



Housing Conditions of Visible Minority Households



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“In 2016, 20.1% of visible minority-led households were in core housing need. Affordability was the most common challenge, however they also experienced higher rates of overcrowding than the Canadian average.”

Introduction

This report provides an update of earlier research¹ conducted by CMHC examining the housing conditions of visible minority households.² In 2016, there were 2.2 million visible minority households, representing 16.6% of all households in Canada. Among those households, 20.1% were in core housing need, which was well above the 11.2% observed in non-visible minority households. Given the nature of immigration, visible minority households also tend to be immigrant households; for instance, in 2011, the latest year for which the data is available, 83.4% of visible minority households were also immigrant households. This means that some of the situational factors related to immigration that made immigrants more vulnerable to core housing need were also highly prevalent among visible minorities. For example, the visible minority population was younger on average, tended to have larger families and was more heavily concentrated in the large urban centres of Montréal, Toronto and Vancouver, which had higher housing costs than other parts of Canada.

Highlights

- ▶ Overall, core housing need rose slightly between 2011 and 2016; however, core housing need of visible minority households remained largely unchanged, falling 0.1 of a percentage point (see figure 1). A small increase in core housing need for visible minorities in the Toronto census metropolitan area (CMA) was offset by a large drop in the Montréal CMA and a small decrease in the Vancouver CMA (see figure 2).
- ▶ Visible minority households were concentrated in Canada's larger urban centres, with 95.5% of them residing in one of Canada's CMAs in 2016, compared to only 65% of non-visible minority households. Additionally, visible minority households were primarily concentrated in Toronto (38.9%), Vancouver (15.5%) and Montréal (13.1%). Among the 10 CMAs with the highest rates of core housing need for visible minority households, 7 were in Ontario. The other 3 were Halifax, Regina and Vancouver. These 10 CMAs also all had large disparities in core housing need between minority households and non-visible minority households. With 10 percentage points, Ottawa had the largest disparity, followed closely by Halifax, Saint John and Barrie. Among the CMAs, only Brantford, Ontario, had a lower rate of core housing need among visible minority households than among non-visible minority households.

¹ 2001 Census Housing Series: Issue 12 — Housing Conditions of Visible Minority Households in Canada.

² A visible minority household is defined as a household with the primary household maintainer self-identifying as a visible minority. The *Employment Equity Act* defines visible minorities as “persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour.” The primary household maintainer is the 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.

