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Introduction:

WHY HOUSING MATTERS

Housing matters to Canadians. Much more than “bricks and mortar”, housing has social and economic significance that extends well beyond its role in providing shelter.

Housing and People

Good quality housing is important to the health and well-being of Canadians. The way homes are designed, constructed and maintained has a direct influence on occupants’ health and quality of life. The use of appropriate building materials, the provision of adequate heating and ventilation and the physical layout and features of the home can all influence the health and well-being of residents.

Beyond the physical attributes of our homes, housing has important economic dimensions. For most households in Canada, housing costs form the largest single component of the monthly budget. For those who are able to purchase their homes, housing constitutes a major financial asset, contributing to their longer-term financial security. Having a secure source of housing is widely regarded as a stepping stone for gaining and maintaining employment, for providing a secure and supportive environment for raising children, and for accessing key public services such as health, education and social services.

Housing and Communities

An adequate supply of housing is acknowledged to be a key factor contributing to the overall level of amenity, security and quality of life in our communities. In an increasingly globalized economy, local communities which offer current and prospective

residents a high quality of life are well positioned to attract and retain the labour force and investment needed to secure their continued growth and prosperity. The availability of housing, of varying sizes, types, tenures and prices, is an essential aspect of this quality of life and an important building block for inclusive communities capable of accommodating residents with diverse housing needs and economic means.

Housing and the Environment

Housing has important environmental dimensions. There is growing understanding that the choices we make as individual consumers, in terms of housing design, construction and operation have implications not only for our own personal health and quality of life, but also for the environment.

The construction and operation of housing is a major consumer of land, energy and raw materials. The way communities are designed can have significant impacts on commuting patterns and environmental concerns related to urban sprawl, traffic congestion and the production of greenhouse gases. Concepts such as sustainable development and smart growth are being applied today, as communities across Canada engage in a dialogue on the types of urban form they want to see in the future.

Housing and the Economy

The housing sector is a significant component of the Canadian economy. Residential expenditures generate activity in new construction and renovation, and in industries such as manufacturing, retail trade and transportation that provide goods and services to the construction and renovation industries. A broad range of industries benefit from the resulting increase in income flows within the economy. Investments in housing have high employment multipliers which generate significant ripple effects throughout the economy, creating jobs and business opportunities in communities across the country.

In addition to its direct contribution to employment and investment, housing plays a basic role in supporting sustained economic growth. A dynamic, efficient economy relies on the ability of workers and businesses to adapt to new opportunities and challenges. An adequate supply of housing, capable of accommodating a growing population and labour force, is essential to attract the quality and diversity of labour needed to ensure a dynamic and expanding economic base.



The State of CANADA'S HOUSING: AN OVERVIEW

A Portrait of Canada's Housing Stock

- Canada's occupied housing stock consists of approximately 11.6 million dwellings. Single-detached homes are the most common building type, accounting for over one-half of all housing in Canada.
- Two-thirds of Canada's housing is owner occupied. Ownership rates increased substantially between 1996 and 2001, from 63.6 per cent to 65.8 per cent, the largest increase in the last 30 years.
- Homeownership rates are highest in small centres and rural areas, where owner-occupied housing comprises over three-quarters of the total housing stock. Homeownership rates also vary considerably by region, ranging from 58 per cent in Québec to a high of 78 per cent in Newfoundland.
- The average age of Canada's housing is increasing, as population and household growth slow and new additions to the stock comprise an increasingly smaller proportion of the total.
- While Canada's housing is aging, it remains in generally good physical condition. Nearly two-thirds of Canadian homes were rated by their occupants as requiring only regular maintenance in 2001. Just over one-quarter of the stock was identified as being in need of minor repair, and just over 8 per cent in need of major repair.
- The need for major repair is particularly prevalent in housing built prior to 1946, at almost two and one-half times the rate reported in the stock built since 1945. Other components of the stock exhibiting higher than average need for major repairs include band housing on Indian reserves or settlements (39.2 per cent) and housing in the northern territories of Nunavut (19 per cent), Northwest Territories (16 per cent) and Yukon (13.9 per cent).
- While Canadian homes are, on average, becoming progressively larger, a minority of households (around 6 per cent of the total) reported living in crowded housing conditions in 2000.

- The residential sector is a significant consumer of energy and water resources. While total residential energy and water consumption continue to grow, efficiency improvements are helping to conserve and manage resource use in Canadian homes.

Demographic and Socio-Economic Influences on Housing Demand

- Canada's population surpassed 30 million in 2001. Population growth slowed during the 1990s, however, as births dropped and deaths rose throughout the decade. By the late 1990s, annual population growth rates had dropped to just under one per cent.
- As population growth is not evenly distributed, some parts of the country have continued to experience rapid growth. Alberta and Ontario posted the largest increases in populations between 1996 and 2001 which, in turn, contributed to expanding housing market activity.
- Canada's population growth is becoming ever more closely tied to immigration, as low fertility and an aging baby boom reduce the rate of natural increase. In recent years, seven out of ten new immigrants to Canada have settled in Toronto, Vancouver, or Montréal - more than 45 per cent in Toronto alone. Other components of the Canadian population that are experiencing rapid growth include seniors and Aboriginal peoples.
- Increasing numbers of Canadians live in cities and other urban centres, with nearly four in five Canadians living in centres with populations of 10,000 or more in 2001. Between 1996 and 2001, the population of these urban areas grew by 5.3 per cent, while the population living outside them dropped by 0.4 per cent.
- Canadian households are getting smaller. From an average of 3.9 persons per household in 1961,

average household size has dropped to 2.6 persons in 2001. People living alone accounted for just over one quarter of all Canadian households in 2001, double the proportion in 1971.

- A resurgence in employment growth contributed to rising incomes in the late 1990s. Growth in real disposable income paralleled the pace of job creation, accelerating from 1997 through 2000 and slowing thereafter.
- Income growth in the 1990s has not been evenly distributed across all segments of the population. The real average after-tax income of the bottom fifth of families increased by 5.5 per cent between 1991 and 2000, well below the 16.3 per cent increase of the top fifth.
- Housing represents a significant source of wealth for homeowners. In 1999, equity in the principal residence accounted for about 40 per cent of the average net worth of homeowners. Homeowners' median net worth rose by 20.7 per cent between 1984 and 1999. Renters' median net worth declined by 41.4 per cent over the same period.

Current Housing Market Developments

- Low mortgage rates, increased disposable income, high levels of job growth, resilient consumer confidence, and high immigration all helped to stimulate housing demand in 2002.
- The volume of housing starts in 2002 increased by 26 per cent over 2001, totaling 205,034 units, the highest level since 1989. Housing starts targeted to the homeownership market rose by 25.8 per cent, while those intended for the rental market increased by 28.3 per cent.
- Despite this extensive new construction, expanding demand for homeownership greatly reduced inventories of unoccupied new housing units, which declined to record lows in 2002.

