

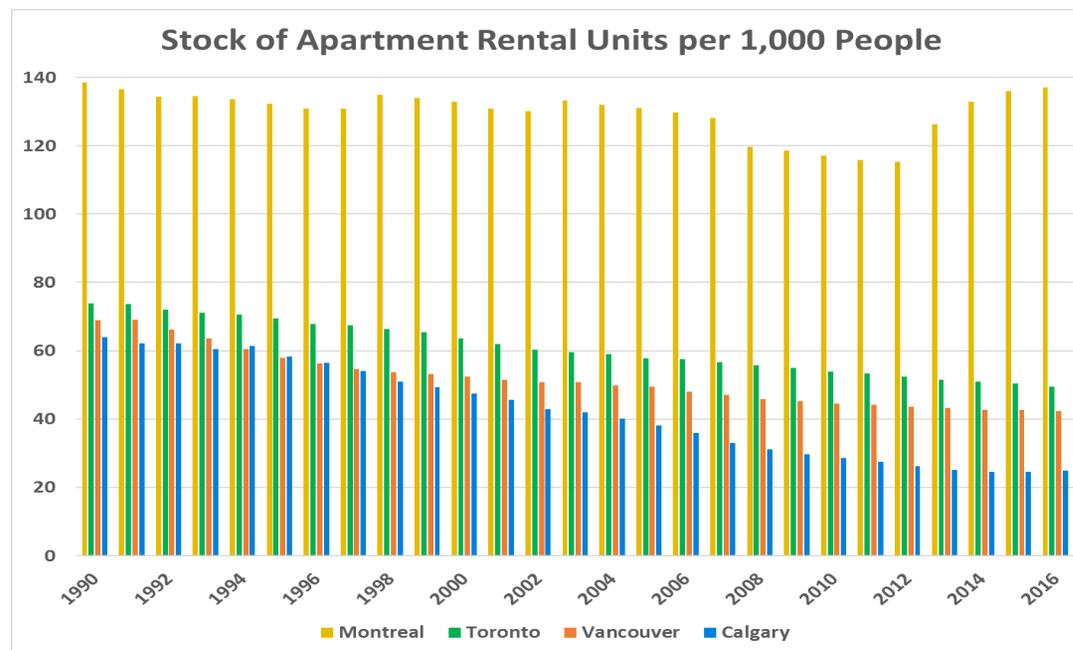
STOCK OF APARTMENT RENTAL UNITS IN FOUR MAJOR METROPOLITAN AREAS

Number of apartment rental units per 1,000 people in each of the four major Canadian cities from 1990 to 2016

People with low incomes rely on municipalities to maintain an adequate number of rental units. Low stocks of rental units are generally associated with higher rental prices, and therefore, lower housing affordability. In today's issue of *Social Policy Trends* we take a look at the stock of apartment rental units in Canada's four largest cities over the period of 1990 to 2016.

The number of apartment rental units per 1,000 people in Toronto, Vancouver and Calgary decreased gradually over the years while it has remained nearly constant in Montreal. Variation in population growth and new rental unit construction rates explain these trends.

As the figure shows, the number of apartment rental units per 1,000 people has decreased gradually since 1990 in Toronto (by 33%), Vancouver (by 39%) and Calgary (by 61%). Since 1990 Montreal has had the largest stock of nearly 140 units per 1,000 people and has maintained it since. Toronto, Vancouver and Calgary have consistently had lower stocks of rental housing (from 64 units in Calgary to 74 units in



Source: CMHC for Stock of Apartment Rental Units for All Sizes and Statistics Canada (Tables 510056 and 510034) for CMA population.

Toronto per 1,000 people in 1990) and that stock has been declining ever since due to two factors, rapid population growth and a reduction in the overall number of rental units. Toronto has seen a rise in population of 57% since 1990, while it added only an additional 5% to its stock of rental apartments. Vancouver had a similar boom in population growth, with a 58% increase, however its rental stock decreased by 3%. Calgary had the most striking experience of them all: a 96% hike in population, and a dramatic reduction in rental units of 24%. Together, these two developments have resulted in Calgary having the lowest supply of rental accommodations in Canada. On the other hand, Montreal gained 25% in population, while the stock of its rental units increased by almost an equal 24%. To keep rental housing prices at affordable levels, the stock of rental housing must keep up with population growth in each and every city. Additional incentives should be provided to local markets to build and supply additional rental housing units. Failure to do so increases the many social costs known to be associated with unstable housing.