

HOUSING MARKET INSIGHT

Montréal CMA



CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: May 2017

“While the overall proportion of renters is much higher in Montréal than in Toronto or Vancouver, the differences vary significantly depending on the type of household. In some cases, the percentages of renters in Montréal in the other two urban centres are not that different.”



Francis Cortellino,
Principal, Market Analysis

SUBSCRIBE NOW!

Access CMHC's Market Analysis Centre publications quickly and conveniently on the Order Desk at www.cmhc.ca/housingmarketinformation. View, print, download or subscribe to get market information e-mailed to you on the day it is released. CMHC's electronic suite of national standardized products is available for free.

More renters in Montréal than in Toronto or Vancouver? Myths and realities

According to data from Statistics Canada's 2011 National Household Survey (NHS), the proportion of renters in the Montréal census metropolitan area (CMA) that year (45%) was about 10 to 13 percentage points higher than those in Vancouver (35%) and Toronto (32%). However, the differences varied greatly depending on certain household characteristics.

- For example, when all immigrants¹ are excluded, the proportions of renter households among couples aged 25 to 64 with or without children were not that different in Montréal, Toronto and Vancouver. Sometimes, the renter rates were even lower in Montréal.
- The proportions of renters among lone-parent households, one-person households, multiple-family households², immigrant households and households aged 65 or older was much higher in Montréal than in Toronto or Vancouver.

These last results raise the question of whether the higher proportion of renters in Montréal might be attributable to a cultural factor specific to this metropolitan area.

In fact, it would be surprising, at first glance, that the “preference” of Montréal area households for renting would not be applicable to couples with or without children but would be to other households (unless, of course, these households had very distinct characteristics).

One of the most-awaited results from the data collected in the latest Statistics Canada Census³ was the renter rate in Quebec as well as comparisons of this rate with the Canadian average and with the rates for the other provinces. This is because the renter rate is significantly higher in Quebec than in the rest of Canada⁴.

Not surprisingly, this difference was also noted at the urban centre level. In fact, the Montréal CMA was the centre with the highest proportion of renters, at 45%⁵. This proportion was 10 to 13 percentage points higher than those in Vancouver and Toronto, the other two CMAs that are among Canada's largest urban centres (see table I).

This issue of *Housing Market Insight* will essentially present a breakdown of this result according to certain demographic characteristics of Montréal households and examine the differences.

Couples with or without children: Montréal not that different from Vancouver (and just slightly different from Toronto)

Figure I shows that, regardless of the type of household, the proportions of renters are higher in Montréal than in Toronto or Vancouver. However, it can be noted that the rate differences are smaller for couples with or without children than for the other household categories⁶.

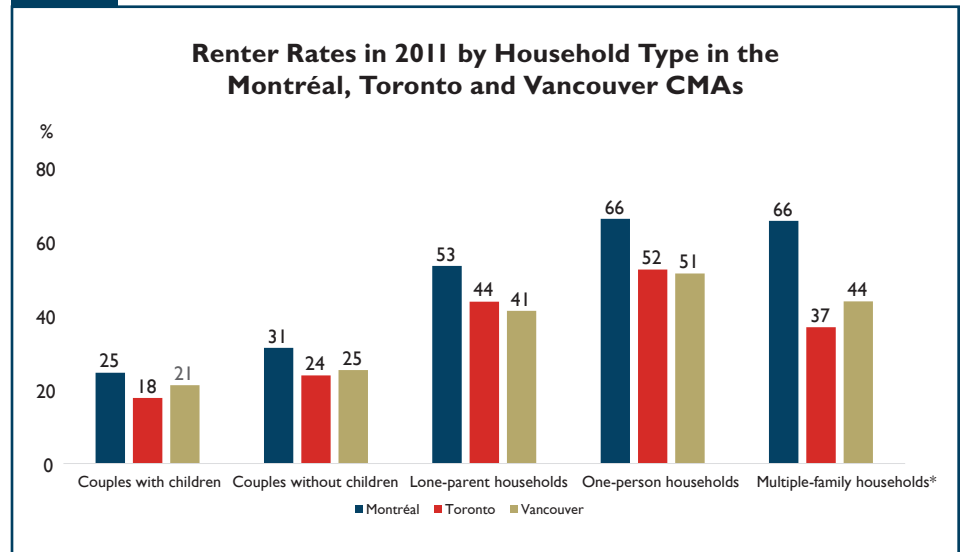
For the same household types, certain results by age group indicate small renter rate differences between Montréal and the other two centres under review.

