

# RESEARCH HIGHLIGHT

## 2011 Census/National Housing Survey Housing Series: Issue 9 – The Housing Conditions of Canada's Senior Households

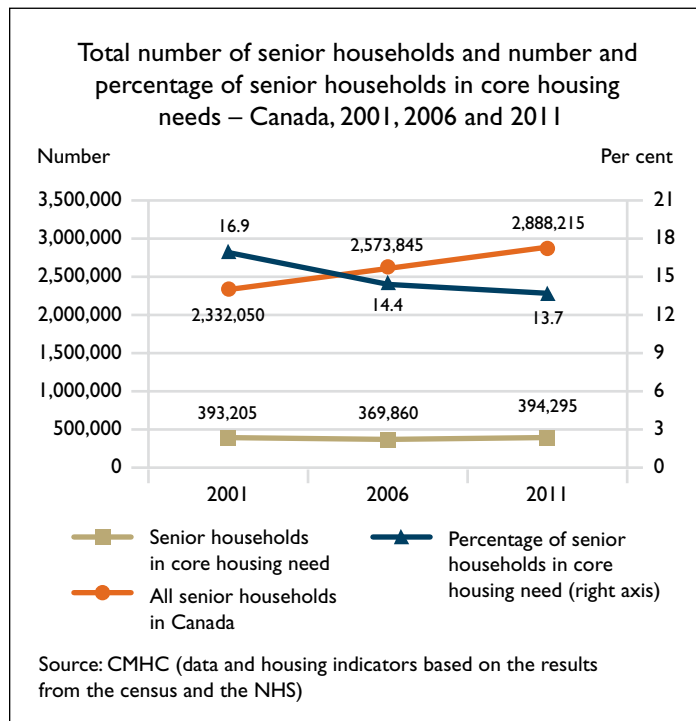
February 2016 Socio-economic Series

### INTRODUCTION

This issue of *Research Highlight* uses 2011 National Housing Survey (NHS) data to discuss the housing conditions of senior households (see glossary in appendix).

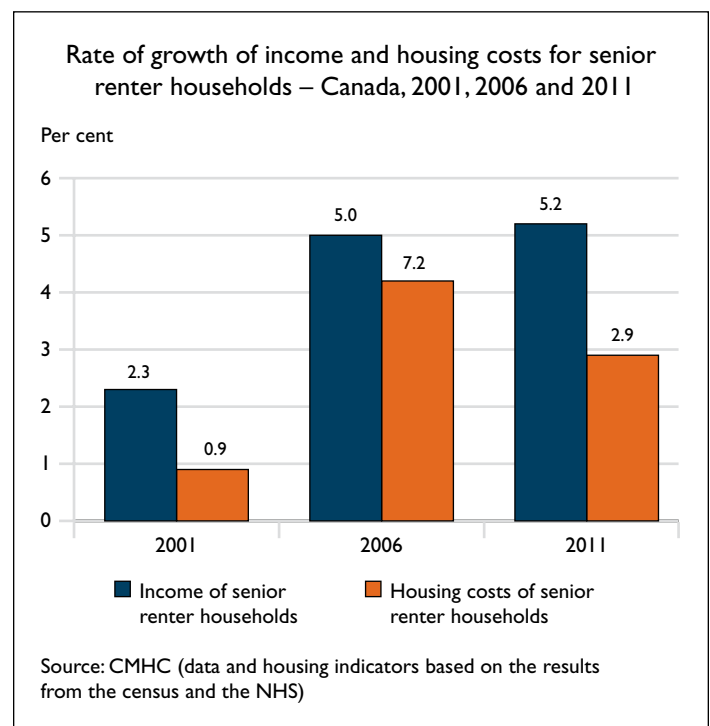
#### The proportion of senior households in core housing need continued to trend downward

In 2011, there were 394,295 senior households in core housing need. Between 2006 and 2011, the proportion of senior households in core housing need still continued to decrease, but the number rose slightly to nearer that recorded in 2001 (see figure 1).



