

Home Truths

Fixing Canada's Housing Crisis

Dr. Carolyn Whitzman
Senior Housing Researcher,
University of Toronto School of Cities

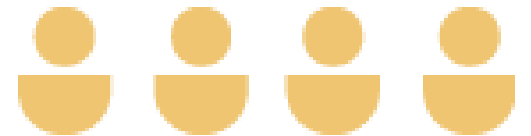
May 29, 2025

New Brunswick NP Housing Assn



For Indigenous by Indigenous – an acknowledgement

Because of the unique status of Indigenous people, whose land was stolen and whose rights have been ignored for multiple centuries, it is vital for them to define, develop and manage culturally adequate housing, preferably on Indigenous-owned land. Indigenous-led housing needs and targets should be funded and integrated into housing supply targets for all governments.



Overview

- How Did We Get in This Mess?
- Who Needs What Homes Where and at What Cost – New Brunswick
- Great Ideas from the Past and From Other Countries
 - Ending homelessness is possible
 - Start by doubling nonmarket housing
 - Legalize well-located housing
 - Secure tenure is a right
 - The future of housing
- What Can I Do?



Canada's Housing Crisis

The right to housing is legislated by the National Housing Strategy Act (2019). This means all levels of governments must progressively realize the **right to adequate housing**, including functional zero homelessness.

Current measures of housing need are flawed

There is no standardized method among Canada's three levels of government to measure “affordable housing” for different incomes. Students, homeless people, seniors in congregate living are all uncounted or undercounted.

Affordable housing is lost faster than it is built

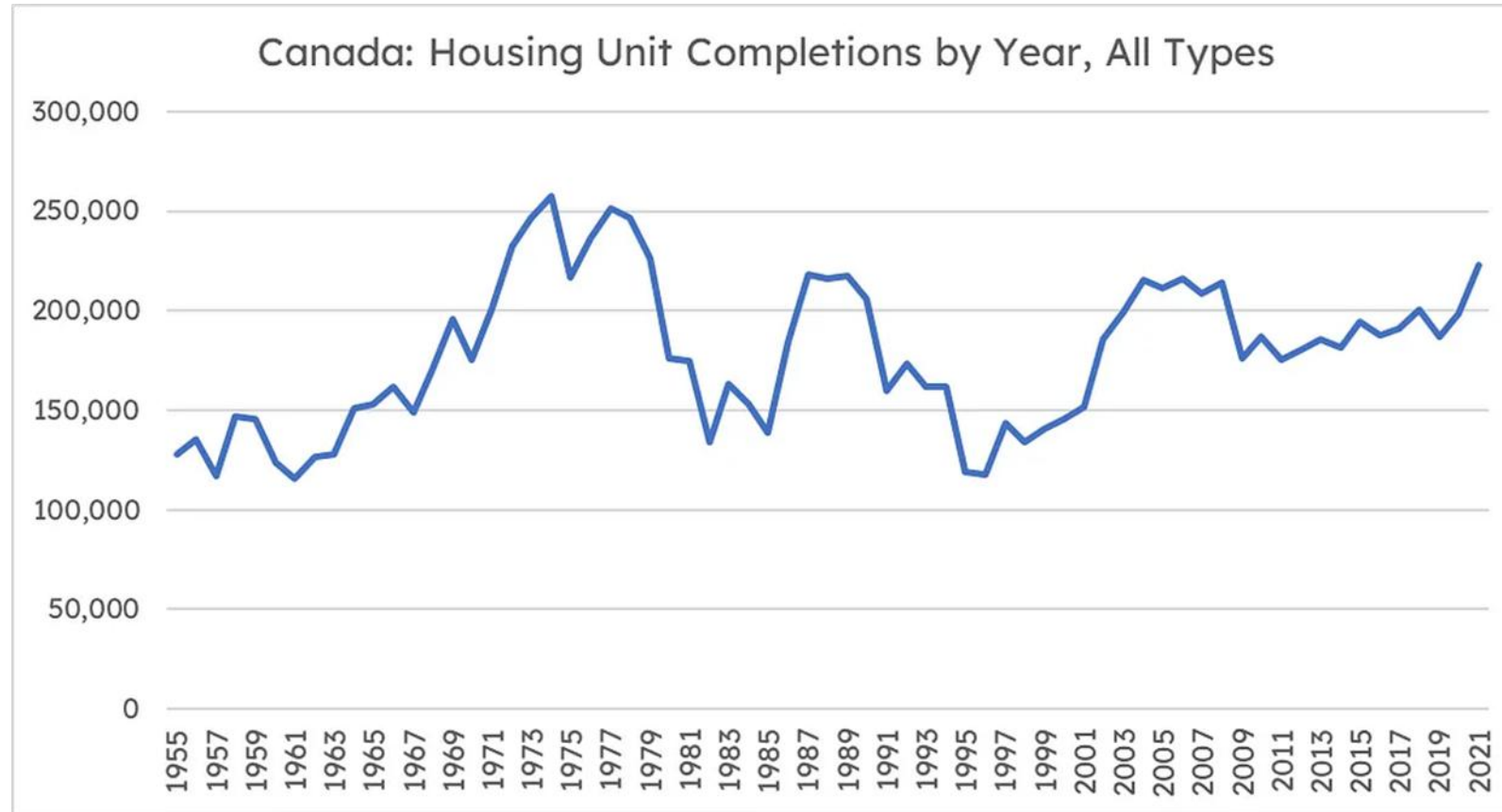
Between 2011 and 2021, over 500,000 affordable homes at \$750 or less per month were lost – and only 8,000 homes at that price point have been completed through the National Housing Strategy in its first five years (Pomeroy 2023)

There are no coordinated efforts to create deeply affordable housing

The easiest way to guarantee affordability when building housing is to provide free-leased land and guarantee low cost finance to nonmarket housing providers.



