72.6**	**95.4**	**118.5**	**141.7**	**175.6**	**195.5**	**200.8**	**203.0**	**206.1**
CMB Outstanding by Term ($ billions)										
3-yr Fixed	-	-	-	-	6.0	8.0	8.0	2.0	-	-
5-yr Floating Rate Note	0.8	3.9	3.9	3.9	5.4	14.6	18.6	27.8	38.7	47.9
5-yr Fixed	53.7	68.7	91.6	114.7	128.3	143.8	152.0	144.7	129.0	115.0
10-yr Fixed	-	-	-	-	2.0	9.2	17.0	26.3	35.3	43.3
Investor Profile by Region (market share in %)										
Canada	56.5	62.3	66.7	71.9	77.3	76.6	71.9	72.1	73.2	76.8
United States	17.8	16.4	16.1	11.4	12.5	17.6	15.8	14.5	13.9	12.8
Europe	22.4	19.1	12.9	11.3	5.6	3.4	5.0	4.4	6.2	6.0
Australasia	2.9	1.9	2.9	4.9	4.4	2.0	4.0	3.0	3.6	2.2
Middle East and Other	0.5	0.3	1.4	0.5	0.3	0.4	3.2	6.0	3.0	2.2
Investor Profile by Investor Type (market share in %)										
Insurance companies and pension funds	52.9	54.1	44.5	47.5	47.1	42.9	45.4	41.5	46.1	52.0
Other institutional investors	16.4	17.6	9.5	14.5	9.1	4.0	10.2	5.2	2.5	1.1
Government	6.3	5.2	7.5	5.1	2.7	2.3	3.6	2.2	0.9	1.8
Chartered banks and quasi banks	16.8	9.9	20.1	17.2	26.6	43.0	30.0	36.7	40.3	32.6
Brokers/dealers	0.3	1.1	0.1	0.4	0.7	1.1	0.2	1.3	0.3	0.7
Canadian retail investors	3.0	3.5	2.3	2.4	2.5	1.9	1.8	1.8	1.6	2.4
Monetary authorities	4.3	3.5	6.4	7.0	5.4	2.3	7.1	8.7	5.5	3.8
Hedge funds	0.0	5.1	9.7	6.0	6.0	2.5	1.7	2.4	2.8	5.6

Components may not add up to totals due to rounding.
- = 0
Source: CMHC
For additional data, please refer to the CMHC website: www.cmhc.ca/observer.

TABLE 30

Canada Mortgage Bonds (CMB) 5-Year Constant Maturity Spread over the Government of Canada Curve,[1] 2003-2013 (basis points)

	January[2]	February	March	April	May	June	July	August	September	October	November	December	Annual Average
2003[(2)]	NA	NA	NA	NA	NA	12.3	12.2	17.7	18.5	13.6	12.8	11.3	**13.8**
2004	10.4	10.4	10.1	12.1	14.4	15.0	15.0	14.7	14.2	13.9	12.2	11.1	**12.8**
2005	11.0	10.8	10.1	10.6	9.5	8.5	8.5	8.0	7.7	8.8	8.9	11.2	**9.4**
2006	11.4	9.8	10.2	9.9	10.3	12.6	12.7	12.1	11.7	11.2	11.2	11.4	**11.2**
2007	11.6	11.8	11.8	11.3	11.6	13.4	14.1	16.0	19.5	19.7	28.9	31.2	**16.5**
2008	28.7	33.6	50.9	54.2	47.8	48.5	47.8	50.1	58.3	70.0	45.6	48.3	**48.6**
2009	32.4	32.4	38.9	37.6	35.8	41.1	34.9	26.7	25.7	23.5	22.4	23.2	**31.4**
2010	19.8	20.6	21.3	26.7	35.7	39.5	31.9	26.8	23.6	22.3	24.0	26.1	**26.6**
2011	23.6	22.1	24.8	23.9	23.5	23.9	23.9	25.8	34.9	32.3	32.1	31.0	**26.9**
2012[(3)]	28.7	27.9	34.0	35.1	36.2	37.2	34.8	34.2	33.0	33.6	33.0	31.8	**33.3**
2013	29.2	28.8	30.0	33.8	31.4	32.3	33.0	32.5	32.3	30.2	27.3	23.3	**30.4**

[1] The constant maturity spread represents the exact term indicated and is calculated by an interpolation using CMB market spreads to Government of Canada yields.
[2] From 2003 to 2011 inclusively, the data presented are a monthly average of daily data.
[3] Starting in 2012, the data presented are a monthly average of weekly data.
NA = Not available
Source: CMHC