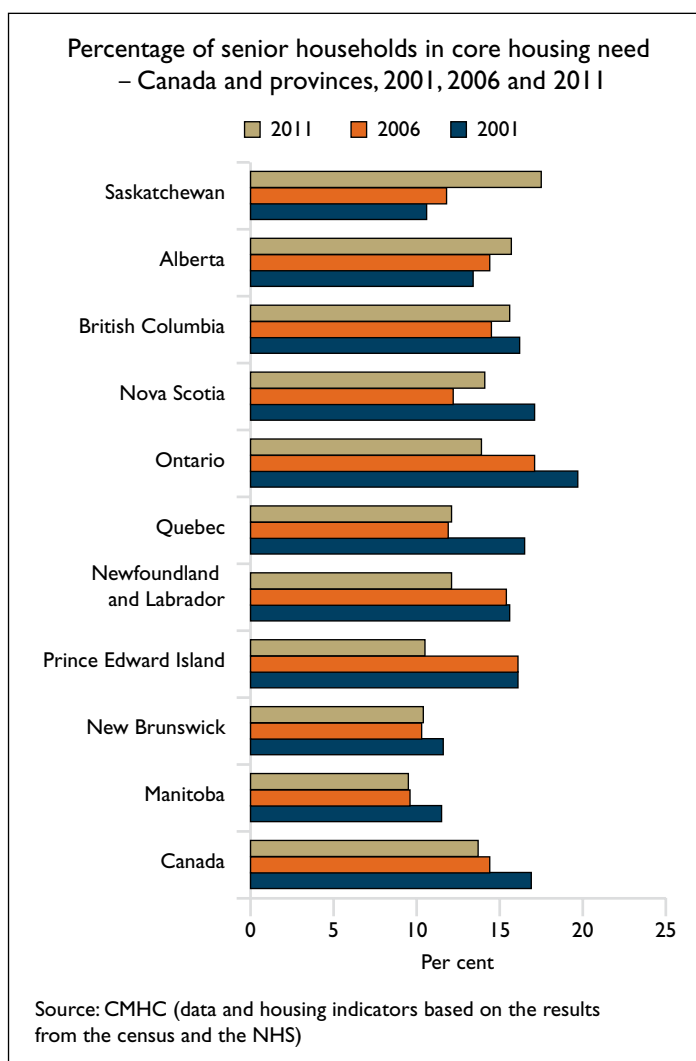
**Figure 1** The proportion of senior households in core housing need continued to trend downward to 13.7% in 2011.

During this period, senior households saw an overall increase in their income, but their housing costs grew at a faster pace. However, this was not the case for senior renter households, for whom income rose more quickly than housing costs (see figure 2). Since most senior households in core housing need are renter households, the reduction in the proportion of senior households in this situation could be related to the fact that their housing costs did not rise much in relation to their income.



**Figure 2** From 2001 to 2011, senior renter households' income grew faster than their housing costs.

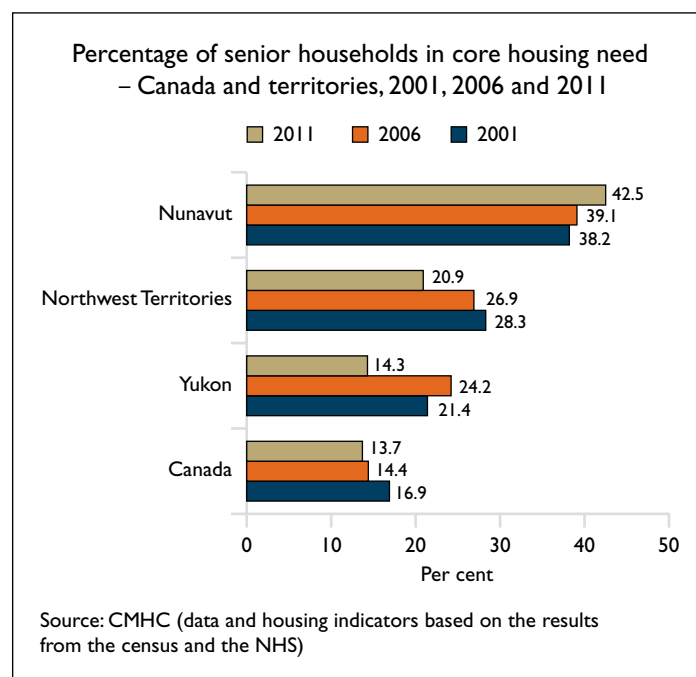
In 2011, Saskatchewan became the province with the highest proportion of senior households in core housing need. It was closely followed by Alberta and British Columbia (see figure 3). The robust economy in these provinces between 2001 and 2011 resulted in major growth in housing value on the homeowner and rental markets alike. The sharp rise in housing costs that affected senior renter households living in census metropolitan areas (CMAs) in Saskatchewan, Alberta and British Columbia may have contributed to increasing the number of households in core housing need. During this period, the number of senior households in core housing need in Saskatchewan rose from 9,390 to 15,920.