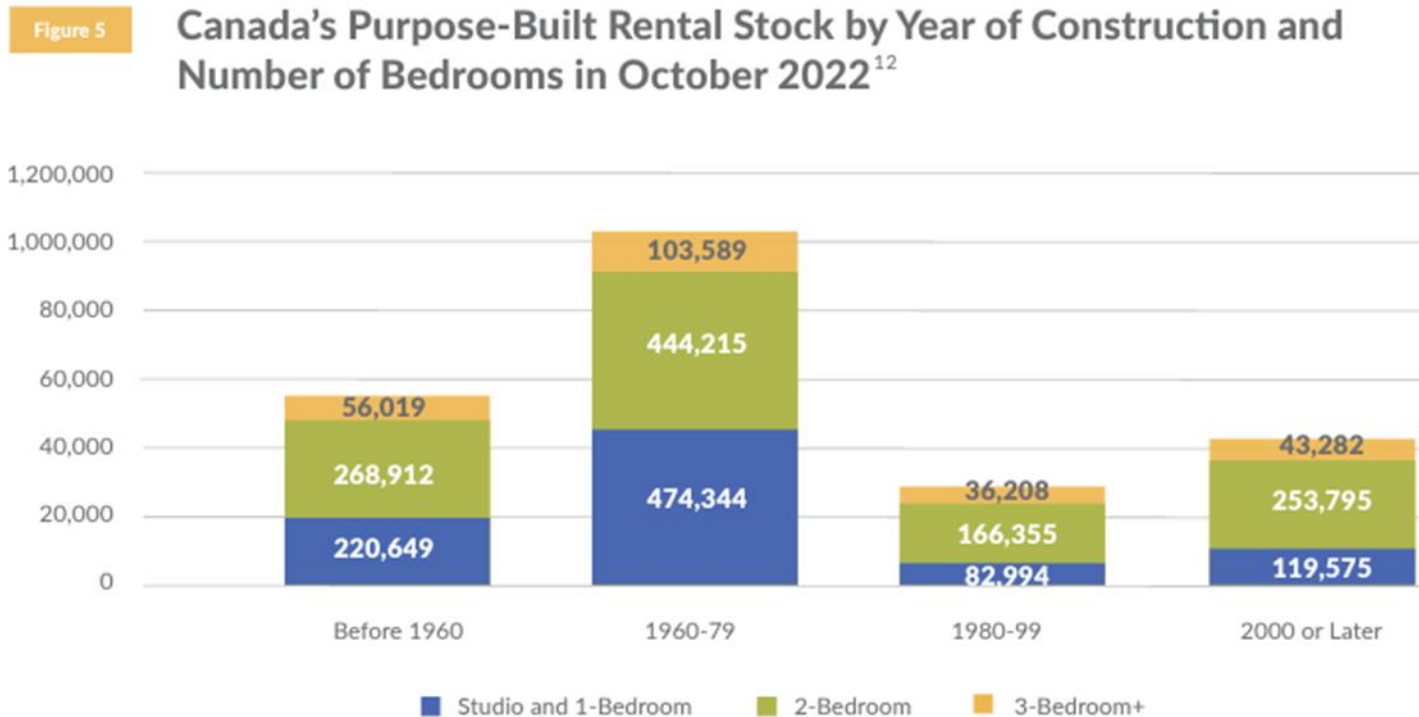
We are building fewer homes than in the 1970s



Source: Moffatt 2022

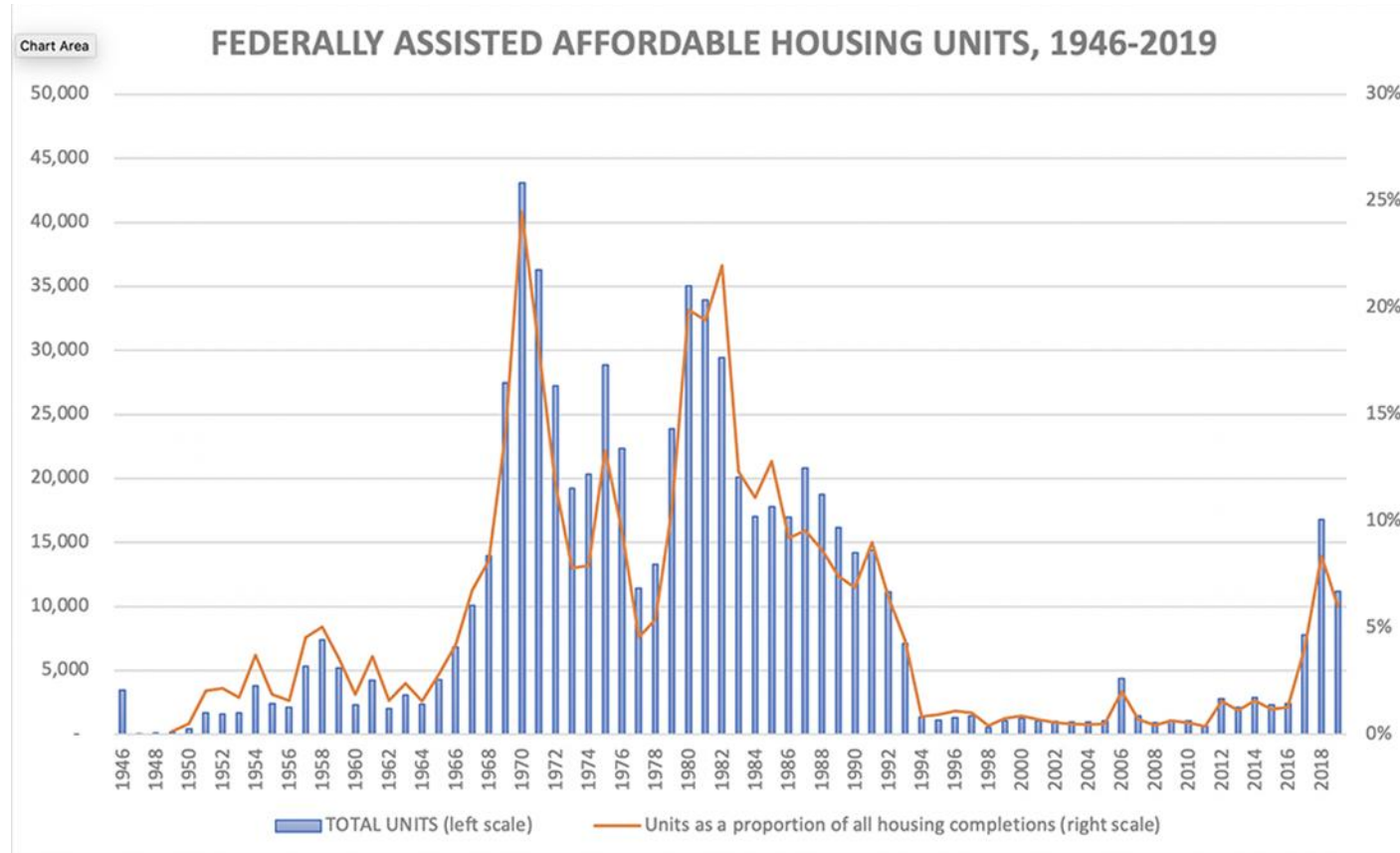


We stopped building rental homes in the 1970s



Source: National Housing Accord 2023

We stopped building nonmarket (public, coop, community) homes in 1992



Source: Brian Clifford (2023)