- Sales of existing homes reached a new high in 2002, up 10.6 per cent from 2001. Sales volumes were near or exceeded previous records in all provinces except Saskatchewan, Manitoba, and British Columbia.
- A combination of high demand for existing homes and low numbers of new listings pushed up the sales-to-listing ratio and contributed to rising house prices in 2002. Average sale prices recorded by the Multiple Listing Service (MLS®) increased by 9.5 per cent, nearly double the increase in 2001, and well above the average annual increase recorded in the previous decade.
- The movement of increasing numbers of renters to the homeownership market helped to ease rental vacancies somewhat in 2002. While remaining near historic lows, the average rental vacancy rate of the 28 largest urban centres rose to 1.7 per cent in 2002, up from 1.1 per cent in 2001. Despite continued low vacancy rates, increases in average rents for two bedroom apartments have been relatively modest overall, increasing by an estimated 3.1 per cent between 2001 and 2002.
- High levels of home resales helped to stimulate spending on renovation activity. Just over three-quarters of all homeowners reported at least one home repair or renovation expenditure in 2001. Those homeowners undertaking a repair or renovation project spent an average of \$2,585.
- Total spending on residential investment and home repairs, including new construction, repairs, alterations and improvements, and transfer costs, contributed an estimated \$58.5 billion to the Canadian economy in 2001, about 5.4 per cent of GDP. In 2002, the new construction component of residential investment was up by 30 per cent. Value-added housing exports have also increased in recent years, reaching a record high of \$8.3 billion in 2001.

Trends in Housing Finance

- In 2001, the mortgage market supplied \$94.4 billion to finance 915,200 units of new or existing housing across the country. About three-quarters of the financing was taken up by owners of single-detached homes, with owners of multiple-unit housing receiving the remaining one-quarter.
- Mortgage lending continued to grow in the first half of 2002, as 32.9 per cent more housing units were financed compared to the level in the same period of 2001. Influenced by rising housing prices, the average mortgage loan amount rose by 6.1 per cent, between the first half of 2001 and the first half of 2002, to reach \$108,700 per unit.
- While increasing modestly in 2002, mortgage interest rates remain near historic lows. Declines in mortgage rates in recent years have helped to significantly reduce the monthly interest charges required to carry a mortgage, helping to bring homeownership within the reach of many additional households.
- The spread between short and long-term mortgage interest rates widened over 2002. In January 2001, three-year and five-year posted rates were 0.1 per cent and 0.3 per cent above one-year posted rates, respectively. By December 2002, this spread had widened to 1.1 percentage points and 1.8 percentage points, respectively.
- There is competition amongst lenders for a share of the mortgage origination and renewal business, resulting in customized services, flexible loan terms and conditions, and discounts off posted mortgage rates. Consumers are increasingly shopping around when taking out a mortgage or renewing an existing one.
- Banks continue to lead in the provision of mortgage loans, accounting for 81.6 per cent of total mortgage approvals in 2001. As a group, life

insurance companies, mortgage investment brokers, loan companies, co-operative credit societies, pension funds, and other lending institutions were a distant second, capturing a combined share of 14.2 per cent of the new mortgage business. The market share of trust companies was 4.2 per cent.

- While mortgage funding, origination, servicing and investment are generally bundled as a group by the lender, some unbundling of these activities (i.e. mortgage disintermediation) is occurring through vehicles such as mortgage-backed securities, Canada Mortgage Bonds and other mortgage structures.
- Mortgage funding through securitization has experienced significant growth in the past five years. Investors in mortgage securitization vehicles today are the third most important source of mortgage funds (behind banks, and credit unions and caisses populaires).

Housing Affordability

- While the vast majority of Canadians are well housed, a significant number of Canadian households, estimated at almost 1.8 million in 1996, have difficulties in accessing affordable housing.
- Lone parent families, persons with disabilities, Aboriginal peoples, recent immigrants and seniors are among the segments of the population that have experienced a higher than average incidence of affordability problems.
- Housing affordability trends are closely linked to patterns of labour market participation and income. In 1996, for example, an estimated 91 per cent of households led by adults working full time were able to afford adequate and suitable housing.

- During the first half of the 1990s, housing costs rose faster, on average, than household incomes, resulting in a general decline in housing affordability and an increase in the numbers of households unable to obtain affordable housing.
- Since 1996, growth in labour force participation, employment and incomes have helped to bring about improvements in housing affordability for many Canadian households.
- The numbers of households with affordability problems are estimated to have declined among both renters and homeowners between 1997 and 2000 (by 2.6 per cent and 2.8 per cent, respectively). Encouragingly, lone parent families with affordability problems declined by an estimated 24.7 per cent over this period.
- Having retired from the labour force, seniors have not directly benefited from recent improvements in employment and incomes. The number of senior-led households with housing affordability problems increased by 16.3 per cent between 1997 and 2000.



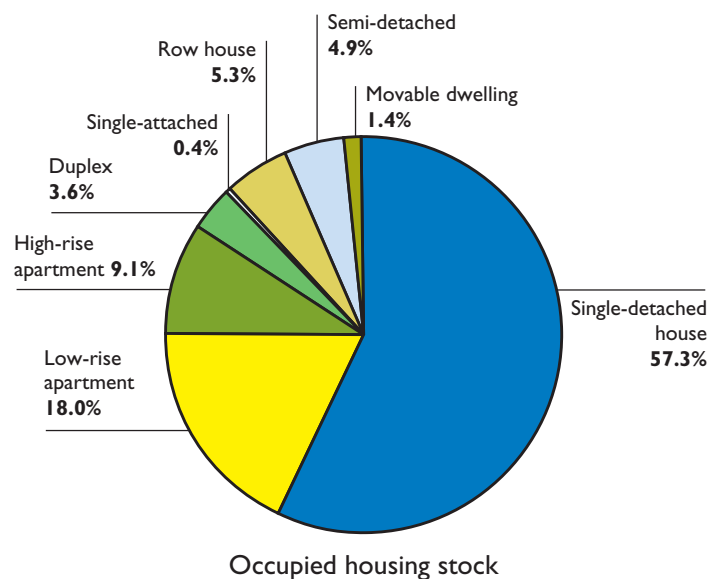
A Portrait of CANADA'S HOUSING

The housing Canadians live in has evolved considerably over time, and continues to do so. As the population has grown, so too has the housing stock. Each year, additional housing units are added through new construction. At the same time, a significant number of existing homes are modified, through renovation activity, to meet the changing needs and preferences of their occupants. The passage of time also takes its toll on the physical condition of the stock. Homes that are not properly maintained eventually fall into disrepair. Every year, other units are removed from the stock through fire, demolition, and conversion to other uses.

Canadians Favour Single-Detached Homes

In 2001, Canada's occupied housing stock comprised 11.6 million dwellings. Fifty-seven per cent of them were single-detached homes (see *Figure 1*). This proportion has held steady by and large over the last three decades.

Figure 1
Distribution of Dwelling Types, Canada, 2001



High-rise apartments are in buildings of five storeys or more.

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

The prevalence of single-detached homes varies considerably across the country. Four out of five occupied homes in rural areas and small centres with populations of less than 10,000 are single-detached houses. By contrast, in many large centres, they make up less than half of the occupied housing stock. Québec is the only province where single-detached houses make up less than half of the housing stock. Single-detached homes are most prevalent in Newfoundland and Saskatchewan, where they account for three-quarters of all occupied dwellings.