**Figure 3** Saskatchewan saw the greatest increase in the percentage of senior households in core housing need between 2001 and 2011.

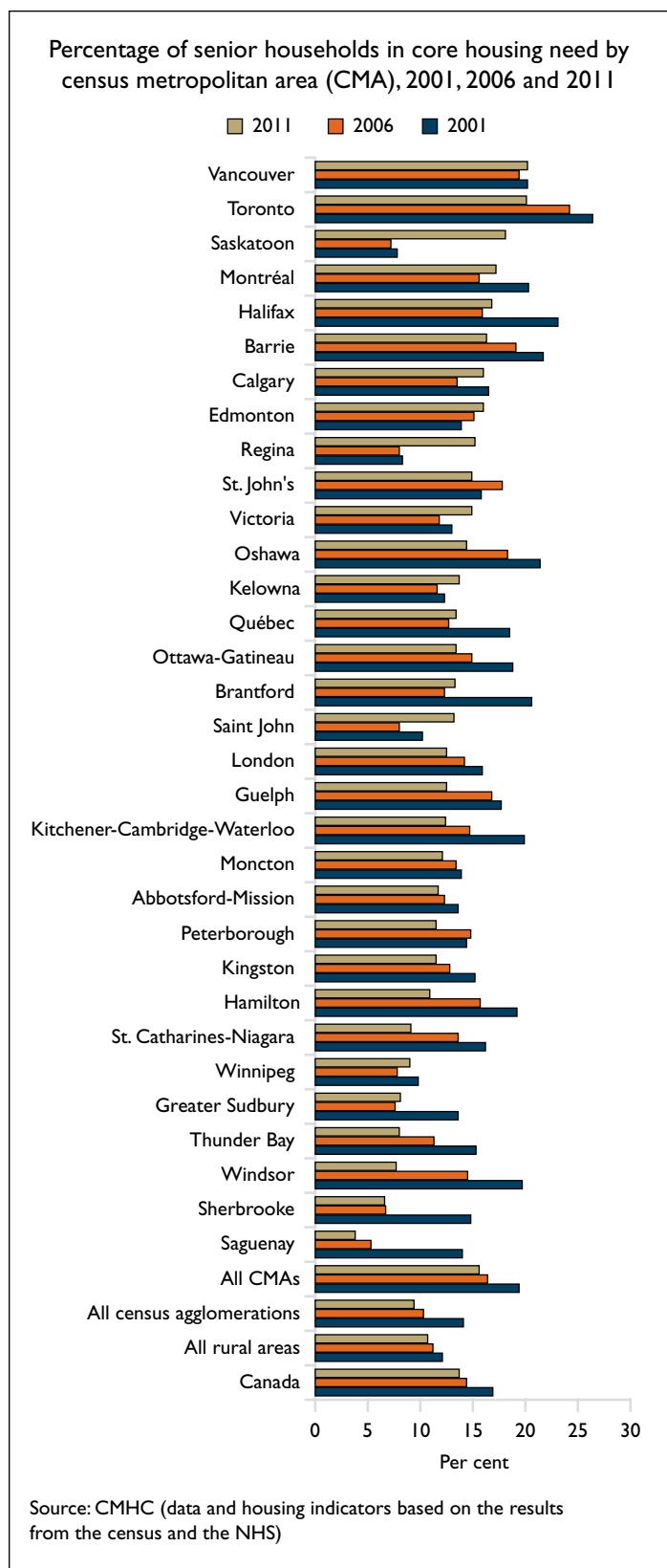
In 2011, Ontario still had the most senior households in core housing need, despite this number being lower compared to 2001; it decreased from 171,880 to 151,475. During this period, residential property prices in southern Ontario declined sharply in the wake of the 2008 financial crisis, which also led to lower rental costs. In 2011, senior renter households living in Ontario CMAs had average housing costs that were lower than they had been in 2006. This partly explains the reduction in the proportion of senior households in core housing need in Ontario.