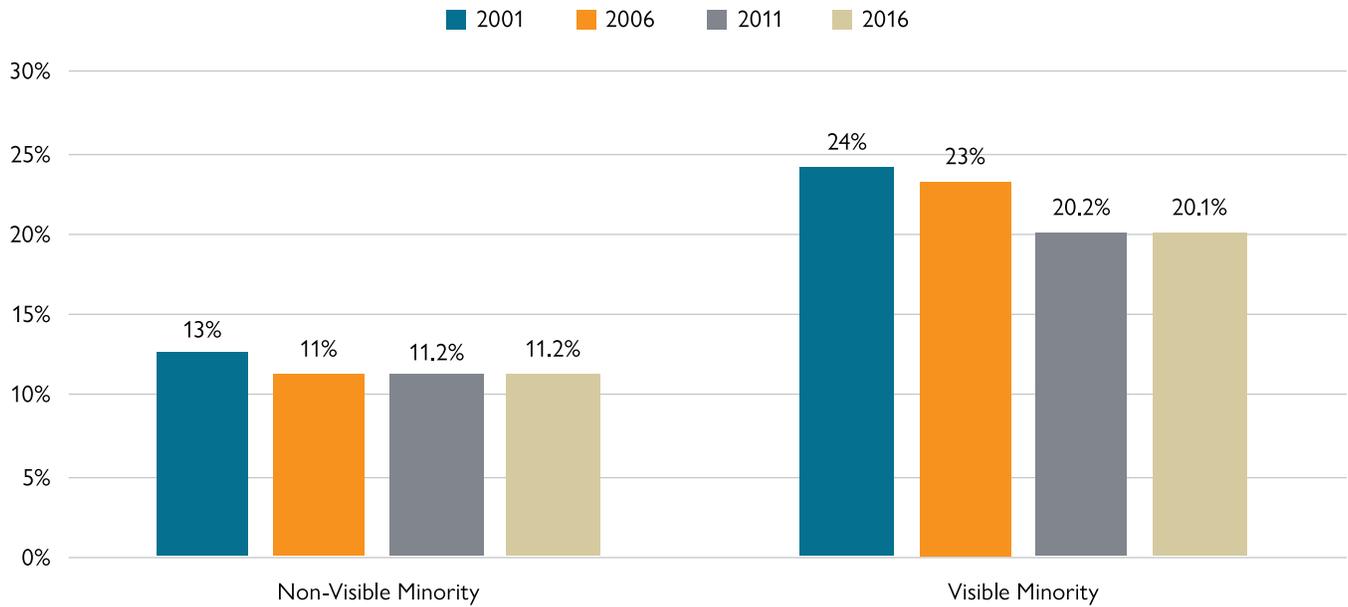


- ▶ Overall, the average household income of visible minority households was \$4,798 lower than the Canadian average (see figure 3). However, visible minority households not in core housing need tended to earn similar incomes as their non-visible minority counterparts. On the other hand, visible minority households in core need tended to earn significantly more per household than their non-visible minority counterparts. A potential explanation for this difference was that incomes for visible minority households displayed a distinct rising trend through the prime working age (35 to 54 years). This differed from the overall population in core housing need, which had relatively little variability across age cohorts.
- ▶ Affordability was the most common challenge faced by households in core housing need: 17.5% of visible minority households were in core housing need and fell below the affordability standard in 2016, compared to 10.3% of non-visible minority households (see figure 4). Affordability appeared to be a particular challenge for visible minority households older than 65, as 23.2% of them fell below the standard, compared to 12% of non-visible minority senior households. Overcrowding was also more common among visible minority households, with 5.2% of them falling below the standard and being in core housing need, compared to only 0.8% of non-visible minority households. In 2011, 43.1% of visible minority households were classified as couple family households with children, compared to 27.4% of non-visible minority households. Visible minority households were also more likely to be lone-parent and multi-family households, all of which made visible minority households more vulnerable to overcrowding than non-visible minority households.
- ▶ Regardless of core housing need status, visible minority households had a lower homeownership rate (61.8%) than non-visible minority households (70%) in 2016. In general, there were much lower rates of core housing need among homeowners than among renter households, and while that remained true for non-visible minority households, 12.4% of visible minority homeowners were in core housing need, compared to 5.2% of non-visible minority homeowners (see figure 5). The difference in the incidence of being below affordability standards accounted for the majority of this disparity. Almost a third of visible minority renters were in core housing need. The rate of unaffordability for visible minority renters was slightly above that for non-visible minority renters, while the rate of overcrowding (unsuitable housing) was significantly higher for visible minority renters than it was for non-visible minority renters.



Core housing need among visible minority households fell from 2001 through to 2016 but remained above the levels experienced by non-visible minority households.