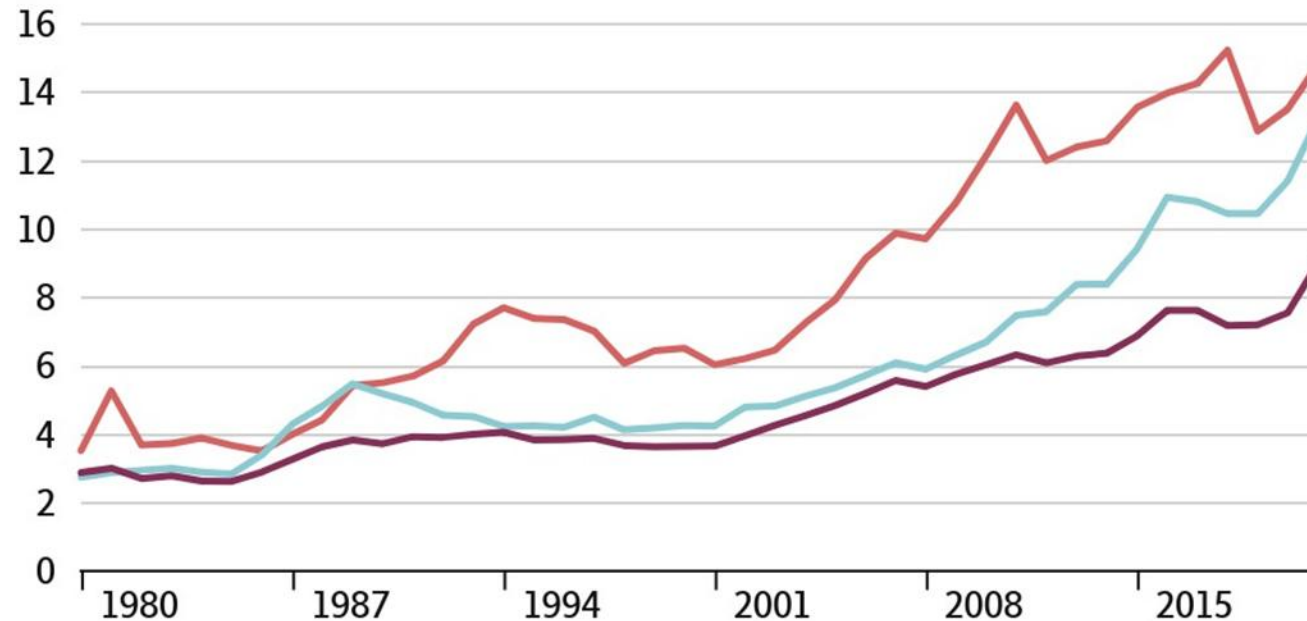


Results: Only Very High-Income Households Can Afford Homeownership

Home price-to-income ratio

Multiple of median household pretax income

● Canada ● Toronto area ● Vancouver area



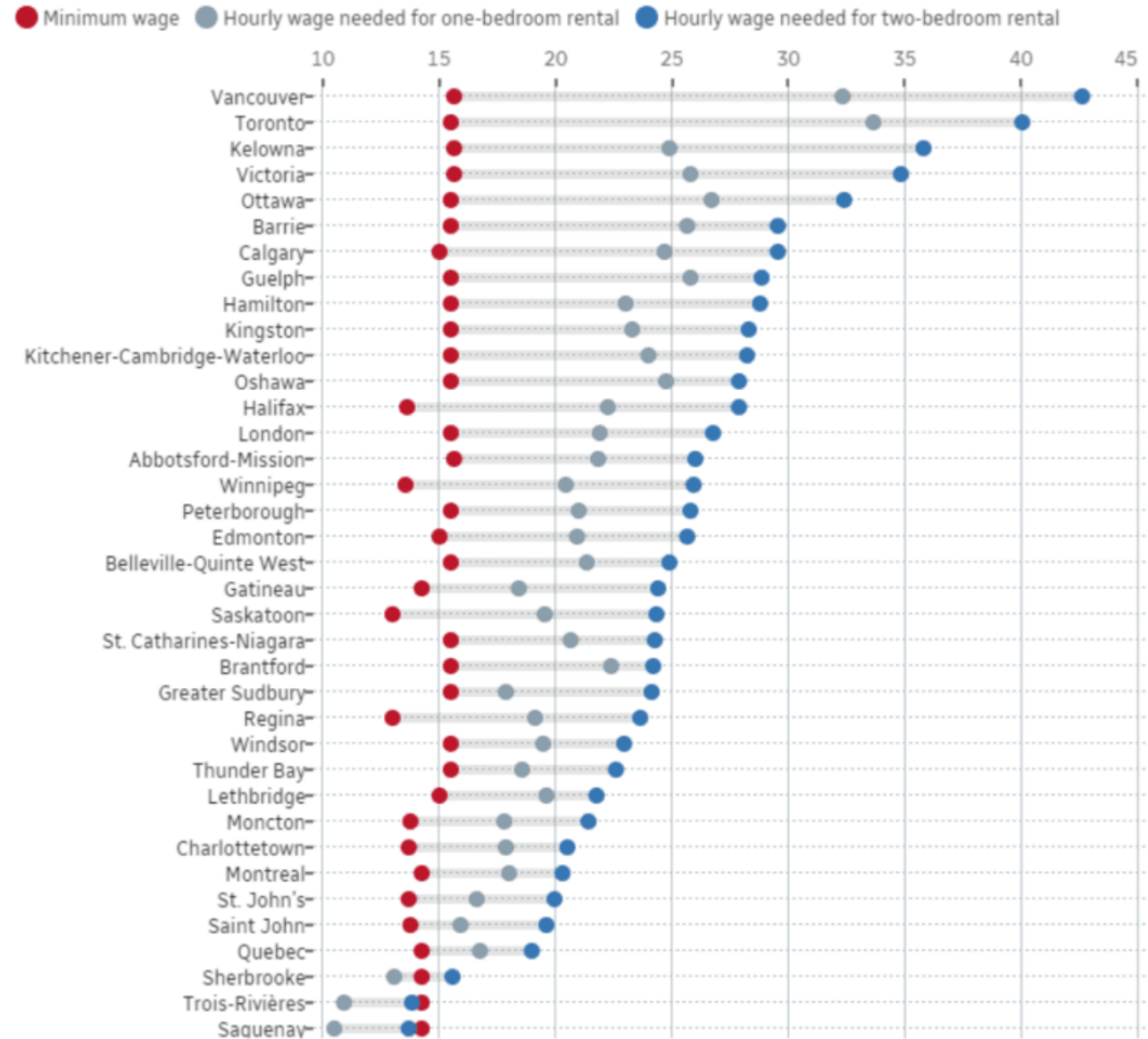
THE GLOBE AND MAIL, SOURCE: TD, STATSCAN / NOTE: ESTIMATE FOR 2021



Low Income Workers Can't Afford to Rent



Hourly wage required to afford average market rent versus minimum wage in large cities across Canada