Just over 40 per cent of Canada's occupied housing stock in 2001 was comprised of multiple-unit dwellings. Of these, almost two-thirds were apartments. A third of all apartments (just under 10 per cent of the total housing stock) are found in high-rise buildings of five storeys or more. Row housing, semi-detached homes, and duplexes account for virtually all of the remaining third of multiple-unit dwellings. Movable dwellings, the great majority of them mobile homes, make up less than two per cent of the occupied housing stock.

Apartments and other forms of multiple-unit dwellings are most common in Canada's large urban centres, where single-detached homes typically make up less than half of the housing stock (see *Figure 2*). In

Montréal, for example, apartments are the dominant housing type, while single homes account for under a third of all dwellings.

In part, local variations in dwelling types reflect differences in ownership and rental housing markets, as the characteristics of homes built for these markets have traditionally been very different. For example, across Canada, single-detached homes are the dominant form of owner-occupied housing, constituting nearly eighty per cent of this stock. In contrast, apartments have historically been constructed mainly as rental housing. They currently account for almost two-thirds of all rented units. With the advent of condominium tenure, however, the proportion of apartments that are owned has risen - from 5 per cent in 1971 to 19 per cent in 2001.

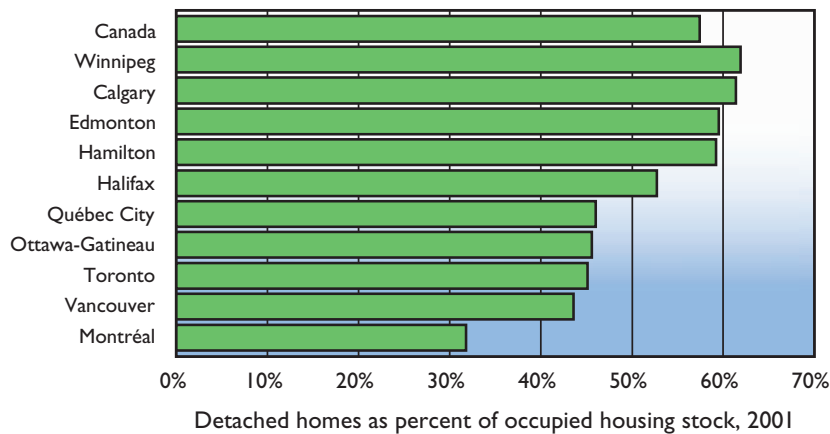
Most Canadians Own Their Homes

Two-thirds of the occupied housing stock in Canada is owner-occupied. As is the case with dwelling types, ownership patterns exhibit marked regional differences. For example, 58 per cent of all homes in Québec - and only half in Montréal - are owned, compared to 78 per cent in Newfoundland and 70 per cent or more in Prince Edward Island, Nova Scotia, New Brunswick,

Saskatchewan, and Alberta.

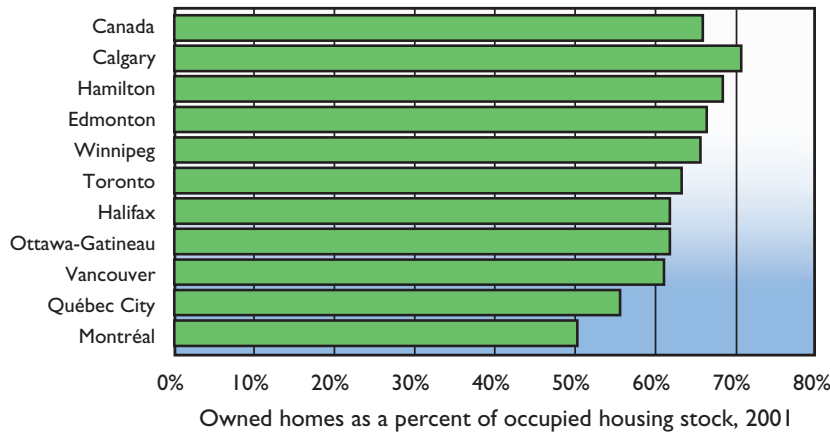
Within provinces, the rate of homeownership is generally much higher in rural areas and small centres with populations of less than 10,000 than in metropolitan areas. In these rural areas and small towns, over three-quarters of the occupied housing stock is owned. Homeownership rates in Canada's largest metropolitan areas are generally lower than the national average, with Calgary, Edmonton, and Hamilton being notable exceptions (see *Figure 3*).

Figure 2
Prevalence of Single-Detached Homes, Canada and Selected Urban Centres, 2001



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

Figure 3
**Ownership Rates, Canada
 and Selected Urban Centres, 2001**



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

Although all provinces experienced the trend towards slower growth, the number of dwellings increased much more rapidly in some parts of Canada than in others. Growth in Alberta and British Columbia was one-and-a-half times the national average, while that in Ontario kept pace with the national increase.

While completion of new homes accounted for the bulk of the growth in the housing stock, conversions have also

Condominiums are a fast-growing segment of the ownership market. Between 1981 and 1996, the number of owner-occupied condominium units tripled to slightly over half a million. This number understates the true size of the condominium stock, however, since many condominium owners make their units available for rent. For example, in 2002, an estimated 21.4 per cent of condominiums in Toronto were rented.

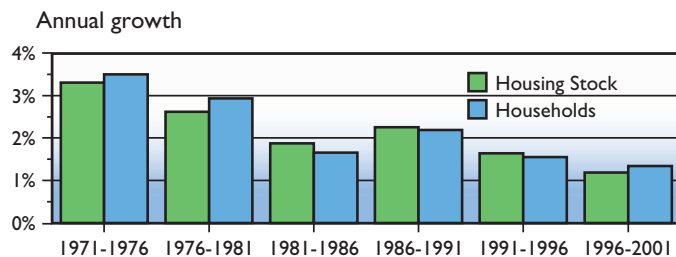
played a role. From 1971 to 2000, units added to the stock through conversions were roughly offset by those leaving the stock through demolition or other reasons. In the past twenty years, however, the stock has grown somewhat faster than the rate of completions, suggesting that other sources of supply, such as conversions may have become more important (see Figure 5). Conversions increase the number of homes when non-residential buildings are transformed into residences or when additional units are created within existing residential buildings.

Growth of the Housing Stock Slows

The number of dwellings in Canada nearly doubled in the last thirty years, reaching 11.9 million units in 2000. During this period, the growth of the housing stock slowed considerably.

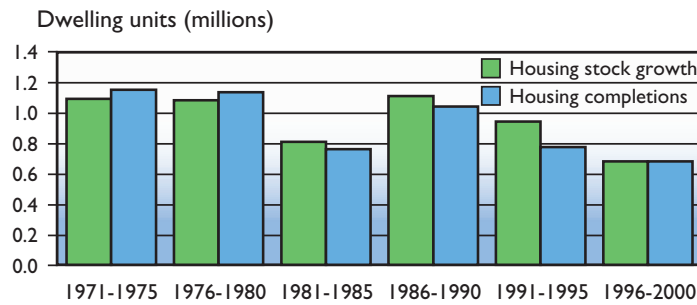
In the first half of the 1970s, over a million units of housing were added to a stock of around six million, an average annual growth rate of over 3 per cent (see Figure 4). By contrast, from 1996 to 2000, a stock of nearly 11.4 million homes expanded by some 550,000 dwellings, for an average annual growth rate of just over 1 per cent. The resulting rate of housing stock growth in the late 1990s was barely a third of that of the early 1970s. The slowdown stemmed from reduced household formation.