Table I

Geographic Sector	Proportion (%) of Renter Households in 2011
Montréal CMA	45.0
Toronto CMA	31.7
Vancouver CMA	34.5

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Figure I



* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

In fact, the renter rate for families where the parents were aged 25 to 44 in Montréal was 30% in 2011. In Vancouver and Toronto, the proportions were 28% and 24%, respectively, levels slightly closer to the rate in Montréal (see tables I to 3 in the appendix).

For couples aged 45 to 64 (baby boomers) with or without children, the proportion of renters in Montréal was 19% in 2011, which was not that different from the rates recorded in Vancouver (17%) and Toronto (15%). The next section shows how these results varied when also taking into account households' immigrant status.

The differences between the renter rates in Montréal, Toronto and Vancouver were, however, very significant for the other household

categories (lone-parent, one-person and multiple-family). Montréal stood out in that about 50% of all households in this CMA are lone-parent, one-person or multiple-family households, while the proportions were lower Toronto and Vancouver (about 45% in both CMAs). This difference, by itself, put upward pressure on the renter rate in the Montréal CMA.

One of the reasons often cited to explain the higher proportion of renters in Montréal is the fact that renting a dwelling is relatively less costly in Quebec's largest metropolitan area. In fact, data from the 2011 NHS shows that Montréal is the area where the costs of renting a dwelling are the lowest compared to the costs of owning a home⁷.

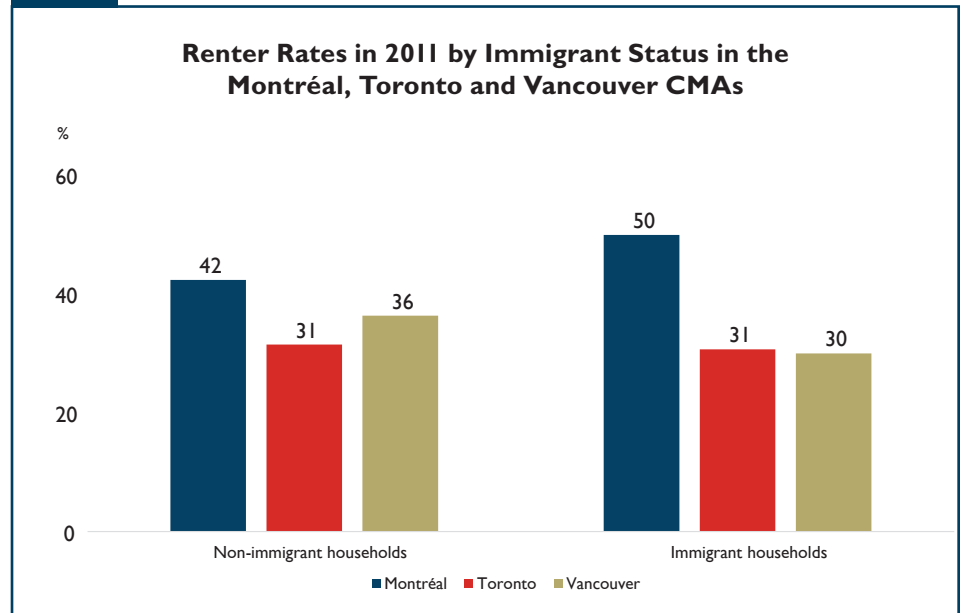
However, this explanation does not seem to apply perfectly to the renter rate differences by household type. For example, for lone-parent households aged under 44⁸, the percentage difference between renting and owning a home was greater in Toronto than in Montréal in 2011. This should mean that there would be a higher proportion of lone-parent renter households in Toronto than in Montréal⁹, but that is not the case.