Source: Canadian Centre for Policy Alternatives (CBC)

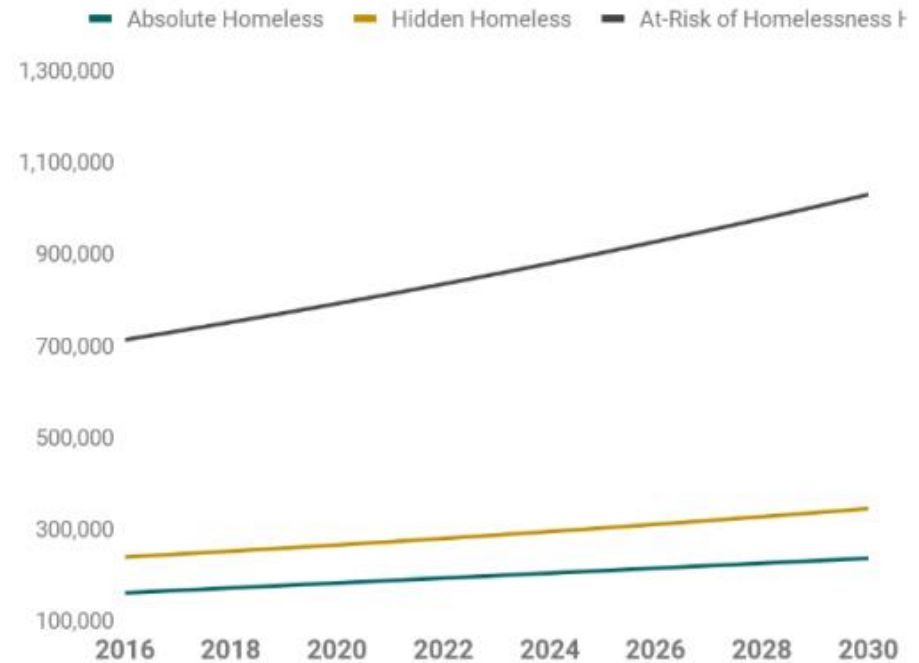
Homelessness is Increasing (but we don't really know by how many people)

Forecasting Homelessness Trends

Based on current growth trajectory, Canada's homelessness estimated to reach

**550,000 -
570,000**

in next 5 years.

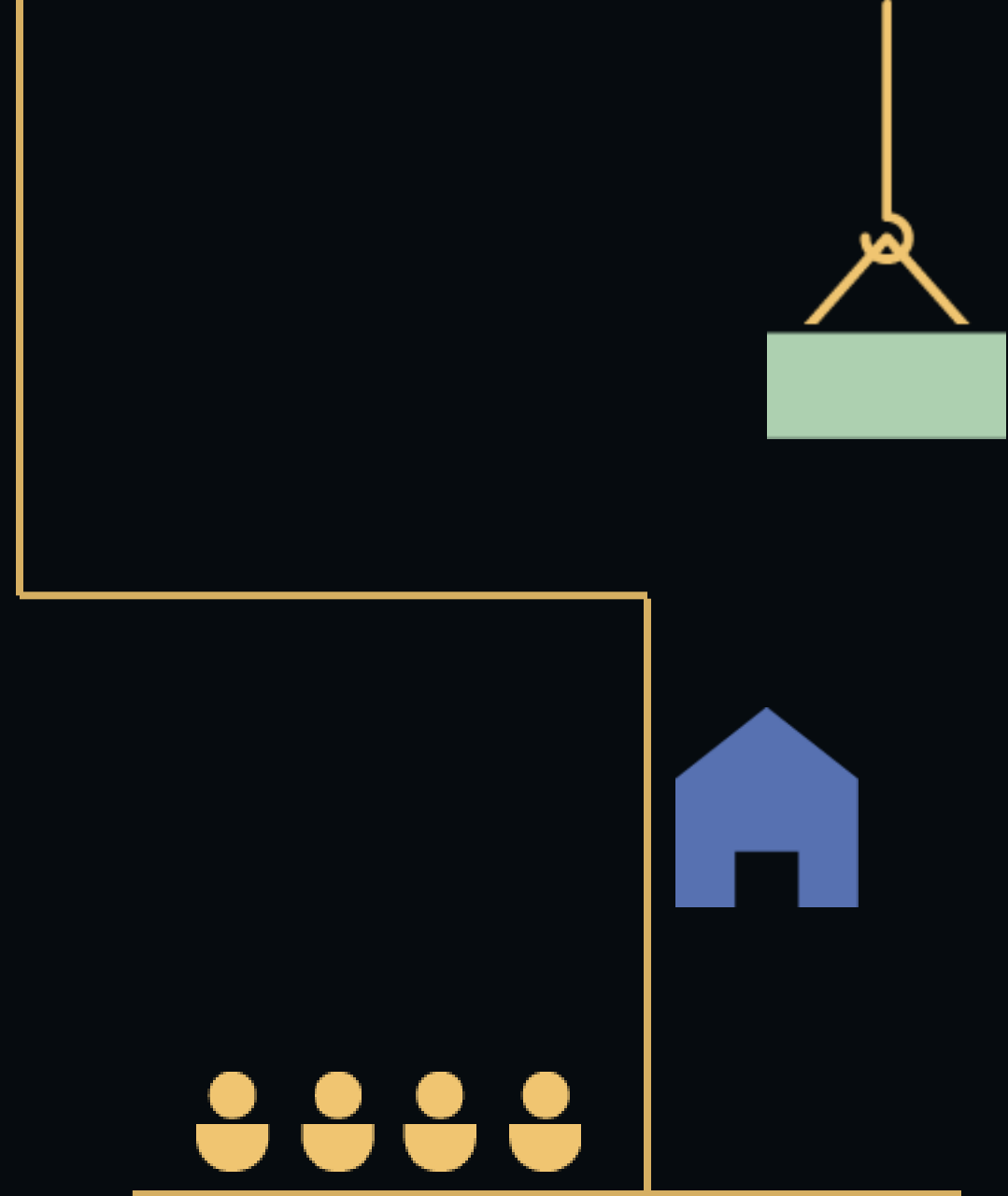


Shelter Utilization, PIT Counts, Social Data Trends,
Population Forecasts

Source: Helpseeker 2023

Housing Crisis Impacts

1. Household: limited tenure security, constrains access to education & jobs, health impacts
2. Regional: Big cities lose key workers, liveability, less disposable income – and displace to NB, AB, QC
3. Nationally: Huge debt load, investment in home speculation- not productive economy



Who Is In Charge?