Figure 4
**Growth of Housing Stock and Households,
 Canada, 1971-2001**



Growth is the annual average for each five-year intercensal period. Housing stock growth was computed for 1996-2000. Data for 2001 were unavailable. Source: CMHC, adapted from Statistics Canada (CANSIM II and Census of Canada)

Figure 5
**Housing Stock Growth and
 Housing Completions, Canada, 1971-2000**



Source: CMHC (Starts and Completions Survey) and adapted from Statistics Canada (CANSIM II)

Most Homes are in Good Condition

The vast majority of housing in Canada is in good condition. In 2001, just one in twelve homes (8.2 per cent) were in need of major repairs. Nearly two-thirds (65.3 per cent) of homes needed only regular maintenance, while one in four (26.5 per cent) were in need of minor repairs. Rented homes were more likely to need major repairs than owned homes - 9.3 versus 7.4 per cent.

A small portion of Canadians (less than two per cent) live in collective dwellings. These residences include rooming houses, hotels, residences for senior citizens, nursing homes, hospitals, correctional institutions, and other dwellings of a commercial, institutional, or communal nature. Despite growth in the population of seniors, the percentage of Canadians living in collective dwellings held steady in the 1990s. In 2001, seniors were less likely to be living in health care institutions than in 1981.

Canada's Housing Stock is Aging

One implication of the reduction in the rate of growth of the housing stock is that the average age of Canadian homes is increasing. In 2001, 67 per cent of occupied homes were more than 20 years old, compared to 54 per cent in 1991.

The age composition of the housing stock reflects varying levels of construction activity during different periods in the past. In 2001, 21 per cent of Canadian homes dated from 1971 to 1980, while only 15 per cent dated from 1991 to 2001. One in seven homes was built prior to 1946. Compared to other regions, homes are newer, on average, in Alberta and British Columbia, the two provinces with the most rapidly growing housing stock in recent decades.

Despite the good condition overall of Canadian housing, significant repair need is evident in some components of the stock. For example, at 39.2 per cent, need for major repair was far higher for band housing on Indian reserves or settlements than for other housing.

Need for major repair was highest in Nunavut (19 per cent), followed by the Northwest Territories (16 per cent) and the Yukon (13.9 per cent). Homes in Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Manitoba, and Saskatchewan were somewhat more likely to require major repairs than those in other provinces. Need for major repair was lowest in Ontario, followed by Alberta and Québec.

As might be expected, the need for repair is most prevalent among older homes (see Figure 6). In 2001, dwellings constructed in 1945 or earlier were almost two-and-a-half times more likely to need major repairs than homes built after 1945.

Trend Towards Larger Homes with More Amenities

Housing quality has improved steadily over the post-war period. For example, in 1951, 9.4 per cent of the stock lacked basic plumbing facilities, a fraction that dropped to 1.6 per cent in 1982. The absence of such facilities is now so rare that data on the presence of basic services are no longer collected by the Census.

Over the last number of years, the general trend has been toward the production of larger, more durable, and more energy efficient homes that have more amenities. They frequently contain special features such as family rooms, improved storage, double-attached garages, and two or more bathrooms.

In 1996, the average Canadian home had 6.3 rooms, excluding bathrooms, hallways, and rooms used for business purposes. While the number of rooms per dwelling has only increased slightly in recent

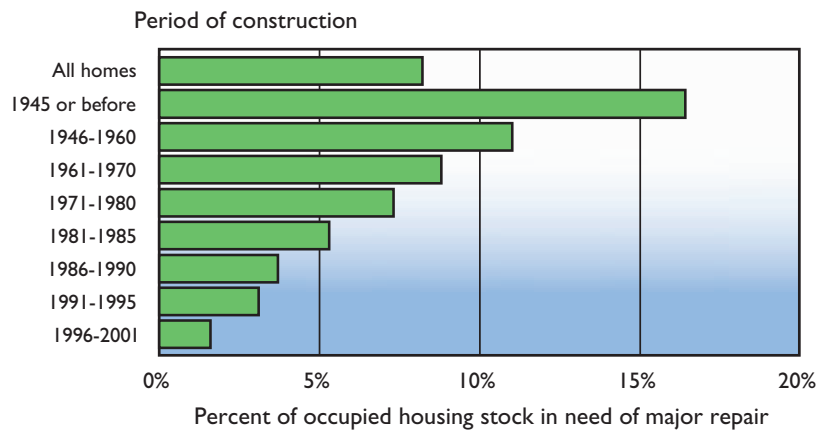
years, homes have been getting larger. The average square footage of Canadian homes is estimated to have increased by about four per cent from 1990 to 2000. One reason for the increase was that dwellings added to the stock during this period were larger than average; for example, homes built from 1996 to 2000 were about 25 per cent larger than those dating from 1961 to 1977.

Despite the generally good quality of Canadian housing and increases in the size of homes, a small percentage of households do not have enough space to suitably accommodate all household members. In 2000, around six per cent of households lived in crowded housing conditions. The number of bedrooms in these homes fell short of what was appropriate given the size and make-up of the occupying households.

Ongoing Improvements and Challenges in Building Performance

In addition to increases in the size and level of amenities in Canadian housing, a wide range of technical innovations has been incorporated into the common wood-frame dwelling. Other construction methods, such as steel frame and insulated concrete, are appearing. Innovations include improved products and materials as well as advances in construction

Figure 6
Need for Major Repairs, Canada, 2001



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

systems and methods. Increasing use of computer assisted design (CAD) and planning, and engineered systems, coupled with the widespread use of power tools on the building site contribute to more efficient construction practices. The increasing technical sophistication of Canadian housing is further reflected in the continuing development of building codes and standards, greater emphasis on trades training and more specialization across building trades.

While Canada's housing system is highly developed it is not fail-safe and specific building performance issues have arisen periodically. Homes damaged by moisture penetration, on Canada's West coast and homes in Eastern Canada damaged by aggregate containing pyrite are two recent examples.

Efficiency Improvements Help to Moderate Increased Household Energy and Water Use

In 2000, nearly half (49 per cent) of Canadian households heated their homes with piped or bottled gas, a third with electricity, 12 per cent with oil or other liquid fuels, and 5 per cent with wood or other fuels. Gas is the most commonly used fuel from Ontario westwards. Electricity is the most common source of heat in Newfoundland, New Brunswick, and Québec, while most Prince Edward Island and Nova Scotia households rely on oil or other liquid fuels.

Energy used for home heating and air conditioning, and in the operation of home appliances, is a significant component of overall energy consumption in Canada. Improvements to the thermal envelopes of new and renovated residential buildings and to major household appliances and heating and cooling equipment are increasing the energy efficiency of Canadian housing.