In order to deepen this analysis and gain a better understanding of this phenomenon, it will be necessary to obtain much more detailed data on housing costs, incomes by household type and other variables. This topic can be covered in a subsequent issue of *Housing Market Insight*.

Immigrant households living in Montréal: much higher proportion of renters

The last section showed that the differences between the renter rates in Montréal and in the other two CMAs under review varied depending on the type of household.

Figure 2



Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

There are also significant differences depending on immigrant status¹⁰. As shown in figure 2, the renter rate among immigrant households is about 20 percentage points higher in Montréal than in Toronto or Vancouver¹¹.

In the case of Vancouver, the differences with Montréal are even greater (between 22 and 31 percentage points) among lone-parent, multiple-family and one-person households.

In addition to the reasons mentioned in the previous section, the profile of immigrants¹² and the condition¹³ and structure¹⁴ of the job market can vary greatly from one urban centre to another, which can help explain the differences in the renter rates.

Among immigrant households, the differences between the renter rates in Montréal and in the Toronto and Vancouver CMAs were greater among newly arrived immigrants¹⁵ than among immigrants having been in the country longer, which may be a sign that it is much more difficult for new immigrants to integrate into the job market in Montréal than in Toronto or Vancouver.

It was a totally different story for non-immigrant households, for which the renter proportion differences were relatively smaller, particularly between Montréal and Vancouver. In the case of couples (25 to 44 years and 45 to 64 years) with or without children, which accounted for just under one third of all Montréal area households, the renter proportions in

Montréal were not that different from the rates in Toronto and sometimes even lower than those in Vancouver (see figure 3).

Still, for the other household categories¹⁶, the renter rate differences between the Montréal area and the Toronto and Vancouver areas remained considerable.

These last results raise the question of whether the higher proportion of renters in Montréal might be attributable to a cultural factor specific to this metropolitan area.

In fact, it would be surprising, at first glance, that the “preference” of Montréal area households for renting would not be applicable to couples with or without children but would be to other households (unless, of course, these households had very distinct characteristics).

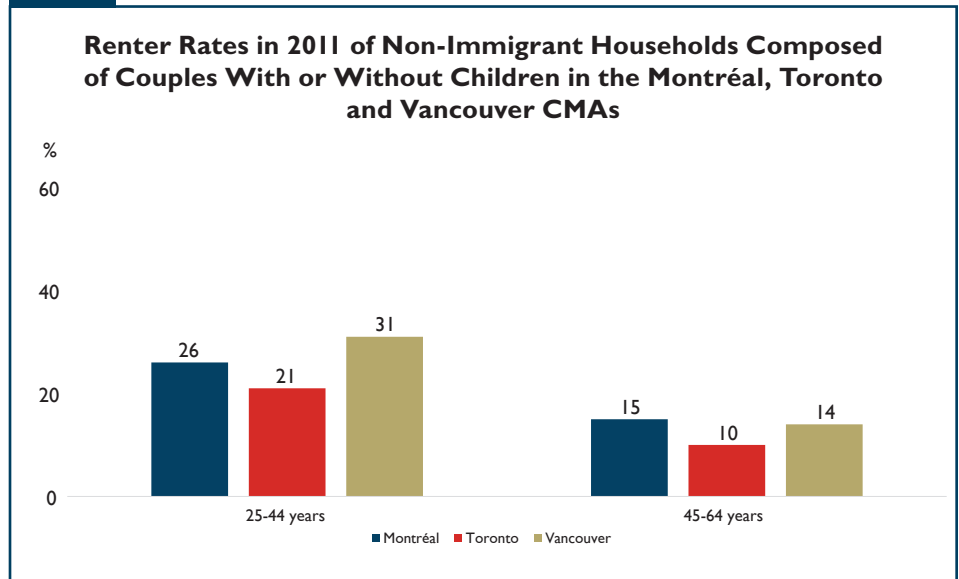
In the last two sections, it was established that household type and immigrant status had significant impacts on the renter rates in the Montréal, Toronto and Vancouver CMAs. Another variable also comes into play: household age group.