- Federal government
 - Targets and steering: traditional focus on low- and moderate-income households
 - Taxation: especially tax savings (capital gains exemption) for homeowners
 - Free land: for nonmarket housing 1960s-1980s
 - Infrastructure grants and low-cost financing (e.g. 40-year mortgages at 2% when prime was 18% in early 1980s)
- Provincial government
 - Social assistance (disability, pensions) – doesn't pay for adequate housing
 - Health and social services (supportive housing – or institutions)
 - Renter rights (rent freeze in 1940s and COVID, rent control in 1970s – federal initiatives)
 - Public housing from 1960s to 1980s
- Municipal government
 - Land – enabled for nonmarket housing 1960s to 1980s
 - Zoning/Approvals – became more exclusionary in 1970s



How Did We Get in This Mess? (1)

- 1944: Curtis report called for 'rule of thirds': 1/3 public housing, 1/3 secure rental (e.g. co-op), 1/3 ownership. Actual policy:
 - 1 million Victory Houses sold \$6-7,000: land, finance, pre-approved designs – affordable to moderate-income first-time buyers
 - Relatively small public housing program, focus on low income seniors
 - 1960s: generous tax breaks for rental
- 1972: Programs Without a Policy: 45% nonmarket. Actual policy:
 - Growth of co-op and community sector – good!
 - End of consistent tax breaks for rental - & increasing exclusionary zoning - bad
 - Capital Gains Tax with Principal Property Exemption – home as retirement savings - terrible



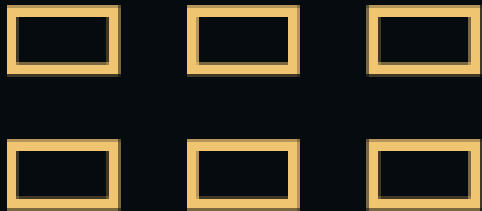
How Did We Get in This Mess? (2)

- 1992: Housing downloaded to provinces, who then downloaded it to municipalities: end of nonmarket housing, growth of homelessness
- 2018: National Housing Strategy called for reducing 'core housing need' by 530,000 households, ending chronic homelessness
 - Only 3% of Apartment Construction Loan went to low-income households
 - Only 33% of Affordable Housing Loan went to short-term 'affordability'
 - Only program that funded low-income housing (Rapid Housing Initiative) not ongoing and no link to essential provincial operating funding
- 2024: Canada's Housing Plan
 - Government land
 - Emphasis on generic 'supply' measures, including 'Industrial Strategy'



Core Housing Need

Current Measure



A household is **below one or more** of the following standards:

- Habitability
- Suitability
- Affordability

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

HART Income Categories

Income Category	% of median income	Typical Income Source	CMHC Income Quintile Equivalent
Very Low Income	0 – 20%	Fixed income, e.g., welfare, pension	Low (1 st quintile)
Low Income	21 – 50%	Minimum wage	Low (1 st quintile)
Moderate Income	51 – 80%	Starting salary for professional, e.g., nurse, teacher, construction worker	Moderate (2 nd quintile)
Median Income	81 – 120%	Mid-range salary	Median (3 rd quintile)
High Income	121%+	Higher-range salary	4 th and 5 th quintiles

Source: HART



Core Housing Need by Income Category - Canada

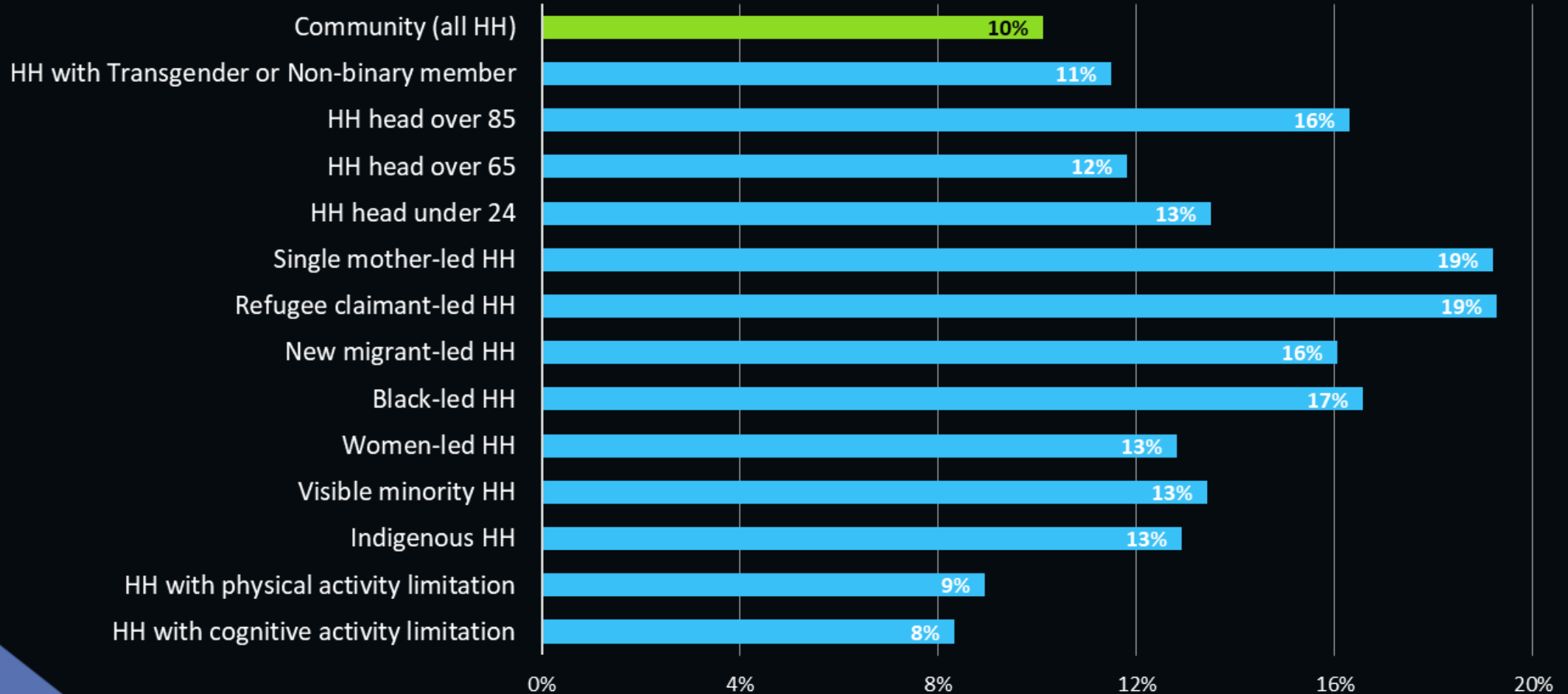
Income Category	% of households	# of households	Maximum Income (\$)	Maximum Shelter Cost (\$)	% in CHN	# in CHN
Very Low (0 – 20%)	2%	300,000	\$18,000	\$420	69%	199,613
Low Income (21 – 50%)	18%	2,700,000	\$42,000	\$1,050	37%	921,093
Moderate (51 – 80%)	19%	2,850,000	\$67,200	\$1,680	11%	293,685
Median (81 – 120%)	21%	3,150,000	\$100,800	\$2,520	1%	35,260
High (121%+)	40%	6,000,000	n/a	n/a	0%	1,435
Total	100%	15,000,000	-	-	-	1,451,030