Figure 1: Prevalence of core housing need, by visible minority status, 2001-2016

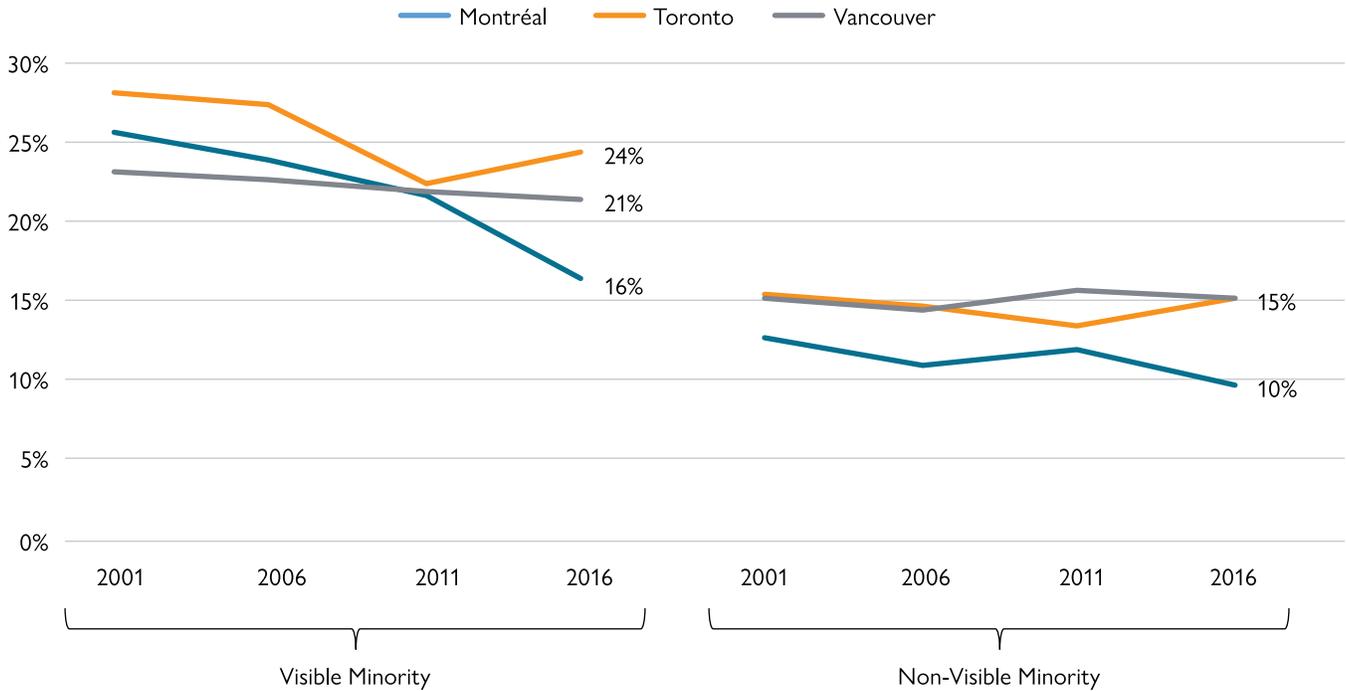


Source: CMHC, adapted from Statistics Canada (Census 2016)



Between 2011 and 2016, core housing need among visible minority households fell sharply in the Montréal CMA and rose slightly in the Toronto CMA.

Figure 2: Prevalence of core housing need, by select census metropolitan area and by visible minority status, 2001-2016