The decline in the incidence of core housing need of senior households observed across Canada between 2006 and 2011 also occurred in the Northwest Territories and in Yukon, but not in Nunavut (see figure 4).



**Figure 4** In 2011, Nunavut was still the territory with the highest proportion of senior households in core housing need.

In 2011, senior households living in CMAs were more likely to be in core housing need than those living in rural areas. In rural areas, as in CMAs, the proportion of senior households in core housing need decreased between 2001 and 2011, although the number of households in core housing need continued to rise. In 2011, 64,420 senior households living in rural areas and 288,400 senior households living in a CMA were in core housing need.



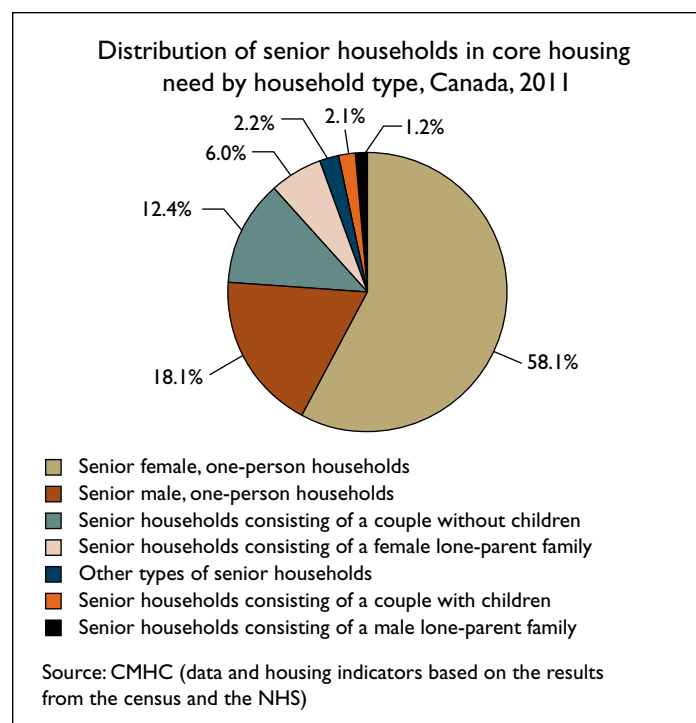
**Figure 5** In 2011, the percentage of senior households in core housing need sharply decreased in several southern Ontario CMAs.

In 2011, Vancouver and Toronto remained the CMAs with the highest rates of senior households in core housing need. Saskatoon ranked third. In several southern Ontario CMAs, including Guelph, Hamilton, St. Catharines-Niagara, Toronto and Windsor, this rate declined sharply. The 2008 financial crisis, which was responsible for a major drop in real estate value, may have facilitated access to affordable housing for senior households (see figure 5).

### The majority of senior households in core housing need still are older women living alone

Senior households in core housing need have significantly lower average incomes than those of all senior households, which is not surprising considering that affordability is the key factor contributing to housing need. In 2011, 36.7% of senior households in the lowest income quintile were in core housing need. These households represented the vast majority of senior households in this situation.

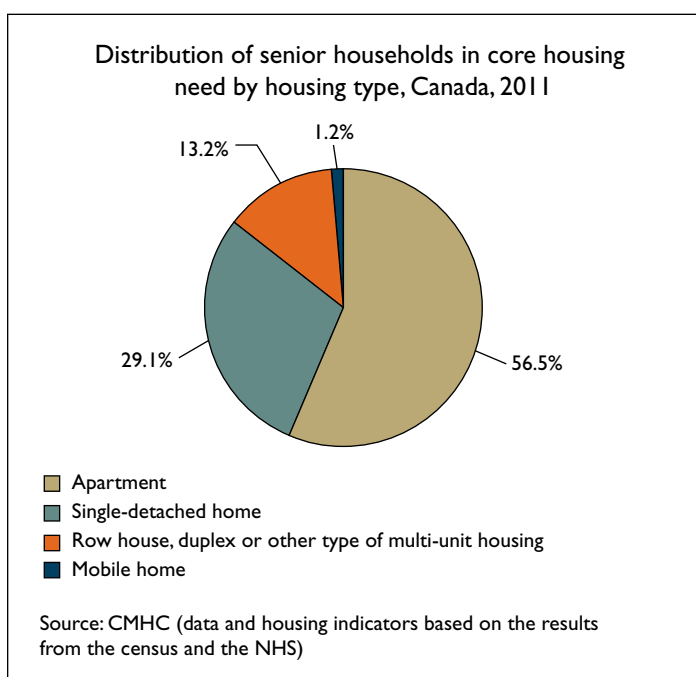
Given that older women are more likely to have low incomes, they are also at greater risk of being in core housing need. In 2011, as in 2006, senior households in core housing need consisted mostly of women living alone (see figure 6).