Senior households in Montréal have a much higher proportion of renters

Among households aged 65 or older (born before the Second World War), the renter rate differences between Montréal and the other two centres under review were close to 20 percentage points in 2011 (see figure 4). The differences were greater among non-immigrant senior households not composed of couples¹⁷.

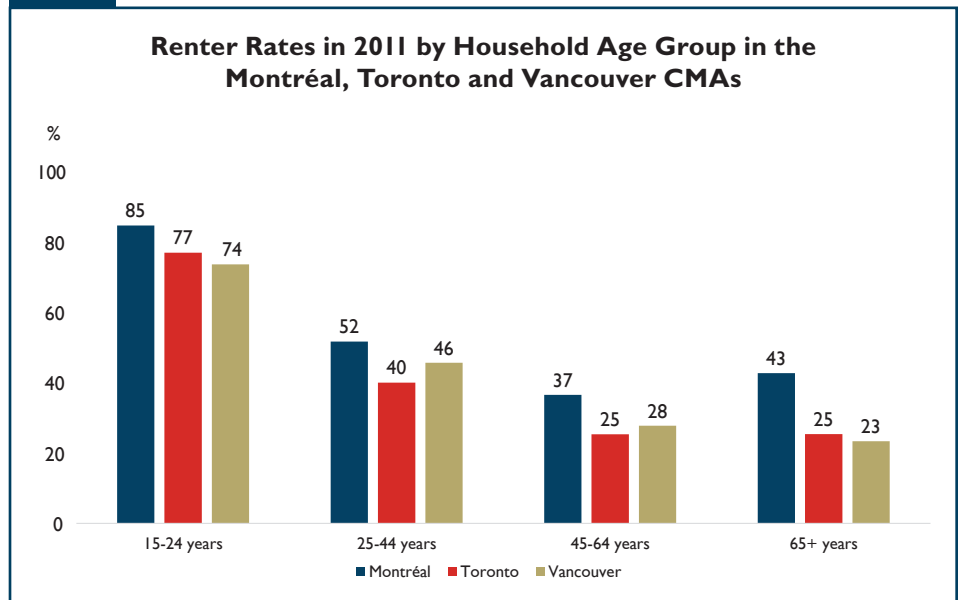
Given that, in general, few households become homeowners after the age of 65¹⁸, it could be that the economic conditions¹⁹ experienced by Montréal

Figure 3



Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Figure 4



Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

area senior households during their years in the labour force were less conducive to the acquisition of a home at that time.

Additionally, the seniors' housing market is much more developed in Quebec (and Montréal) than in the rest of the country²⁰, which may prompt a greater number of senior households in the Montréal area to turn to the rental market.

Another interesting hypothesis, advanced by Dr. Marc Choko, Professor Emeritus at the School of Design of the Université du Québec à Montréal, evokes the real estate development in Montréal from the 19th century to the Second World War. At that time, as Montréal was developing before several other Canadian cities and the mortgage market was in its infancy, plexes were

the main type of housing being built in this metropolitan area²¹. The rental housing stock is consequently much older in Montréal than in Toronto or Vancouver²².

After the Second World War, when the mortgage market was growing more and more and other types of housing were gaining in popularity, rental apartments remained a very significant housing option in the Montréal real estate landscape. A large proportion of Montréal area households at the time (who are now relatively old) therefore probably continued to live in this type of housing. This factor could explain why the renter rates among senior households are higher in Montréal than in other centres, such as Toronto or Vancouver.

Summary

While, overall, the renter rate is higher in Montréal than in Toronto or Vancouver, this is not necessarily the case in all household categories and age groups. Senior, immigrant, lone-parent, multiple-family and one-person households all had much higher renter rates in Montréal than in Toronto or Vancouver, whereas for other types of households, the differences are small or practically non-existent.