(Source: HART, 2023, based on Census 2021)



Percent of Households (HHs) in Core Housing Need by Priority Population, 2021

Canada



Source: HART

Core Housing Need – New Brunswick

New Brunswick (Province)						
Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income (\$352)	3,825	470	60	20	20	4,395
Low Income (\$881)	9,215	3,030	910	395	180	13,730
Moderate Income (\$1410)	435	725	425	270	210	2,065
Median Income (\$2115)	0	0	15	0	25	40
High Income (>\$2115)	0	0	0	0	0	0
Total	13,475	4,225	1,410	685	435	20,230



Core Housing Need - Fredericton

Fredericton C (CSD, NB)						
Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income (\$367)	300	55	0	0	0	355
Low Income (\$918)	1,170	420	135	35	30	1,790
Moderate Income (\$1470)	0	95	90	95	65	345
Median Income (\$2205)	0	0	0	0	10	10
High Income (>\$2205)	0	0	0	0	0	0
Total	1,470	570	225	130	105	2,500



Core Housing Need - Moncton

Moncton C (CSD, NB)						
Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income (\$340)	410	60	0	0	0	470
Low Income (\$850)	1,705	515	130	85	20	2,455
Moderate Income (\$1360)	0	135	95	55	30	315
Median Income (\$2040)	0	0	0	0	0	0
High Income (>\$2040)	0	0	0	0	0	0
Total	2,115	710	225	140	50	3,240



Core Housing Need – Saint John

Saint John C (CSD, NB)						
Income Category (Max. affordable shelter cost)	1 Person HH	2 Person HH	3 Person HH	4 Person HH	5+ Person HH	Total
Very Low Income (\$316)	490	60	0	0	0	550
Low Income (\$790)	1,285	470	90	50	15	1,910
Moderate Income (\$1264)	0	45	35	30	0	110
Median Income (\$1896)	0	0	0	0	0	0
High Income (>\$1896)	0	0	0	0	0	0
Total	1,775	575	125	80	15	2,570



Who is left out of Core Housing Need?

Excluded Population	Estimated Number	Income Category	Notes
Homeless	35,000 – 500,000	Very Low	35,000 on given night in 55 of 725 municipalities with population of 5,000+ (Infrastructure, 2023); 235,000/year (homelessness Hub, 2016) 100% in inadequate conditions
Students	1,430,000	Very Low - Low	2.3 million students, including temporary visa holders, 35% of whom live with parents, 40% in inadequate conditions (unaffordable, overcrowded)
Congregate Housing	700,000	Very Low	Group homes, health and correctional institutions, long-term care; most have disabilities (mental, addictions, cognitive), mostly in inadequate conditions (overcrowded, in need of repair)
Farm Workers	70,365	Very Low - Low	Mostly temporary visa workers, majority in inadequate conditions (overcrowded, in need of repair)
Total	1,605,000 – 1,805,000		Plus 1.3 million Very Low- and Low-income households formally in housing need



Multiple Sources

Principles of Human Rights-Based Housing

Adequate Housing

- Access, security of tenure, location, culture, affordability, habitability, overcrowding

Progressive Realization of Right to Adequate Housing

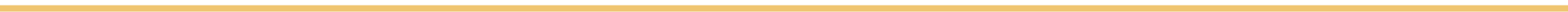
- May take 30 years to make for three decades of policy neglect, need to create long-term targets for adequate housing infrastructure

Emphasis on Rights and Voices of those who are most marginalized

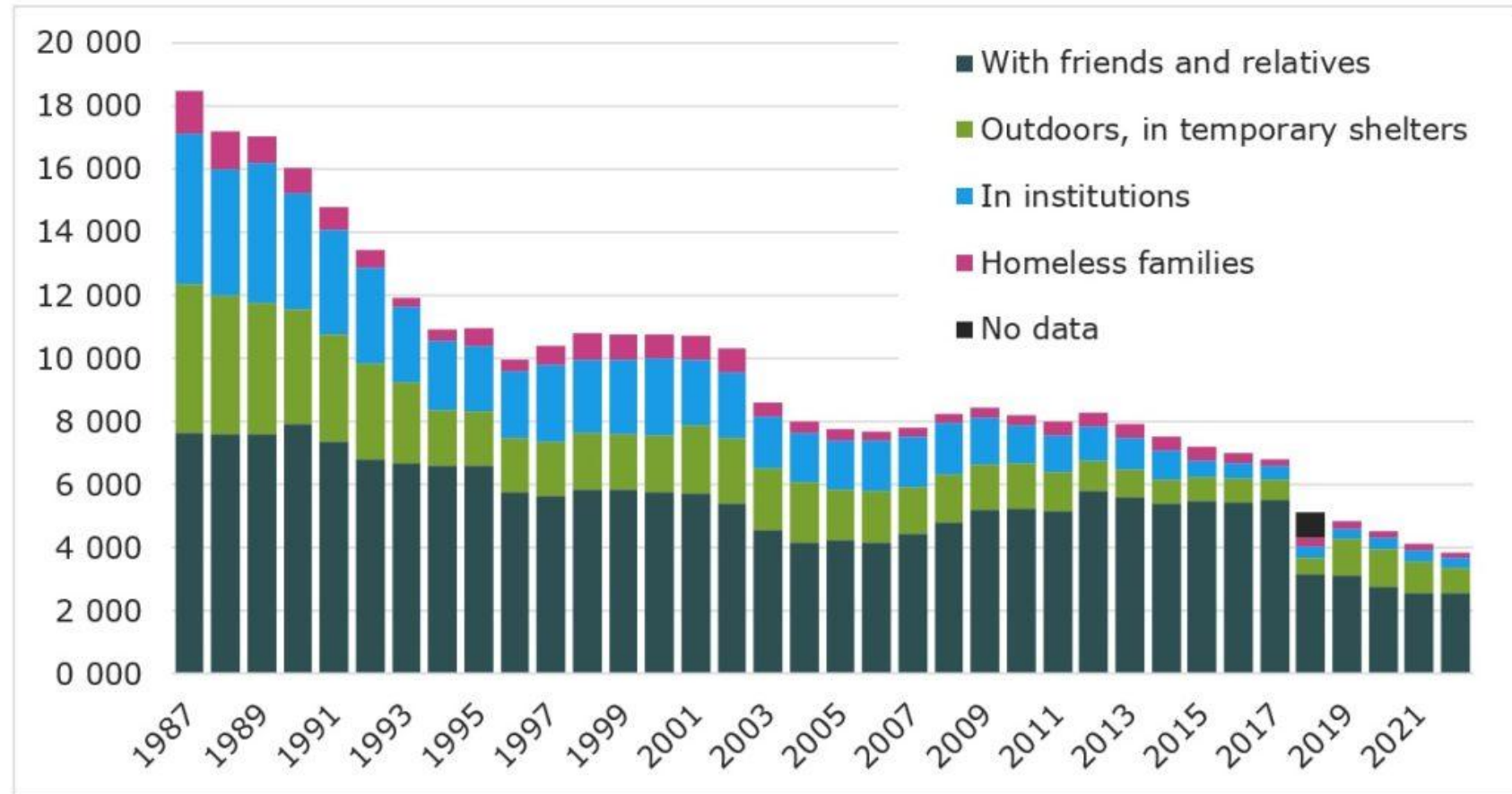
- Including Indigenous, single mothers, racialized households with different abilities who have been systematically excluded