In the absence of energy efficiency improvements, the growth in the number of homes in Canada and in the size of these homes would have resulted in an estimated 22 per cent increase in residential energy use between 1990 and 2000. Savings from improved energy efficiency reduced the growth of residential energy consumption to 7 per cent.

Canadian households are also large consumers of water. The residential sector is responsible for over 60 per cent of the water used in Canada. Residential water use, when measured on a per capita basis, is the

second highest in the world, behind only the United States, where per capita consumption is estimated to be 30 per cent higher (an estimated 326 litres per person per day in Canada versus 425 in the United States). The total amount of water used by Canadian households continues to rise. Although per capita consumption by all sectors dropped 8 per cent from 1989 to 1999, total daily water use by the residential sector increased by 11 per cent.

A variety of water conservation and re-use measures and supportive design improvements have been developed to help reduce household water use in Canada. Examples include low-flow shower heads and faucet aerators that can cut water use by half or more in comparison to standard fixtures and more efficient toilet designs that use less than a third of the water required by older pre-1985 models.



Demographic and Socio-Economic INFLUENCES ON HOUSING DEMAND

Housing market activity is strongly influenced by demographic and socio-economic trends. Both the growth of the population and its characteristics influence the rate of household formation which, in turn, is a key driver of housing demand. While rapidly growing populations tend to generate more housing demand than slow-growing populations, housing needs and preferences are also shaped by the characteristics of the individuals in the population, particularly by their age and family status.

Demographic changes are not the whole story, however, for in order to act on their preferences, people must have sufficient financial resources - either income or wealth or a combination of the two. In difficult times, individuals or families who would prefer to live independently may share living space. In better times, when employment and incomes are growing, they have more options open to them. Such was the case in the late 1990s when increased job creation and consequent growth in disposable incomes bolstered housing demand in Canada, in turn, helping to counteract the effects of slower population growth.

Population Growth Slows

Population growth slowed in Canada during the 1990s, as the number of births dropped and the number of deaths rose throughout the decade. By the late 1990s, annual population growth rates had dropped to just under one per cent. A combination of a low birth rate and an aging baby boom were largely responsible for these developments.

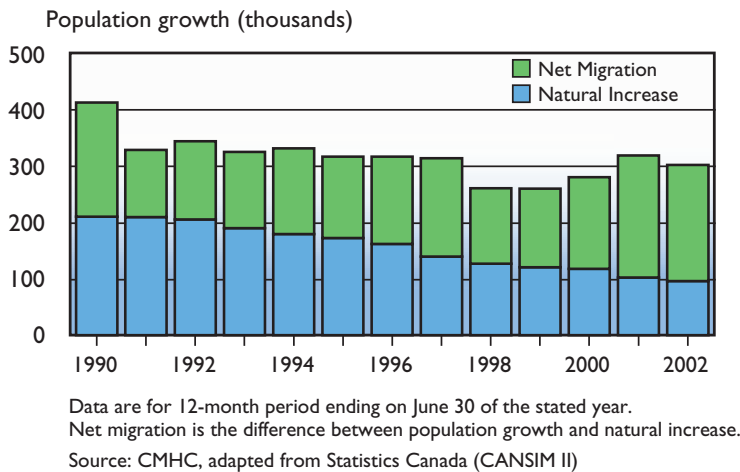
Born in the twenty years following World War II, baby boomers currently comprise a third of Canada's population. In 1990, when births reached the highest level since 1965, most baby boomers were in their late twenties and thirties. By contrast, even the youngest boomers are now in their late thirties. As a result, the natural increase of the population - the difference between births and deaths - declined by more than half between 1990 and 2001. It accounted for only a third of population growth in 2001 (see Figure 7).

Recent Growth Is Concentrated in Alberta and Ontario

Although the trend towards slower population growth is widespread, conditions differ widely across Canada. Some populations are expanding much faster than others. In 2001, nearly four in five Canadians lived in urban centres with populations of 10,000 or more. Between 1996 and 2001, the population of these urban areas grew by 5.3 per cent, while the population living outside them dropped by 0.4 per cent.

Figure 7

Net Migration and Natural Increase, Canada, 1990-2002

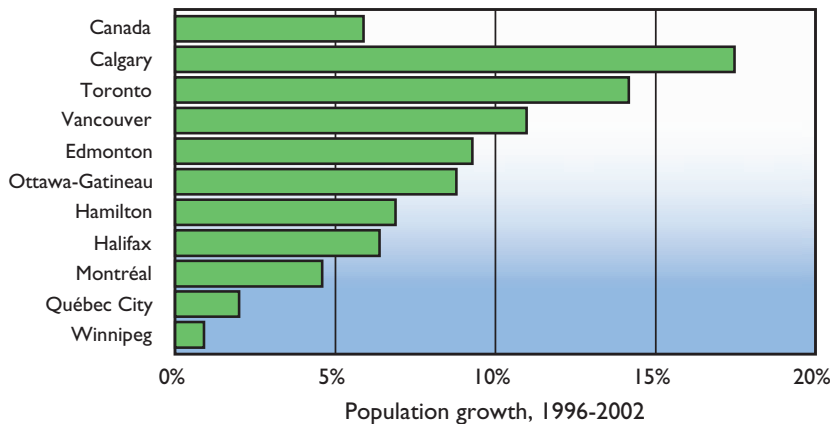


The pattern of regional growth is very uneven. At one extreme, the population of Newfoundland fell in the 1990s, while Saskatchewan's was more or less unchanged. At the other, growth in Alberta between 1996 and 2002 accelerated to more than double the national rate. Ontario was the only other province in which growth increased in the late 1990s in comparison to the first half of the decade. Although down by nearly two-thirds compared to the first half of the 1990s, growth in British Columbia remained above the national average.

Immigration is now the real force behind population growth in Canada. The population gained by Canada through international migration accounted for over half of population growth in each year from 1997 to the present. In 2001, despite a drop-off in the months following September 11 terrorist attacks, immigration reached just over 250,000, the highest level since 1993. Immigration was down slightly in the first three quarters of 2002 relative to the equivalent period in 2001. With natural increase set to decline further as Canada's baby boomers age, population growth will become tied ever more closely to immigration.

With the exception of Vancouver, all of the fastest growing cities in Canada are either in Alberta or Ontario (see Figure 8). These growth centres attract migrants, from elsewhere in Canada and from outside Canada, and have active housing markets as a result (see Figure 9). They account for a disproportionate share of homes constructed in Canada. For example, in recent years, housing starts in Calgary, the fastest-growing city in Canada, have approached the number in Montréal, a city nearly four times larger.

Figure 8
Population Growth, Canada and Selected Urban Centres, 1996-2002



Source: CMHC, adapted from Statistics Canada (CANSIM II)

The Aboriginal population is another fast-growing group, and it too is concentrated in certain parts of the country. In 2001, the median age of Canada's 976,000 Aboriginals was thirteen years younger than that of non-Aboriginals, a consequence of relatively high fertility and lower average life expectancy.

Between 1996 and 2001, the number of people identifying themselves as Aboriginal grew by 22 per cent. It is estimated that demographic factors, including high birth rates, accounted for roughly half of this growth.