**Figure 6** In 2011, most of senior households in core housing need were women living alone.

## In 2011, most senior households in core housing need lived in an apartment building

In 2011, the majority of senior households in core housing need lived in an apartment building, which is not surprising because most of these households are renter households. Some senior households own their own apartment; however, many senior owner households in core housing need live in a single-detached home or another housing type (see figure 7).

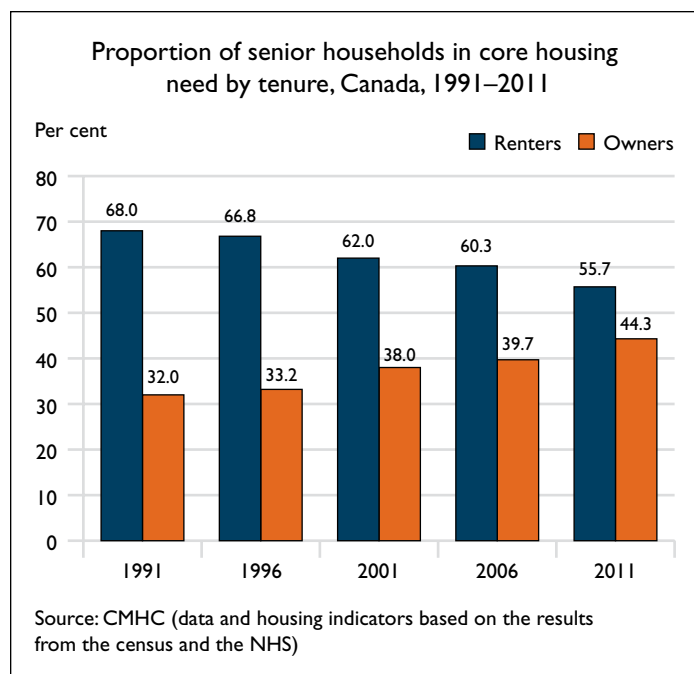


**Figure 7** In 2011, most senior households in core housing need lived in an apartment building.

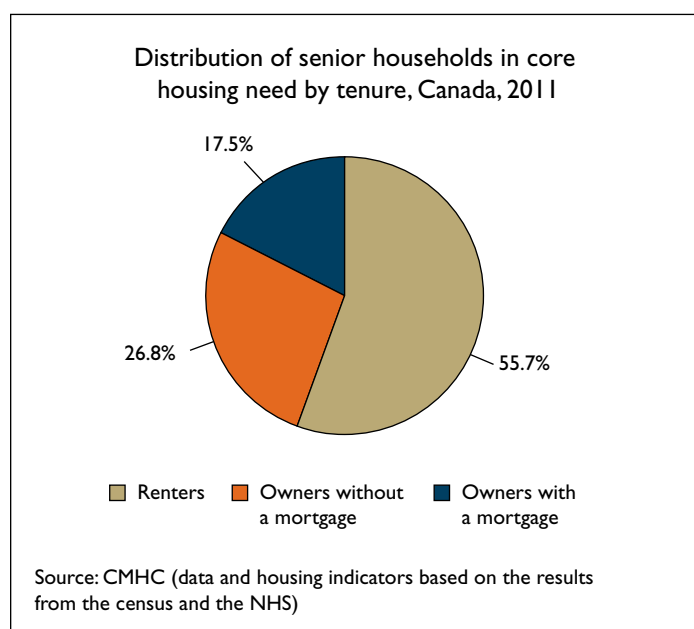
## The share of owner households among senior households in core housing need continued to trend upward

Although owner households are a minority of senior households in core housing need, they still represent 44% of the 2011 total—the highest percentage recorded to date (see figure 8).