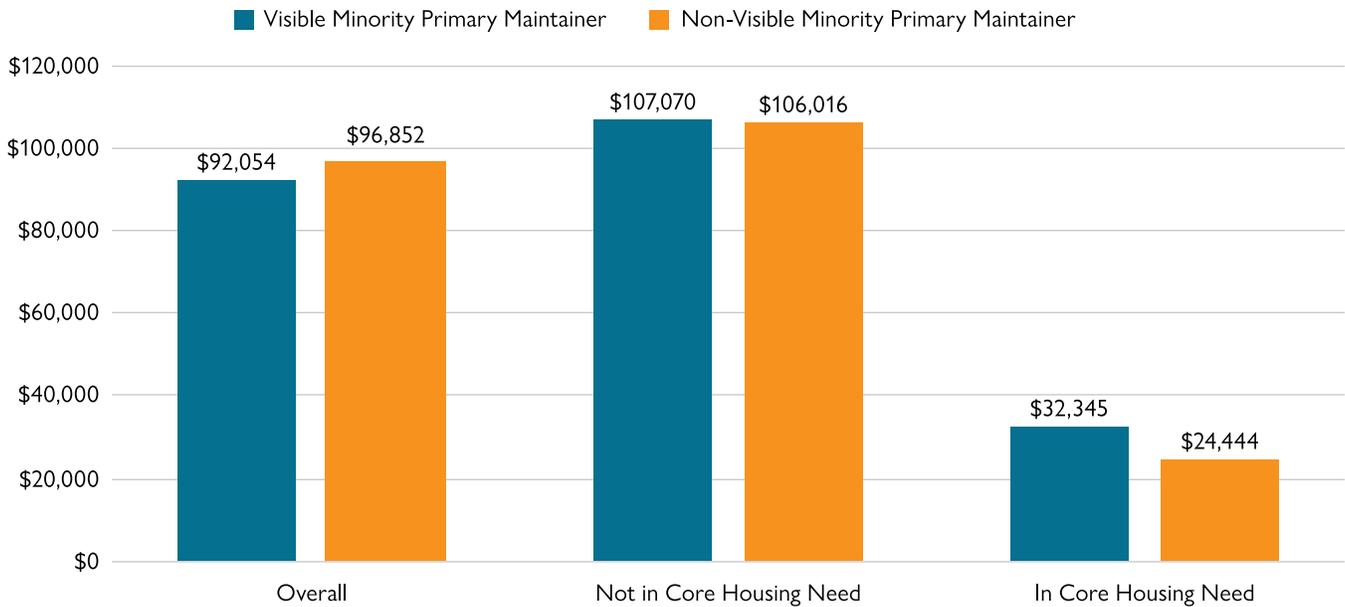


Source: CMHC, adapted from Statistics Canada (Census 2016)



Visible minority households earned less than non-visible minority households.

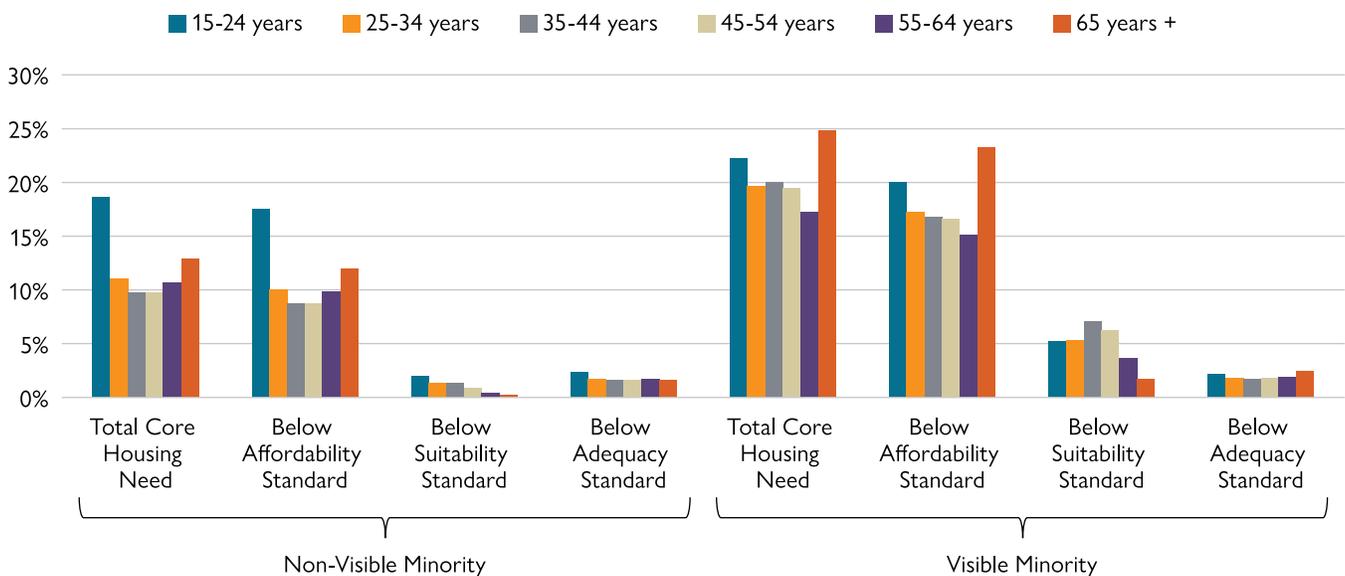
Figure 3: Household incomes, by core housing need status and by visible minority status, 2016



Source: CMHC, adapted from Statistics Canada (Census 2016)

Visible minority households faced significantly higher rates of overcrowding than non-visible minority households.