Even within cities, growth is uneven. In most metropolitan areas, central cities are growing more slowly than surrounding areas. At the same time, the median age of the population in many suburbs is increasing more rapidly than in core municipalities.

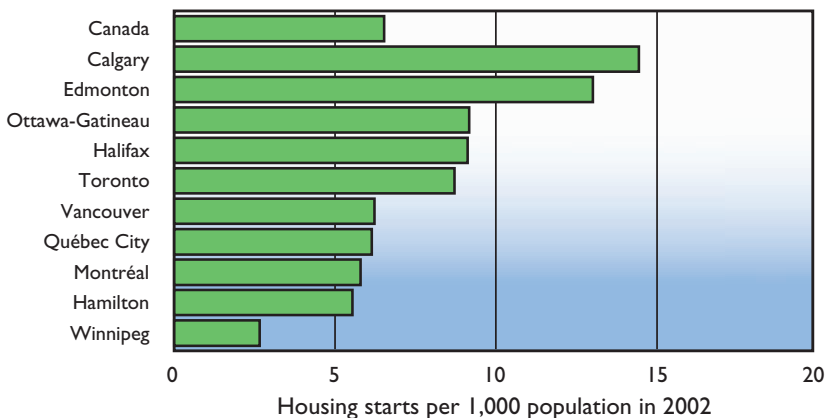
Increased awareness of Aboriginal roots and more complete enumeration of reserves accounted for the other half.

Immigrant, Aboriginal, and Senior Populations Expand

Just as some areas grow faster than others, certain groups within the population are growing more rapidly than average. More than one in six people in Canada is an immigrant. Although the percentage of immigrants in the Canadian population is rising only gradually, the geographic distribution of immigrants is very uneven. In recent years, seven out of ten have settled in Toronto, Vancouver, or Montréal - over 45 per cent in Toronto alone. While Toronto and Vancouver attract a disproportionate share of newcomers to Canada, Montréal's intake is in line with its share of the Canadian population. In 2001, immigrants made up 44 per cent of the population in Toronto and 38 per cent of the population of Vancouver.

The highest concentrations of Aboriginals are in the North and on the Prairies. In 2001, Aboriginals made up 85 per cent of the population of Nunavut, 51 per cent of the Northwest Territories, 23 per cent of the Yukon, and 14 per cent of the populations of Manitoba and Saskatchewan. Aboriginals accounted for nine per cent of the population of Saskatoon, and eight per cent of the populations of Winnipeg and Regina.

Figure 9
Per Capita Housing Starts, Canada and Selected Urban Centres, 2002



Source: CMHC (Starts and Completions Survey) and Statistics Canada (CANSIM II)

The number of seniors in Canada is growing at roughly twice the rate of the general population. In 2001, 13 per cent of Canadians were 65 or older. Life expectancy has been increasing steadily. The growth of the senior population will accelerate during the approach to 2011, when the first baby boomers turn 65. The youngest baby boomers will not turn 65 until around 2031.

The proportion of seniors in the population is higher in places with slow-growing or declining populations and in communities that are retirement destinations. It is generally lower in metropolitan areas (12.2 per cent) than in medium-sized centres (14.4 per cent) and rural and small town areas (14.3 per cent).¹ Among metropolitan areas, Victoria has the highest proportion of seniors, followed by St-Catharines-Niagara, Trois-Rivières, and Thunder Bay. The lowest relative concentration of seniors is found in Calgary.

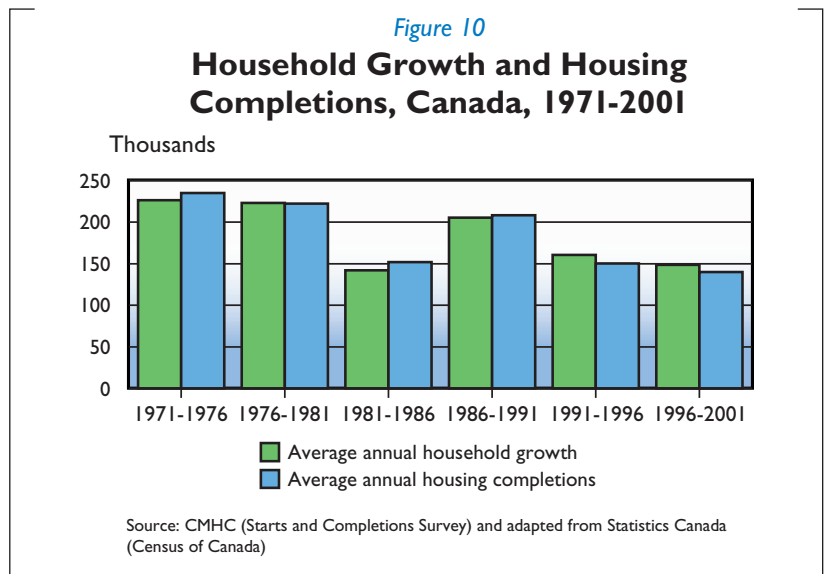
Household Formation Slows

The housing choices made by growing populations fuel housing demand. Individuals and families form households, and households occupy homes. The rate of household formation in Canada over the past three decades reflects the growth and aging of the underlying population.

In the 1970s, when baby boomers began leaving home, the number of households increased by an average of just under 225,000 annually. By the 1990s, a smaller generation of young adults was entering the housing market. Consequently, net household formation was much lower than in the 1970s. From 1996 to 2001,

annual growth in households averaged 148,600, down slightly from 160,400 in the 1991-96 period.² The total number of households in Canada reached 11.6 million in 2001, nearly double the 6 million total in 1971.

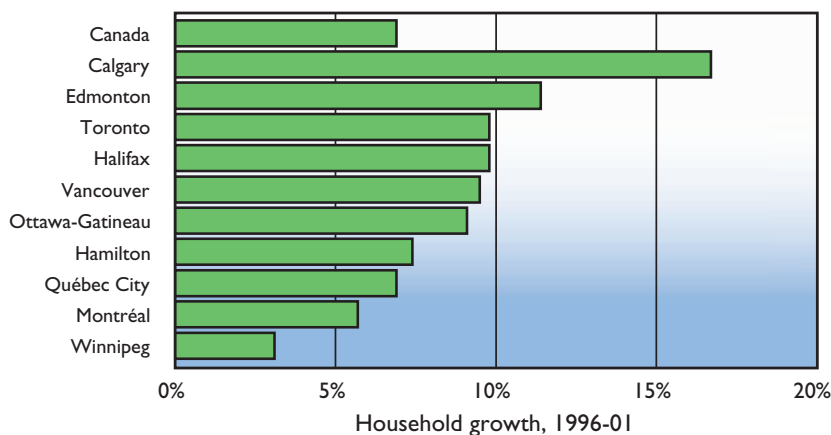
Because the housing stock must expand if households are to form, the number of new homes built closely parallels growth in the number of households (see *Figure 10*). The relationship is not exact, however, as new construction must also make up for units lost from the housing stock through demolition or conversion to other uses. In addition, some of the necessary increase in housing supply comes from sources other than new construction - via conversions that either split existing homes into additional units or transform non-residential buildings into homes. Between 1991 and 2001, the number of housing completions was less than the growth in households. Since mid-2001, the rate of new home construction has accelerated.