TABLE 31

Canadian and U.S. Annual Residential Mortgage Arrears and Foreclosure Rates, 2004-2013[1]

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Canadian mortgage arrears rate for all loans (%)[2]	**0.29**	**0.26**	**0.25**	**0.25**	**0.28**	**0.41**	**0.43**	**0.41**	**0.34**	**0.31**
U.S. prime fixed-rate mortgage arrears rate (%)[3]	**0.25**	**0.29**	**0.31**	**0.33**	**0.74**	**2.10**	**2.39**	**1.62**	**1.40**	**1.19**
U.S. mortgage arrears rates by type of loan (%)[4]										
All mortgages[5]	0.87	0.90	0.96	1.22	2.13	4.13	4.43	3.45	3.02	2.63
Prime mortgages[6]	0.29	0.32	0.36	0.49	1.21	2.85	3.13	2.19	1.78	1.43
Prime fixed-rate mortgages	0.25	0.29	0.31	0.33	0.74	2.10	2.39	1.62	1.40	1.19
Subprime mortgages[6]	2.70	2.59	2.89	4.32	7.03	12.58	13.92	10.97	9.36	9.35
Veterans' Administration (VA) insured mortgages[7]	1.59	1.61	1.55	1.49	1.94	2.71	2.59	2.28	2.30	2.05
Federal Housing Administration (FHA) insured mortgages[7]	2.75	3.08	3.37	3.27	3.67	5.15	5.05	4.98	4.77	3.95
U.S. foreclosure and seriously deliquent rates for all loans (%)										
Foreclosures started during the quarter[8]	0.43	0.41	0.47	0.71	1.06	1.34	1.24	1.03	0.88	0.62
Seriously delinquent mortgages[9]	2.07	1.91	2.01	2.82	5.00	8.43	8.99	7.89	7.14	5.83

[1] All Canadian and U.S. mortgage arrears and foreclosure rates are non-seasonally adjusted, and calculated based on the total number of loans serviced instead of their dollar value.

[2] The Canadian mortgage arrears rate is based on loans with installments past due by 90 days or more, calculated by averaging monthly data based on a calendar year quarter, and regroups data from ten major Canadian banks including BMO, CIBC, HSBC, National, RBC, Scotia, TD Canada Trust, Canadian Western, Manulife (as of April 2004) and Laurentian (as of October 2010).

[3] U.S. prime fixed-rate mortgages are the most comparable to the overall Canadian mortgage market.

[4] The U.S. arrears rates are based on one-to-four unit residential properties loans with installments past due by 90 days or more, calculated by averaging four quarters of data based on a calendar year, and regroups data from approximately 120 U.S. mortgage lenders, including mortgage banks, commercial banks, thrifts, savings and loan associations, subservicers and life insurance companies.

[5] Includes all residential loan types, i.e. prime, subprime, Veterans' Administration (VA) insured and Federal Housing Administration (FHA) insured residential mortgages.

[6] Prime mortgages include prime fixed-rate mortages (FRM) and prime adjustable-rate mortgages (ARM), and subprime mortgages include subprime FRM and subprime ARM. The prime and subprime criteria used in the U.S. Mortgage Bankers Association (MBA)'s National Delinquency Survey (NDS) is based on survey participants' reporting of what they consider to be their prime and subprime servicing portfolios, since internal servicing guidelines vary.

[7] Includes all first mortgages secured by one-to-four unit residential properties and insured by either the Veteran's Administration (VA) or the Federal Housing Administration (FHA).

[8] Mortgages for which foreclosure proceedings started during the current quarter. Includes "in lieu" of foreclosure and mortgages assigned directly to FHA, VA or other insurers, or investors.

[9] The seriously delinquent rate is the percentage of all loans with instalments past due by 90 days or more or in the process of foreclosure. Note that the mortgage holder can usually initiate foreclosure at a time specified in the mortgage documents, therefore the process of foreclosure can be rapid or lengthy and varies from state to state.