Income-based targets and coordination between all three levels of government

- Led by federal government, with greatest powers and resources



Ending Homelessness is Possible - Finland



Source: ARA 2023 [Finland's CMHC equivalent]



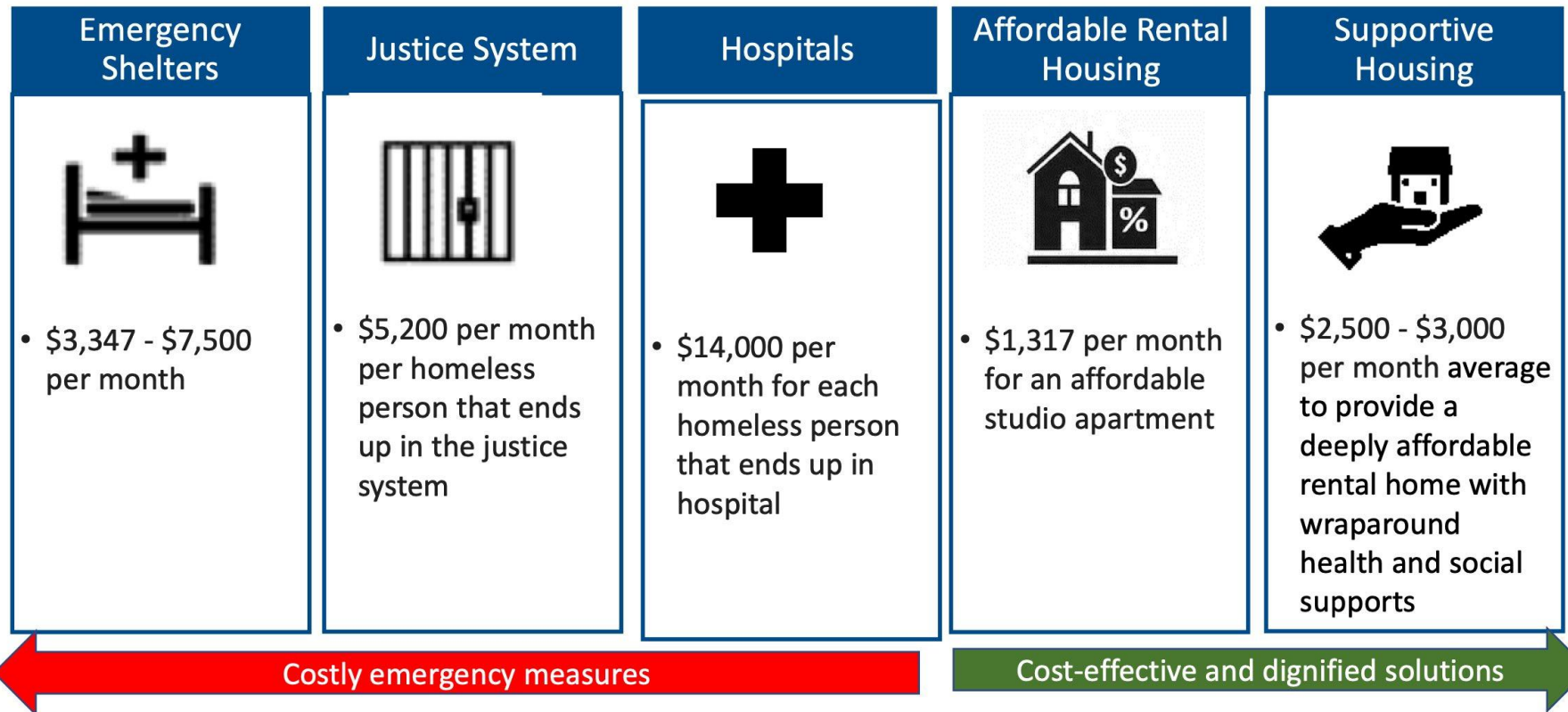
Ending Homelessness Requires

- **Federal:** infrastructure grants & financing for a new generation of deeply affordable homes with supports
 - AT LEAST 20,000 homes/year (mostly ON & BC) – for 30 years
- **Provincial:** social assistance that allows renting an apartment (\$2,000/mo) – could be Basic Income (fed)
 - plus adequate supports (10 tenants: 1 worker) - could be linked to health and social transfers
 - Plus better eviction prevention and renter rights
- **Municipal:** allowing congregate & 4 storey apartments everywhere