¹ 2001 Census of Canada. The term “medium-sized centres” refers to Census Agglomerations, that is, to areas that have urban core populations of at least 10,000 and less than 100,000. “Rural and small town areas” are those that do not have populations of 10,000 or more.

² Coverage errors in the census affect household growth estimates. Coverage studies for the 2001 Census of Canada have not been completed.

Figure 11
Household Growth, Canada and Selected Urban Centres, 1996-2001



Growth computed using 2001 Census Metropolitan Area boundaries.
 Source: CMHC, adapted from Statistics Canada (Catalogue no. 96F0030XIE2001003)

As with the national rate of household formation, regional differences in household growth mirror underlying differences in population growth. With the fastest-growing population in Canada, Alberta also recorded the highest rate of household formation between 1996 and 2001.

In the second half of the 1990s, home-building in Alberta accelerated in tandem with increased household growth. British Columbia and Ontario were the only other provinces in which the rate of household formation exceeded the Canadian average. The provinces with the lowest rates of household formation, Newfoundland and Saskatchewan, also had the slowest growing populations.

As with population growth, most of the cities with the highest rates of household growth, led by Calgary, are in Alberta or Ontario (see Figure 11).

Owners on the Rise, Renters at a Standstill

In the past three decades, the number of households owning their homes grew faster than the number of renter households. As

a result, ownership rates rose steadily (see Figure 12).

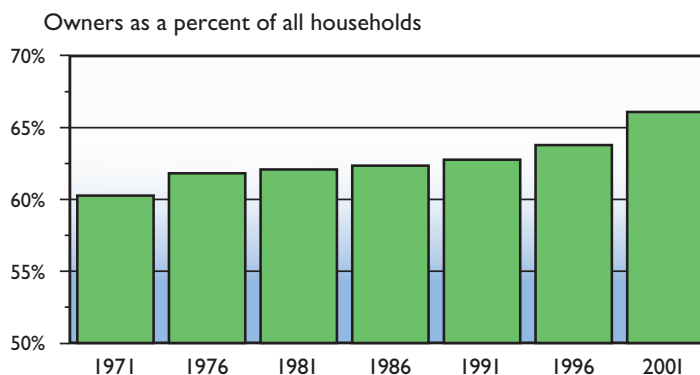
Demographic forces have favoured increased homeownership. The probability of owning a home rises with age. In the 1970s, the first baby boomers began leaving home, most of them to form renter households. By the turn of the century, most baby boomers, now ranging in age from their late thirties to late fifties, had bought homes.

Between 1996 and 2001, growth in owner households accelerated, while the number of renter households barely increased (see

Figure 13). According to the 2001 Census of Canada, the number of owner households grew by an annual average of 146,500, renters by a mere 400. The ownership rate in Canada reached 65.8 per cent in 2001, up substantially from 63.6 per cent in 1996.

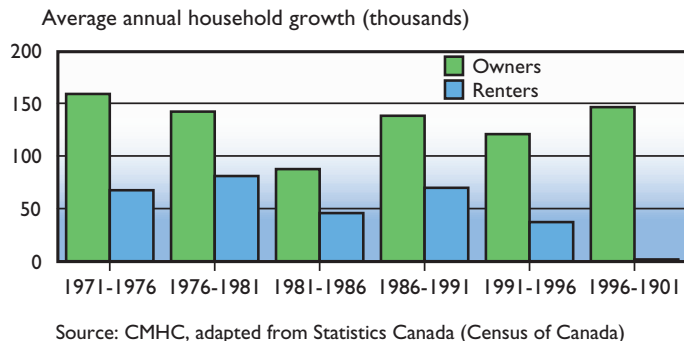
During this period, the ownership market benefited from favourable economic conditions as well as the aging of the population. Low mortgage rates, employment growth, and rising disposable incomes helped attract renters to homeownership.

Figure 12
Ownership Rate, Canada, 1971-2001



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

Figure 13
Household Growth by Tenure, Canada, 1971-2001



In addition, people wanting to rent had a harder time finding apartments since vacancy rates in many rental markets dropped markedly during the period. The proportion of young adults aged 20 to 29 living with their parents rose to 41 per cent in 2001, from 39 per cent in 1996 and 33 per cent in 1991.

Household Composition Is Changing

The aging of the population is also shaping household composition. Between 1996 and 2001, the number of households maintained by people under the age of 35 declined (see Figure 14).

The largest absolute increase in households occurred in the 45-54 age group, the group reached by the leading edge of the baby boom. The strongest growth in percentage terms occurred for those aged 75 and over. Between 1976 and 2001, households led by seniors more than doubled their number.

In recent decades, the age pattern of household growth has been quite predictable. Over the next ten years, the oldest baby boomers will swell the ranks of the 55-64 age group, while the peak of

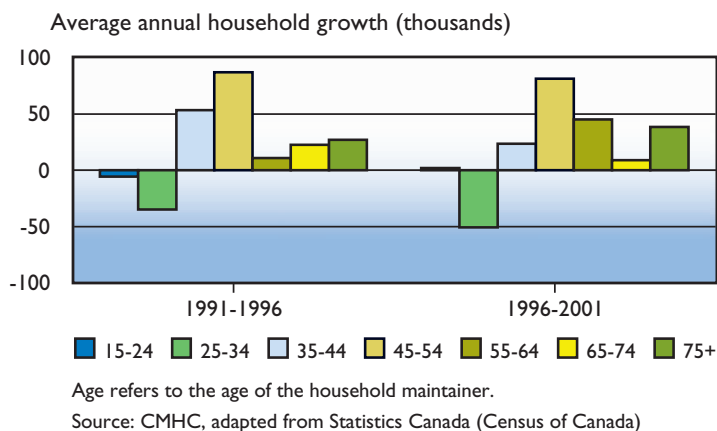
the baby boom, those born around 1959, will do the same for the 45-54 group. Whatever the housing choices of these aging baby boomers - remodeling their present homes, moving in search of more suitable housing, or purchasing second homes, their influence on the housing market will be considerable.

Changes in the age make-up of the population are a factor behind the increasing diversity of Canadian households. In the last thirty years, growth rates for different types of households varied widely. Traditional

households comprised of couples with children were the slowest-growing type of household. In 1971, half of all households were couples with children, a fraction that fell to around a third by 2001.³

One-person households grew faster than all other types, followed by lone-parent households, and couples without children. In 2001, people living alone accounted for just over one quarter of all Canadian households (see Figure 15), double the proportion in 1971.

