

HOUSING AFFORDABILITY FOR FAMILIES WITH LOW INCOMES ACROSS CANADA

Percentage of income devoted to paying lowest-priced rent in a city, by low-income family type, select years, 1990-2015

Much public attention has been directed towards the issue of a Canada-wide housing crisis. The focus has typically been on the cost of housing for an average income Canadian family. Less attention has been paid to families with incomes much lower than those of the average Canadian household, for which the housing crisis is far more severe. Households and individuals with particularly low incomes are at the highest risk of experiencing the worst effects of a lack of housing affordability, including homelessness.

Rental housing affordability for low-income families varies widely across Canadian regions. Affordability has decreased over the last fifteen years in most, but not all, metropolitan areas. Any national strategy aimed at decreasing poverty by addressing the cost of housing must account for those regional variations.

This edition of *Social Policy Trends* examines the affordability of lowest-cost rental housing for two types of families, lone parent with one dependent child (in a one-bedroom apartment) and couples with two children (in a two-bedroom apartment). The values reported in the tables show what percentage of the income received by low income households needs to be devoted to paying rent on the 20% least expensive rental units in the identified city. The incomes received by each of those households are measured by social

Lone Parent with One Child Renting a First Quintile One-Bedroom Apartment:

	1990	1995	2000	2005	2010	2015
Vancouver	50%	49%	51%	56%	53%	54%
Calgary	46%	44%	55%	56%	60%	66%
Saskatoon	31%	32%	37%	37%	44%	46%
Winnipeg	39%	38%	39%	40%	42%	47%
Toronto	37%	42%	61%	64%	53%	55%
Montreal	36%	32%	33%	33%	34%	31%
Halifax	43%	42%	42%	47%	45%	45%
Saint John	36%	34%	32%	33%	34%	32%
St. John's	42%	39%	32%	34%	34%	38%

Couple with Two Children Renting a First Quintile Two-Bedroom Apartment:

	1990	1995	2000	2005	2010	2015
Vancouver	49%	45%	47%	50%	50%	50%
Calgary	38%	35%	42%	43%	50%	55%
Saskatoon	27%	27%	31%	31%	40%	40%
Winnipeg	28%	28%	34%	33%	37%	41%
Toronto	33%	38%	54%	56%	47%	46%
Montreal	32%	30%	29%	28%	30%	27%
Halifax	39%	41%	37%	39%	39%	37%
Saint John	39%	35%	31%	31%	33%	31%
St. John's	39%	40%	31%	34%	34%	36%
0 ≤ value < 35	35 ≤ value < 50	50 ≤ value ≤ 65	value > 65			

Source: CMHC data for rental values. Social assistance incomes are from the Caledon Institute of Social Policy: <http://www.canadasocialreport.ca>

assistance amounts but closely approximate the income of the poorest 20% of families. For those on low incomes, housing affordability has varied greatly through time and across the country. Affordability has decreased over time since the 1990's for most of Canada, however, some municipalities, such as Montreal and Saint John, have seen a steady improvement in affordability. The affordability crisis is most severe in Calgary, Vancouver and Toronto. A two-child couple in Vancouver devotes 50% of their income on an apartment priced among the 20% least expensive units in that city. In Calgary, a lone parent pays 66% of income on one of the 20% least expensive one-bedroom rentals in that city. These calculations show that a national strategy aimed at decreasing poverty by improving housing affordability for low-income families can be particularly challenging because it must account for regional variations in incomes and costs. Variations within provinces similarly make provincial strategies challenging.