This issue of *Housing Market Insight* highlighted the differences observed according to certain demographic characteristics of households. In a subsequent issue, the factors that could explain the situation in Montréal compared to the circumstances in Canada's other two major urban centres will be examined in greater detail.

In addition looking at incomes and housing costs, it would also be interesting to determine whether there are any differences with regard to the location and mobility of renter households within the CMAs. For example, do greater proportions of renter households in the urban centres under review move to neighbourhoods where the costs of buying a home are the lowest? The answers to questions like this would help provide a better understanding of the dynamics that exist between renting and buying a home among households in Montréal and those in the country's other large urban areas.

APPENDIX

Table 1

Proportions (%) of Renter Households by Age Group and by Household Type in the Montréal CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	45.0	24.6	31.3	53.4	66.2	65.6
15-24 years	84.7	65.1	79.1	76.9	88.9	91.1
25-44 years	51.7	30.4	51.1	64.7	72.6	74.3
45-64 years	36.5	17.6	21.0	46.5	62.2	48.3
65+ years	42.7	19.9	24.1	41.6	61.4	41.4

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Table 2

Proportions (%) of Renter Households by Age Group and by Household Type in the Toronto CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	31.7	17.7	23.8	43.8	52.5	36.8
15-24 years	77.0	48.3	80.7	71.9	80.3	82.0
25-44 years	40.0	23.7	40.6	61.3	59.0	44.7
45-64 years	25.3	13.6	17.7	37.6	52.2	24.3
65+ years	25.4	10.7	14.1	24.2	42.8	17.7

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Table 3

Proportions (%) of Renter Households by Age Group and by Household Type in the Vancouver CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	34.5	21.2	25.3	41.3	51.4	43.8
15-24 years	73.6	43.5	75.8	57.2	74.2	80.4
25-44 years	45.7	28.0	46.5	57.7	62.9	54.2
45-64 years	27.8	16.7	17.8	36.8	49.8	27.4
65+ years	23.4	10.9	12.1	21.6	37.6	17.8

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

APPENDIX

Table 4

Proportions (%) of Renter Households (Non-Immigrant) by Age Group and by Household Type in the Montréal CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	42.3	15.5	29.0	50.1	64.8	66.2
15-24 years	82.7	63.2	77.1	75.0	87.2	90.4
25-44 years	45.0	18.4	43.5	59.9	68.8	73.9
45-64 years	34.7	10.8	19.6	42.3	60.8	49.7
65+ years	45.4	16.1	25.4	43.0	63.2	45.0

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Table 5

Proportions (%) of Renter Households (Non-Immigrant) by Age Group and by Household Type in the Toronto CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	31.5	9.9	23.3	41.2	51.8	52.8
15-24 years	77.2	41.2	79.3	68.4	80.9	83.9
25-44 years	37.1	12.3	36.4	57.6	57.2	59.8
45-64 years	24.2	7.2	15.6	31.0	50.0	35.3
65+ years	26.1	9.1	11.7	25.4	41.1	22.3

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Table 6

Proportions (%) of Renter Households (Non-Immigrant) by Age Group and by Household Type in the Vancouver CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	36.3	16.5	25.6	43.7	52.0	56.2
15-24 years	74.9	47.6	75.0	64.2	76.4	80.1
25-44 years	46.3	21.6	44.7	59.7	63.0	65.5
45-64 years	29.1	11.6	17.0	37.6	50.0	37.7
65+ years	24.2	11.1	10.7	21.9	36.7	19.5

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

APPENDIX

Table 7

Proportions (%) of Renter Households (Immigrant) by Age Group and by Household Type in the Montréal CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	49.9	39.9	36.3	59.9	68.7	58.0
15-24 years	86.6	70.2	87.7	83.9	89.4	89.0
25-44 years	65.0	52.9	69.0	75.0	81.6	70.9
45-64 years	41.7	29.3	27.8	55.8	68.5	43.6
65+ years	35.6	22.6	20.6	38.9	54.7	33.2