Figure 4: Percentages of households below housing standards and in core housing need, by visible minority status and by age cohort, 2016

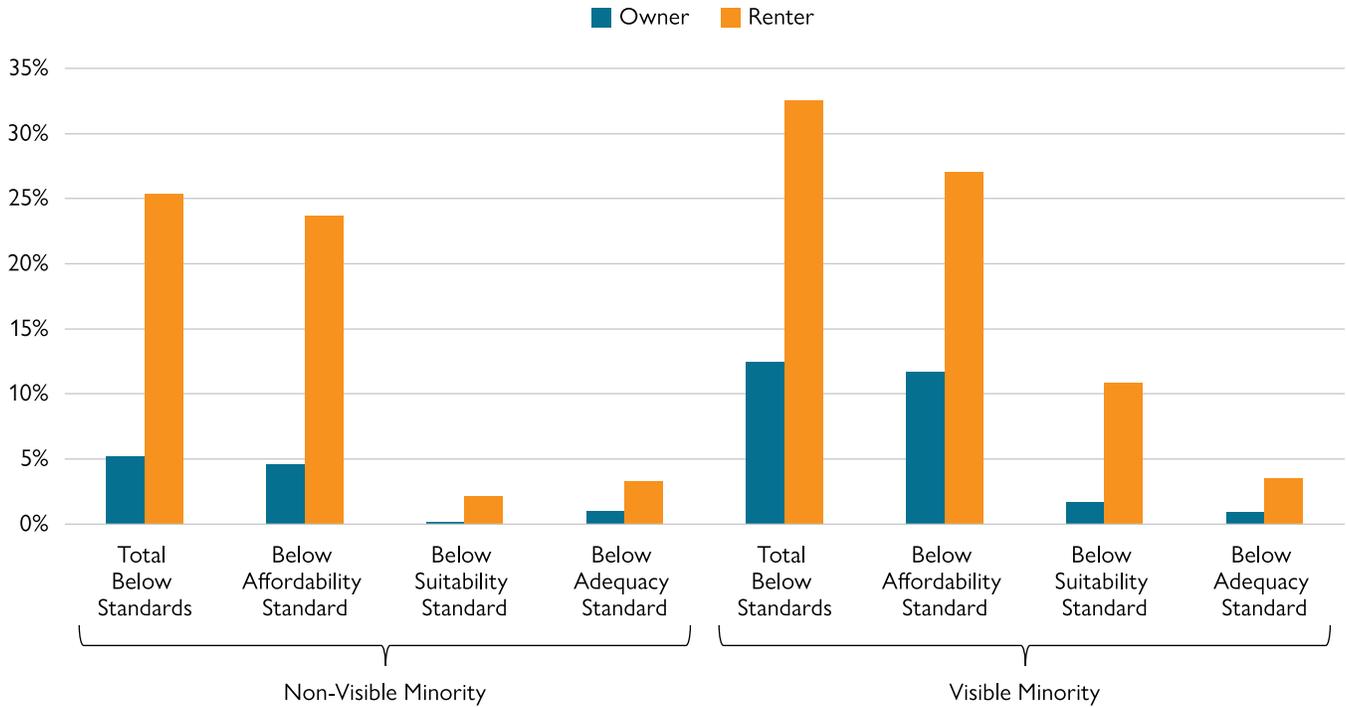


Source: CMHC, adapted from Statistics Canada (Census 2016)



Renter households faced significantly higher rates of core housing need, compared to homeowners.

Figure 5: Percentages of households below housing standards and in core housing need, by tenure type and by visible minority status, 2016



Source: CMHC, adapted from Statistics Canada (Census 2016)



Key Terms

A household is in **core housing need** if its housing is below one or more of the adequacy, suitability and affordability standards and it would have to spend 30% or more of its before-tax household income to access local housing that meets all three standards.