Of those senior households in core housing need, some owners have a mortgage, but most are without a mortgage (see figure 9). Consequently, housing expenses for these households go solely toward other housing-related costs such as property taxes (and condo fees, if applicable) and payments for electricity, heating, water and other municipal services.



**Figure 8** In 2011, the share of senior households in core housing need that are owners reached an unprecedented level.



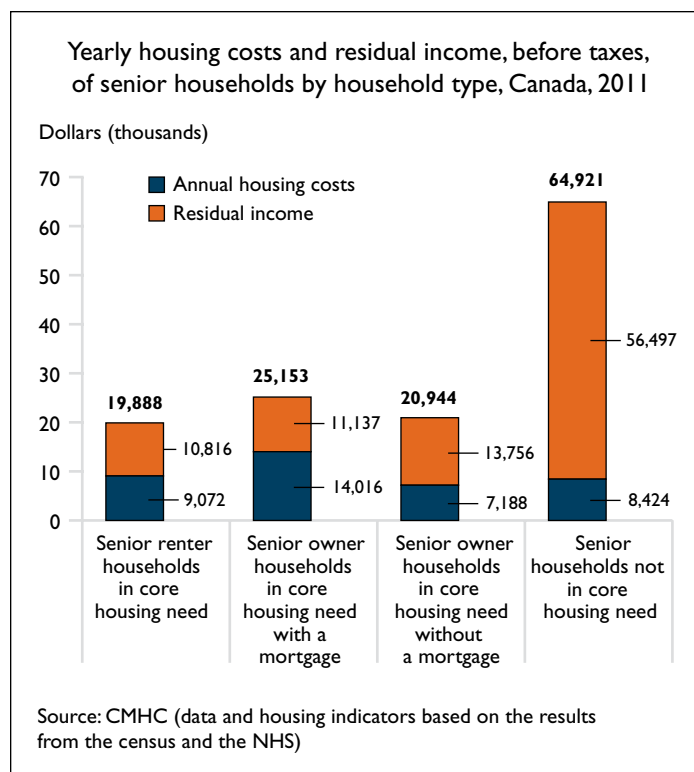
**Figure 9** In 2011, almost half of senior households in core housing need were owners, most of them without mortgage.

**Senior households in core housing need have little income to put toward other expenses, although some were able to put aside savings**

Senior households in core housing need, with the exception of those with no mortgage, have housing costs that are higher than for those not in core housing need, even though the income of the former is much lower.

Once their housing costs are paid, these households have income that is still much less than that of other households of the same age. Of all senior households in core housing need, renter households have the lowest residual income (see figure 10).

Senior owner households in core housing need that have no mortgage use a relatively small portion of their income on expenses other than housing, but they had an opportunity to accumulate home equity. In 2011, the average estimated value of their property was \$341,000.



**Figure 10** Senior households in core housing need have little income to put toward other expenses.

## ANNEX

**I. Glossary**

**Primary household maintainer:** first person in the household identified as someone who pays the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling.

**Senior-led household:** the primary household maintainer is aged of 65 or over.

**Acceptable Housing:** housing which is adequate in condition, suitable in size, and affordable.

**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 would have to spend 30% or more of its before-tax income to access local housing that meets all three standards.

- **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 makeup 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 (that is, 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.

**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 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.

**Households 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. For the purpose of measuring affordability, CMHC regards 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<sup>1</sup> as uninterpretable.

<sup>1</sup> Given communal land tenure in most reserve communities, the distinction among different tenures as reported on-reserve may be less clear than off-reserve.

## ANNEX (CON'T)

**Incidence of core housing need:** the percentage of households in core housing need.

**Census Metropolitan Area (CMA) and Census**

**Agglomeration (CA):** A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a population centre (known as the core). 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. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the core, as measured by commuting flows derived from previous census place of work data.