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Table 8

Proportions (%) of Renter Households (Immigrant) by Age Group and by Household Type in the Toronto CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	30.7	21.5	22.9	44.6	51.9	25.5
15-24 years	72.6	54.2	83.2	75.9	74.6	73.8
25-44 years	40.7	30.7	44.0	63.0	59.7	31.4
45-64 years	25.7	16.6	19.2	41.4	54.7	19.9
65+ years	25.0	11.1	15.4	23.5	43.9	16.3

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

Table 9

Proportions (%) of Renter Households (Immigrant) by Age Group and by Household Type in the Vancouver CMA in 2011						
Age Group	Total	Couples with children	Couples without children	Lone-parent households	One-person households	Multiple-family households*
Total	30.0	23.8	22.2	38.0	47.3	26.9
15-24 years	57.8	36.1	75.4	46.8	58.3	64.2
25-44 years	40.9	32.8	44.5	53.7	57.8	34.9
45-64 years	25.8	19.8	18.5	35.7	48.7	21.0
65+ years	22.5	10.8	13.3	21.2	38.8	17.1

* One-census-family households with additional persons and multiple-census-family households with or without additional persons.

Sources: Statistics Canada, 2011 National Household Survey; CMHC, calculations.

ENDNOTES

- ¹ Newly arrived or not.
- ² This category includes one-census-family households with additional persons and multiple-census-family households with or without additional persons. This category accounted for just 5% of households in the Montréal CMA in 2011. In Toronto and Vancouver, the proportions were slightly higher, at about 8% in both cases.
- ³ The latest Census was conducted in 2016, and the results on tenure should be available in the fall of 2017.
- ⁴ According to data from Statistics Canada's NHS, the proportion of renters in 2011 was 39% in Quebec, compared to 28% in the rest of Canada's provinces.
- ⁵ The proportion of renters in the Saguenay CMA in 2011 was similar, at 45.1%.
- ⁶ Figure 1 also shows that, regardless of the urban centre, the renter rates are the lowest for couples with children, followed by couples without children, lone-parent households and one-person households. As well, multiple-family households are among the households with the highest renter rates in the three urban centres.
- ⁷ Ratio between the average costs of renting and owning a home.
- ⁸ Age group during which people generally access homeownership.
- ⁹ Lone-parent renter households also spend more of their incomes on renting a dwelling in Toronto than they do in Montréal.
- ¹⁰ See tables 4 to 9 in the appendix.
- ¹¹ The impact of the renter rate of immigrant households on the overall rate is less significant in Montréal, as only 25% of the households in this CMA were immigrants in 2011, compared to 55% in Toronto and 44% in Vancouver.
- ¹² For example, these differences may be in the types of immigrants (economic, refugee, etc.), their countries of origin, their financial wealth when they arrive in the country, etc.
- ¹³ For example, in 2011, according to Statistics Canada data, the unemployment rate among immigrants aged 25 to 54 was 11.9% in Quebec, compared to rates of 8.7% in Ontario and 7.4% in British Columbia.
- ¹⁴ For example, there may be differences in the process and steps needed to get foreign degrees recognized.
- ¹⁵ Immigrants having arrived less than five years earlier.
- ¹⁶ Lone-parent, one-person and multiple-family households.
- ¹⁷ With or without children.
- ¹⁸ In 2011, 1.3% of households aged 65 or older purchased a home in the Montréal area; the proportions were 1.9% in Toronto and 2.4% in Vancouver. Sources: Statistics Canada, 2011 NHS; CMHC, compilation and calculations.
- ¹⁹ For example, household incomes, costs of renting versus buying a home, etc.
- ²⁰ In 2016, around 18% of people aged 75 or older in Quebec lived in a seniors' residence, compared to a proportion of 6% for Canada. Source: CMHC.
- ²¹ According to Dr. Marc Choko, this denser type of housing was built in response to the rapid increase in the population, as people could not travel long distances given the low-quality means of transportation. Plexes at the time also likely represented a way to subdivide into two storeys homes that only the wealthiest households could afford.
- ²² For example, about 40% of rental apartments in the Montréal area were built before 1940. The proportions are around 5% in both Toronto and Vancouver. Source: CMHC.