Source: Canadian Bankers Association (CBA) and the Mortgage Bankers Association (MBA)

TABLE 32

Canadian and U.S. Quarterly Residential Mortgage Arrears and Foreclosure Rates, Q1-2010 to Q1-2014[1]

	Q1-10	Q2-10	Q3-10	Q4-10	Q1-11	Q2-11	Q3-11	Q4-11	Q1-12	Q2-12	Q3-12	Q4-12	Q1-13	Q2-13	Q3-13	Q4-13	Q1-14
Canadian mortgage arrears rate for all loans (%)[2]	**0.45**	**0.42**	**0.42**	**0.43**	**0.44**	**0.41**	**0.40**	**0.39**	**0.37**	**0.34**	**0.33**	**0.32**	**0.33**	**0.31**	**0.31**	**0.31**	**0.31**
U.S. mortgage arrears rates by type of loan (%)[3]																	
All mortgages[4]	4.91	4.54	4.31	3.96	3.58	3.42	3.46	3.35	3.05	3.04	2.96	3.04	2.84	2.55	2.57	2.55	2.39
Prime mortgages[5]	3.67	3.29	2.97	2.58	2.33	2.21	2.17	2.04	1.83	1.86	1.72	1.72	1.58	1.46	1.39	1.27	1.28
Prime fixed-rate mortgages	2.89	2.55	2.22	1.90	1.69	1.61	1.62	1.57	1.40	1.46	1.37	1.38	1.26	1.22	1.18	1.10	1.14
Subprime mortgages[5]	14.82	13.94	13.92	12.98	11.88	11.26	10.85	9.90	9.13	9.16	9.36	9.77	9.57	9.10	9.24	9.49	8.90
Veterans' Administration (VA) insured mortgages[6]	2.66	2.53	2.69	2.48	2.13	2.15	2.38	2.47	2.28	2.35	2.23	2.35	2.17	2.05	1.99	1.98	1.87
Federal Housing Administration(FHA) insured mortgages[6]	5.17	4.83	5.03	5.16	4.69	4.64	5.12	5.48	5.15	4.77	4.46	4.69	4.03	3.89	3.88	4.01	3.65
U.S. foreclosure and seriously deliquent rates for all loans (%)																	
Foreclosures started during the quarter[7]	1.23	1.11	1.34	1.27	1.08	0.96	1.08	0.99	0.96	0.96	0.90	0.70	0.70	0.64	0.61	0.54	0.45
Seriously delinquent mortgages[8]	9.54	9.11	8.70	8.60	8.10	7.85	7.89	7.73	7.44	7.31	7.03	6.78	6.39	5.88	5.65	5.41	5.04

[1] All Canadian and U.S. mortgage arrears and foreclosure rates are non-seasonally adjusted, and calculated based on the total number of loans serviced instead of their dollar value.

[2] The Canadian mortgage arrears rate is based on loans with instalments past due by 90 days or more, calculated by averaging three months of data based on a calendar year quarter, and regroups data from ten major Canadian banks including BMO, CIBC, HSBC, National, RBC, Scotia, TD Canada Trust, Canadian Western, Manulife (as of April 2004) and Laurentian (as of October 2010).

[3] The U.S. arrears rates are based on one-to-four unit residential properties loans with installments past due by 90 days or more, and regroups data from approximately 120 U.S. mortgage lenders, including mortgage banks, commercial banks, thrifts, savings and loan associations, subservicers and life insurance companies.

[4] Includes all residential loan types, i.e. prime, subprime, Veterans' Administration (VA) insured and Federal Housing Administration (FHA) insured residential mortgages.

[5] Prime mortgages include prime fixed-rate mortages (FRM) and prime adjustable-rate mortgages (ARM), and subprime mortgages include subprime FRM and subprime ARM. The prime and subprime criteria used in the U.S. Mortgage Bankers Association (MBA)'s National Delinquency Survey (NDS) is based on survey participants' reporting of what they consider to be their prime and subprime servicing portfolios, since internal servicing guidelines vary.

[6] Includes all first mortgages secured by one-to-four unit residential properties and insured by either the Veteran's Administration (VA) or the Federal Housing Administration (FHA).

[7] Mortgages for which foreclosure proceedings started during the current quarter. Includes "in lieu" foreclosure and mortgages assigned directly to FHA, VA or other insurers, or investors.

[8] The seriously delinquent rate is the percentage of all loans with installments past due by 90 days or more or in the process of foreclosure. Note that the mortgage holder can usually initiate foreclosure at a time specified in the mortgage documents, therefore the process of foreclosure can be rapid or lengthy and varies from state to state.

Source: Canadian Bankers Association (CBA) and the Mortgage Bankers Association (MBA)

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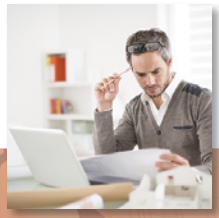


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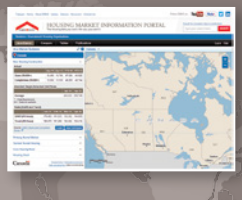

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