**Co-operative (or co-op) housing:** housing which is owned and managed by the people who live there.

**Government Assisted Housing:** any housing created through government assistance such as social or public housing, housing created under federal/provincial/territorial (F/P/T) agreements under the Affordable Housing Initiative (2001-2011), Investment in Affordable Housing (2011-2014; 2014-2019), and housing provided unilaterally by governments outside of F/P/T agreements.

**Housing Allowances:** subsidies paid by the government to a tenant to reduce the cost burden of housing, and rent subsidies, which are provided by landlords or property management companies to employees as part of their job benefit. Subsidy levels can be geared to income or a fixed amount.

**Non-profit housing:** rental housing built and managed by a community group, such as a faith group, labour union, or ethnic group. Non-profit housing can use both private funds and government subsidies to support subsidized rent for low-income tenants.

**Public housing:** housing which has been created under a variety of social housing programs between 1946-1993 that receive subsidy under federal-provincial-territorial agreements that is owned and operated by a government entity. Typically all of the units are rent geared to income (RGI).

**Rent geared to income (RGI):** housing where the rent is calculated based on a percentage of gross household income, typically 25%-30%. RGI housing is typically found in social or public housing.

**Rent supplements:** subsidies paid by the government to private landlords who house low-income tenants. Subsidy levels can be geared to income (that is, the difference between negotiated market rent and the geared-to-income rent the household is able to pay).

**Social housing:** federally assisted housing created under a variety of social housing programs between 1946-1993 that receive subsidy under federal-provincial-territorial agreements. Depending on the program, some or all of the units may be RGI. Social housing can also include market rent units. This housing is typically owned and operated by non-profit and co-operative societies or government agencies.

**Shelter cost-to-income ratio (STIR):** the STIR is calculated for each household by dividing its total shelter cost by its 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 for a particular group is the average of the STIRs recorded for each household in that group; it cannot be calculated by dividing the group's total average shelter cost by the group's total average income.

### ACKNOWLEDGEMENTS

CMHC provides funding for housing content on the Census of Canada and on Statistics Canada surveys. Statistics Canada information is used with the permission of Statistics Canada. Users are forbidden to copy and disseminate data for commercial purposes, either in an original or modified form, without the express permission of Canada Mortgage and Housing Corporation and, where applicable, Statistics Canada. More information on Statistics Canada data can be obtained from its regional offices, at <http://www.statcan.gc.ca>, or at 1-800-263-1136.

**For further information** on CMHC's census-based housing data, refer to *Housing in Canada Online* on the CMHC website, at [www.cmhc.ca](http://www.cmhc.ca). To inquire or comment on this Highlight or make suggestions for further research, please contact us.

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### Housing Research at CMHC

Under Part IX of the *National Housing Act*, the Government of Canada provides funds to CMHC to conduct research into the social, economic and technical aspects of housing and related fields, and to undertake the publishing and distribution of the results of this research.

This Research Highlight is one of a series intended to inform you of the nature and scope of CMHC's research.

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## Alternative text and data for figures

**Figure 1** Total number of senior households and number and percentage of senior households in core housing needs – Canada, 2001, 2006 and 2011

Households	2001	2006	2011
All senior households in Canada	2,332,050	2,573,845	2,888,215
Senior households in core housing need	393,205	369,860	394,295
Percentage of senior households in core housing need (right axis)	16.9%	14.4%	13.7%

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 2** Rate of growth of income and housing costs for senior renter households – Canada, 2001, 2006 and 2011

Households	2001 (%)	2006 (%)	2011 (%)
Income of senior renter households	2.3	5.0	5.2
Housing costs of senior renter households	0.9	4.2	2.9

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 3** Percentage of senior households in core housing need – Canada and provinces, 2001, 2006 and 2011

Provinces	1991 (%)	1996 (%)	2001 (%)	2006 (%)	2011 (%)
Canada	18.4	17.8	16.9	14.4	13.7
Manitoba	17.1	16.3	11.5	9.6	9.5
New Brunswick	20.4	15.9	11.6	10.3	10.4
Prince Edward Island	15.8	13.6	16.1	16.1	10.5
Newfoundland and Labrador	18.5	13.9	15.6	15.4	12.1
Quebec	23.3	20.8	16.5	11.9	12.1
Ontario	16.8	19.1	19.7	17.1	13.9
Nova Scotia	16.6	13.9	17.1	12.2	14.1
British Columbia	18.2	16.9	16.2	14.5	15.6
Alberta	15.3	11.1	13.4	14.4	15.7
Saskatchewan	12.9	10.7	10.6	11.8	17.5