CMHC—HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for almost 70 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 information 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 [Twitter](#), [LinkedIn](#), [Facebook](#) 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.

The Market Analysis Centre's (MAC) electronic suite of national standardized products is available for free on CMHC's website. You can view, print, download or subscribe to future editions and get market information e-mailed automatically to you the same day it is released. It's quick and convenient! Go to www.cmhc.ca/en/hoficlincl/homain

For more information on MAC and the wealth of housing market information available to you, visit us today at www.cmhc.ca/housingmarketinformation

To subscribe to printed editions of MAC publications, call 1-800-668-2642.

©2017 Canada Mortgage and Housing Corporation. All rights reserved. CMHC grants reasonable rights of use of this publication's content solely for personal, corporate or public policy research, and educational purposes. This permission consists of the right to use the content for general reference purposes in written analyses and in the reporting of results, conclusions, and forecasts including the citation of limited amounts of supporting data extracted from this publication. Reasonable and limited rights of use are also permitted in commercial publications subject to the above criteria, and CMHC's right to request that such use be discontinued for any reason.

Any use of the publication's content must include the source of the information, including statistical data, acknowledged as follows:

Source: CMHC (or "Adapted from CMHC," if appropriate), name of product, year and date of publication issue.

Other than as outlined above, the content of the publication cannot be reproduced or transmitted to any person or, if acquired by an organization, to users outside the organization. Placing the publication, in whole or part, on a website accessible to the public or on any website accessible to persons not directly employed by the organization is not permitted. To use the content of any CMHC Market Analysis publication for any purpose other than the general reference purposes set out above or to request permission to reproduce large portions of, or entire CMHC Market Analysis publications, please complete the [CMHC Copyright request form](#) and email it to CMHC's Canadian Housing Information Centre at chic@cmhc.ca. For permission, please provide CHIC with the following information: Publication's name, year and date of issue.

Without limiting the generality of the foregoing, no portion of the content may be translated from English or French into any other language without the prior written permission of Canada Mortgage and Housing Corporation.

The information, analyses and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibility.

Housing market intelligence you can count on

FREE REPORTS AVAILABLE ON-LINE

Local, regional and national analysis and data pertaining to current market conditions and future-oriented trends.

- Canadian Housing Statistics
- Condominium Owners Report
- Housing Information Monthly
- Housing Market Assessment
- Housing Market Insight
- Housing Now Tables
- Housing Market Outlook, Canada
- Housing Market Outlook, Highlight Reports – Regional and Northern
- Housing Market Outlook, Canada and Major Centres
- Housing Market Tables: Selected South Central Ontario Centres
- Preliminary Housing Starts Data
- Rental Market Reports, Canada and Provincial Highlights
- Rental Market Reports, Major Centres
- Residential Construction Digest, Prairie Centres
- Seniors' Housing Reports

FREE DATA TABLES AVAILABLE ON-LINE

- Housing Construction Activity by Municipality
- Comprehensive Rental Market Survey Tables
- Comprehensive New Home Construction Tables

Get the market intelligence you need today!

Click www.cmhc.ca/housingmarketinformation to view, download or subscribe.

CMHC's Market Analysis Centre provides a wealth of local, regional, and national data, information, and analysis through its suite of reports, data tables, and interactive tools.

- **Forecasts and Analysis** – Future-oriented information about local, regional and national housing trends.
- **Statistics and Data** – Information on current housing market activities – starts, rents, vacancy rates and much more.

HOUSING MARKET INFORMATION PORTAL!

The housing data you want, the way you want it.

- Information in one central location
- Quick and easy access
- Neighbourhood level data

cmhc.ca/hmiportal

Housing Observer Online

Featuring quick reads and videos on...

- Analysis and data
- Timely insights
- Updates to housing conditions and trends & much more!

All links can be shared in social media friendly formats!

Subscribe today to stay in the know!
www.cmhc.ca/observer