Ending Homelessness Saves \$ and Lives

Cost of Affordable Housing vs. Emergency Measures

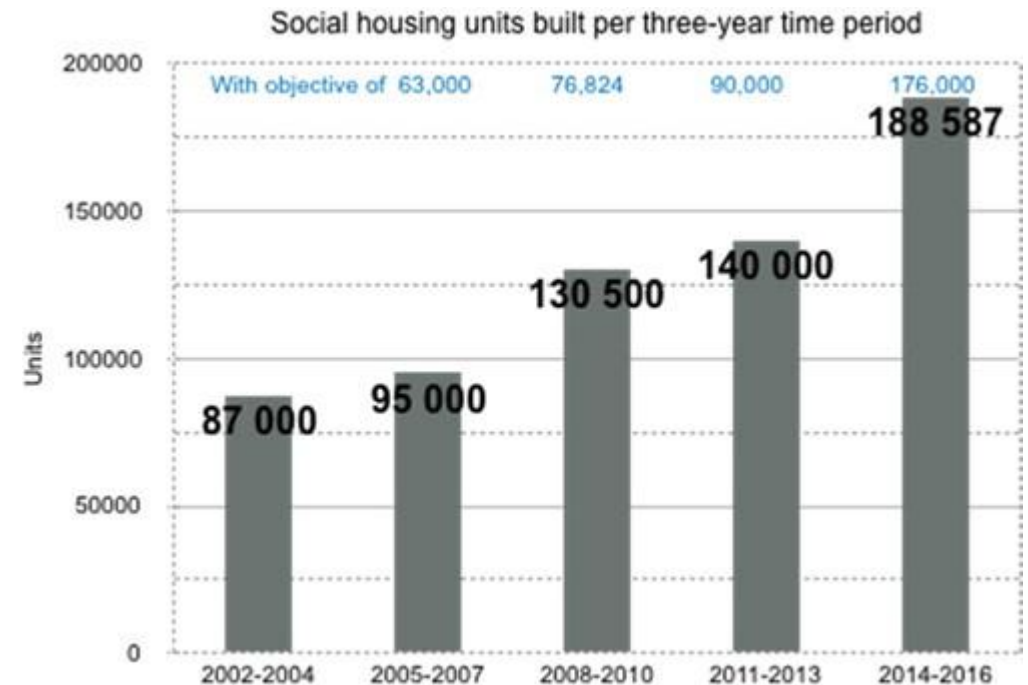


Source: UHN 2023



Scaling Up Nonmarket Housing - France

- Canada: ~665,000 – we don't know!
- ~ 3.5% housing stock
- France 2000: every municipality 20% nonmarket: funding for new build and acquisitions (2016: 25%, Paris 30%)
- Now 17% of all stock & much better integrated/designed



Source: Maaoui 2021

Scaling Up Nonmarket Housing Requires

- Federal:
 - targets of 20% nonmarket with rents affordable to low- and moderate-income households
 - Federal land for mixed income nonmarket homes
 - financing for 200,000 acquisitions & new build homes/year & energy/access retrofits
 - A new generation of developers (don't need to be nonmarket!) & providers
- Municipal/ Provincial:
 - Land
 - Property tax and development charge exemptions
 - Municipal 'concierge' approach: make it work!



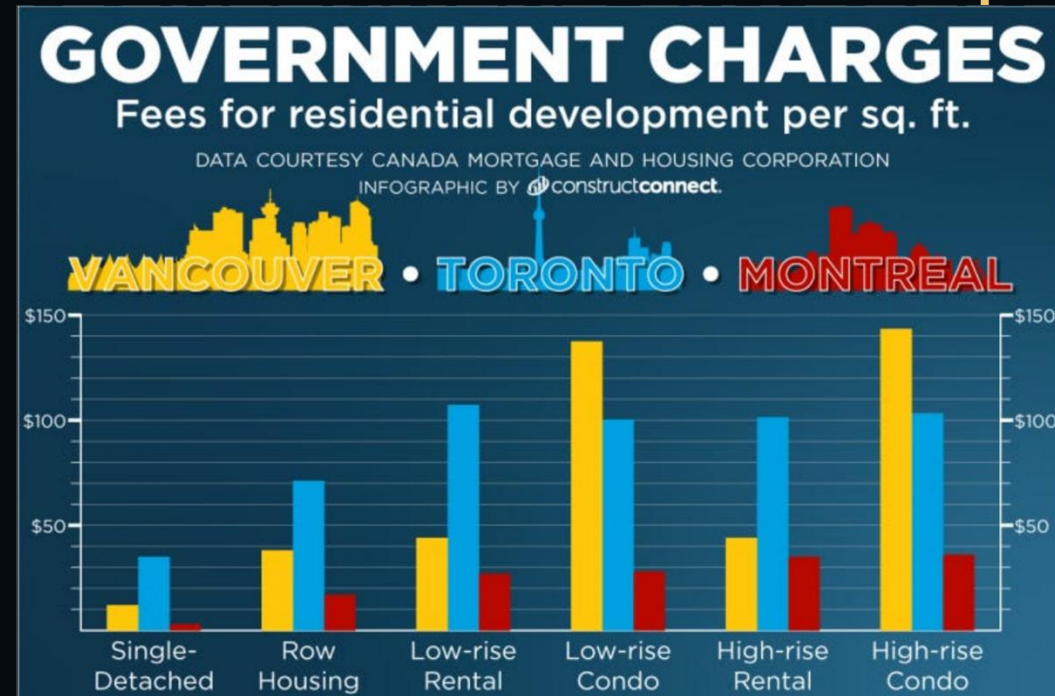
Abundant Well-located Housing

- 1970s: increasing restrictive 'people zoning': limited land for rent
- Created 'big developer' duopoly: suburban sprawl and downtown 'tall' (small condominiums sold for investment)
- We need Missing Middle everywhere



Abundant Housing Requires

- Federal:
 - Targets
 - National Zoning Guidelines
 - 4-6 storeys, no unit limits in all residential zones in cities over 10,000 people
 - 8-12 storeys within 400 metres of transit lines
 - 20-30 storeys within 200 metres of Major Transit Stations
 - No FARs, min parking, min lot setbacks, building setbacks
 - National Building Code
 - Allowing single egress and small elevators
 - A solution to development taxes, which are out of control (progressive property taxes/ proportion of income or sales tax/ land tax)



Source: Russil Wvong



How can renters have the same rights as owners?

- Denmark has long leases and funds Tenant Union to negotiate annual rent cost-based rent increases
- Germany has accessibility and energy retrofits with forgivable loans if affordability is maintained



Making Ownership Affordable

- Ownership costs decreasing over time in relation to income and to renting (1/3 across Canada, 1/4 in Toronto, 1/5 in Vancouver)
 - In the shorter term, making renting more secure and plentiful
 - Encouraging smaller homes (including collective housing models as well as plexes)
 - 'Tenure neutrality'
 - Eliminating principal property exemption GST
 - Imputed rents income tax?



The Future of Ownership



Source: Missing Middle Initiative 2024, Atlas Obscura, 2022

Fixing Canada's Housing Crisis is Possible!

- Federal government needs to take lead
 - One clear income-category definition of affordable housing
 - Accurate, replicable data on homelessness and housing need, informed by the right to housing
 - Use land to scale up mixed-income nonmarket housing
 - An infrastructure financing pathway to deeply affordable nonmarket housing
 - Conditional funding to provinces and municipalities with targets
- Provincial government
 - Plan to end homelessness through higher social assistance and more low-cost housing with supports – will take 10-30 years
 - Higher minimum wages, prevent evictions, support tenant rights
- Municipal government
 - Don't make newcomers pay for growth
 - Allow low-cost housing everywhere, including congregate and small apartments



Becoming a Houser

- Are you speaking up at City Council for more neighbours?
- Are you advocating to provincial government for better tenant rights, more social assistance, higher minimum wage, and adequate supportive housing?
- Are you advocating to federal government to increase nonmarket housing and legalize abundant housing everywhere?