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 4** Percentage of senior households in core housing need – Canada and territories, 2001, 2006 and 2011

Territories	2001 (%)	2006 (%)	2011 (%)
Canada	16.9	14.4	13.7
Yukon	21.4	24.2	14.3
Northwest Territories	28.3	26.9	20.9
Nunavut	38.2	39.1	42.5

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 5** Percentage of senior households in core housing need by census metropolitan area (CMA), 2001, 2006 and 2011

Regions	2001 (%)	2006 (%)	2011 (%)
Canada	16.9	14.4	13.7
All rural areas	12.1	11.2	10.7
All census agglomerations	14.1	10.3	9.4
All CMAs	19.4	16.4	15.6
Saguenay	14.0	5.3	3.8
Sherbrooke	14.8	6.7	6.6
Windsor	19.7	14.5	7.7
Thunder Bay	15.3	11.3	8.0
Greater Sudbury	13.6	7.6	8.1
Winnipeg	9.8	7.8	9.0
St. Catharines-Niagara	16.2	13.6	9.1
Hamilton	19.2	15.7	10.9
Kingston	15.2	12.8	11.5
Peterborough	14.4	14.8	11.5
Abbotsford-Mission	13.6	12.3	11.7
Moncton	13.9	13.4	12.1
Kitchener-Cambridge-Waterloo	19.9	14.7	12.4
Guelph	17.7	16.8	12.5
London	15.9	14.2	12.5
Saint John	10.2	8.0	13.2
Brantford	20.6	12.3	13.3
Ottawa-Gatineau	18.8	14.9	13.4
Québec	18.5	12.7	13.4
Kelowna	12.3	11.6	13.7
Oshawa	21.4	18.3	14.4
Victoria	13.0	11.8	14.9
St. John's	15.8	17.8	14.9
Regina	8.3	8.0	15.2
Edmonton	13.9	15.1	16.0
Calgary	16.5	13.5	16.0
Barrie	21.7	19.1	16.3
Halifax	23.1	15.9	16.8
Montréal	20.3	15.6	17.2
Saskatoon	7.8	7.2	18.1
Toronto	26.4	24.2	20.1
Vancouver	20.2	19.4	20.2

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

## Research Highlight

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**Figure 6** Distribution of senior households in core housing need by household type, Canada, 2011

Private household	2011 (%)
Senior female, one-person households	58.1
Senior male, one-person households	18.1
Senior households consisting of a couple without children	12.4
Senior households consisting of a female lone-parent family	6.0
Other types of senior households	2.2
Senior households consisting of a couple with children	2.1
Senior households consisting of a male lone-parent family	1.2

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 8** Proportion of senior households in core housing need by tenure, Canada, 1991-2011

Households in core housing needs	1991 (%)	1996 (%)	2001 (%)	2006 (%)	2011 (%)
Renters	68.0	66.8	62.0	60.3	55.7
Owners	32.0	33.2	38.0	39.7	44.3

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 7** Distribution of senior households in core housing need by housing type, Canada, 2011

Households in core housing needs	2011 (%)
Apartment	56.5
Single-detached home	29.1
Row house, duplex or other type of multi-unit housing	13.2
Mobile home	1.2

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 9** Distribution of senior households in core housing need by tenure, Canada, 2011

Households in core housing needs	2011 (%)
Renters	55.7
Owners without a mortgage	26.8
Owners with a mortgage	17.5

Source: CMHC (data and housing indicators based on the results from the census and the NHS)

**Figure 10** Yearly housing costs and residual income, before taxes, of senior households by household type, Canada, 2011

Households in core housing needs	2011		
	Total income (\$)	Annual housing costs (\$)	Residual income (\$)
Senior renter households in core housing need	19,888.00	9,072.00	10,816.00
Senior owner households in core housing need with a mortgage	25,153.00	14,016.00	11,137.00
Senior owner households in core housing need without a mortgage	20,944.00	7,188.00	13,756.00
Senior households not in core housing need	64,921.00	8,424.00	56,497.00

Source: CMHC (data and housing indicators based on the results from the census and the NHS)