Adequate housing does not require any major repairs, according to residents.

Suitable housing has enough bedrooms for the size and makeup of resident households, according to National Occupancy Standard (NOS) requirements.

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.

Households assessed for core housing need comprise private, non-farm, non-band, non-reserve households with incomes greater than zero and shelter cost-to-income ratios (STIRs) less than 100%.

A **visible minority household** is defined as a household with the primary household maintainer self-identifying as a visible minority. The *Employment Equity Act* defines visible minorities as “persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour.” The primary household maintainer is the 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.

References

The Geography of Core Housing Need in 2011

(http://publications.gc.ca/collections/collection_2015/schl-cmhc/nh18-23/NH18-23-14-003-eng.pdf)

Investment in Affordable Housing information

(<https://www.cmhc-schl.gc.ca/en/developing-and-renovating/provincial-territorial-agreements/investment-in-affordable-housing>)

Social housing information

(<https://www.cmhc-schl.gc.ca/en/about-cmhc/social-housing-information>)





Alternative text and data for figures

Figure 1: Prevalence of core housing need, by visible minority status, 2001-2016

	2001	2006	2011	2016
Non-Visible Minority	13%	11%	11.2%	11.2%
Visible Minority	24%	23%	20.2%	20.1%

Source: CMHC, adapted from Statistics Canada (Census 2016)

Figure 2: Prevalence of core housing need, by select census metropolitan area and by visible minority status, 2001-2016

	2001	2006	2011	2016
Visible Minority				
Montréal	26%	24%	22%	16%
Toronto	28%	27%	22%	24%
Vancouver	23%	23%	22%	21%
Non-Visible Minority				
Montréal	13%	11%	12%	10%
Toronto	15%	15%	13%	15%
Vancouver	15%	15%	16%	15%

Source: CMHC, adapted from Statistics Canada (Census 2016)

Figure 3: Household incomes, by core housing need status and by visible minority status, 2016

	Overall	Not in Core Housing Need	In Core Housing Need
Visible Minority Primary Maintainer	\$92,054	\$107,070	\$32,345
Non-Visible Minority Primary Maintainer	\$96,852	\$106,016	\$24,444

Source: CMHC, adapted from Statistics Canada (Census 2016)



Figure 4: Percentages of households below housing standards and in core housing need, by visible minority status and by age cohort, 2016

	15-24 yrs	25-34 yrs	35-44 yrs	45-54 yrs	55-64 yrs	65 yrs +
Non-Visible Minority						
Total Core Housing Need	19%	13%	12%	12%	12%	14%
Below Affordability Standard	17.9%	11.5%	10.7%	10.4%	10.6%	13.0%
Below Suitability Standard	2.4%	2.1%	2.7%	2.0%	0.9%	0.4%
Below Adequacy Standard	2.3%	1.7%	1.6%	1.7%	1.7%	1.7%
Visible Minority						
Total Core Housing Need	22%	20%	20%	19%	17%	25%
Below Affordability Standard	20.0%	17.3%	16.8%	16.5%	15.1%	23.2%
Below Suitability Standard	5.2%	5.3%	7.1%	6.3%	3.6%	1.7%
Below Adequacy Standard	2.2%	1.8%	1.7%	1.8%	1.9%	2.4%

Source: CMHC, adapted from Statistics Canada (Census 2016)

Figure 5: Percentages of households below housing standards and in core housing need, by tenure type and by visible minority status, 2016

	Owner	Renter
Non-Visible Minority		
Total Below Standards	5.2%	25.4%
Below Affordability Standard	4.6%	23.7%
Below Suitability Standard	0.2%	2.2%
Below Adequacy Standard	1.0%	3.3%
Visible Minority		
Total Below Standards	12.4%	32.5%
Below Affordability Standard	11.7%	27.0%
Below Suitability Standard	1.7%	10.8%
Below Adequacy Standard	0.9%	3.5%

Source: CMHC, adapted from Statistics Canada (Census 2016)