Figure 14
Household Growth by Age Group, Canada, 1991-2001

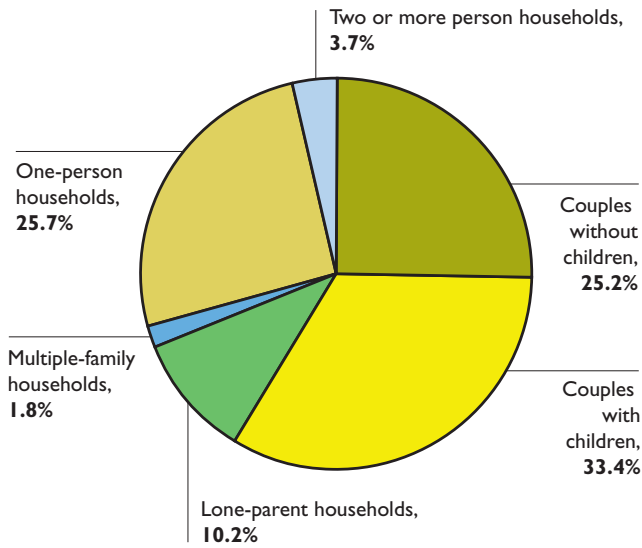


³ Because of changes to the definition of census family, household type data from 2001, with the exception of data on one-person households, are not strictly comparable to data from earlier censuses.

Figure 15

Household Composition, Canada, 2001

Distribution of Households



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

Aging contributed to the increases in single-person households and childless couples - through the death of spouses and departure from home of the children of aging parents. Other factors also played roles in the growth of non-traditional households, including the growing popularity of common-law unions, the increasing likelihood of break-up of relationships, and low and declining fertility.

Growth of multiple-family households accelerated in the last fifteen years. These households consist of two or more families sharing the same dwelling. Three-generation families are included in this group. The rising proportion of immigrants in the population may have played a part in the acceleration. Despite recent growth, multiple-family households are still relatively rare, comprising less than two per cent of all households.

While the growth rates of different household types have varied significantly and have shifted over time, the collective effect of these changes in household

composition has been a steady drop in average household size (see Figure 16).

The decline in household size was more moderate in the 1990s than in previous decades. From 3.9 persons per household in 1961, average household size dropped to 2.6 in 2001. In 2001, there were slightly more people living alone than there were households of four or more people.

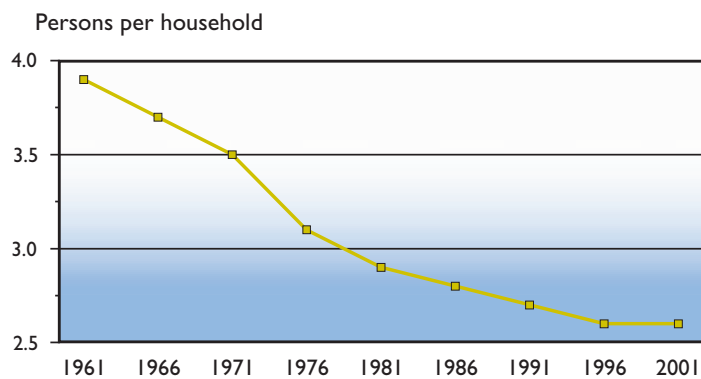
Job Creation Boosts Housing Demand

In the late 1990s, growth in employment was one of the factors counteracting slower population growth and supporting increases in residential construction. When employment and incomes are growing, individuals and families are more likely to form independent households than when the economy is performing poorly. Job stability increased in the 1990s. With steady, reliable incomes, people can act on their preferences.

After lacklustre performance in the first half of the decade, job creation in Canada accelerated in 1997, remaining high through 2000. During these four years, increases in full-time employment outpaced increases in part-time employment. After slowing in parallel with the economy in 2001, job creation rebounded strongly in 2002 (see Figure 17).

Figure 16

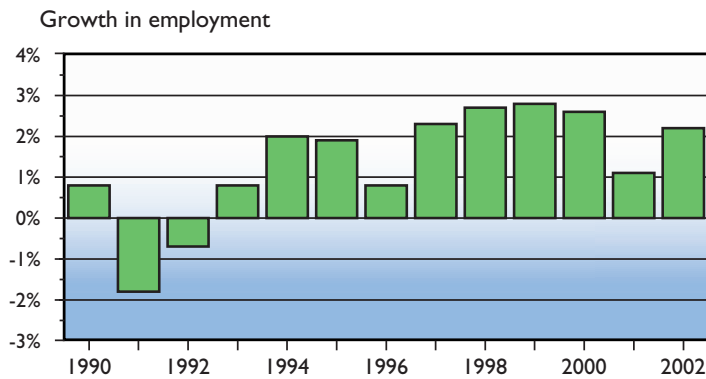
Average Household Size, Canada, 1961-2001



Source: Statistics Canada (Census of Canada)

Figure 17

Growth in Total Employment, Canada, 1990-2002



Source: CMHC, adapted from Statistics Canada (CANSIM II)

was the third-fastest among provinces, but high unemployment meant that any workers attracted to the province were more than offset by others leaving. At the other extreme, population growth in British Columbia, third-highest in Canada, came about despite weak job creation. High levels of immigration more than made up for population lost to other provinces.

Real Incomes Rise

The resurgence in employment growth contributed to rising incomes in the late 1990s. Growth in real disposable income paralleled the pace of job creation,

accelerating from 1997 through 2000 and slowing thereafter. Despite the slowdown, income growth remained well above the slow pace of the first half of the 1990s (see Figure 19).

While job growth put more money in the pockets of many Canadians, incomes did not fully recover from declines in the early 1990s until late in the decade. In 2000, the real after-tax income of Canadian families (\$54,725) was 11.6 per cent higher than in 1991,

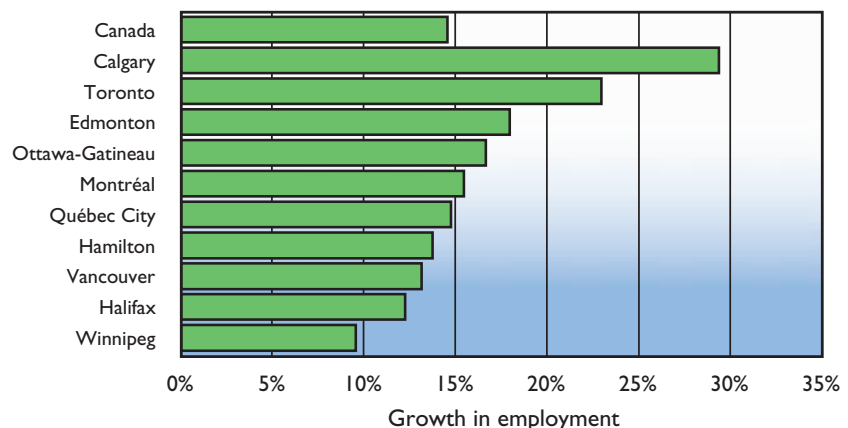
Where labour is in short supply, the creation of new jobs produces population growth, as workers with the required skills migrate from other locations to take advantage of employment opportunities. Provinces with the largest increases in housing starts had expanding labour markets that helped attract migrants.

Since the upturn in job creation began in 1997, the two provinces with the highest rates of employment growth, Alberta and Ontario, also had the most rapidly growing populations. With the highest rate of participation in the labour force in Canada and one of the lowest unemployment rates, Alberta has been the top destination for interprovincial migrants since 1997. During the same period, Ontario also drew population from other provinces. Led by Calgary, metropolitan areas with high job creation were concentrated in these two provinces (see Figure 18).

Employment and population growth do not necessarily occur together. For example, job creation in Newfoundland

Figure 18

Employment Growth, Canada and Selected Urban Centres, 1997-2002

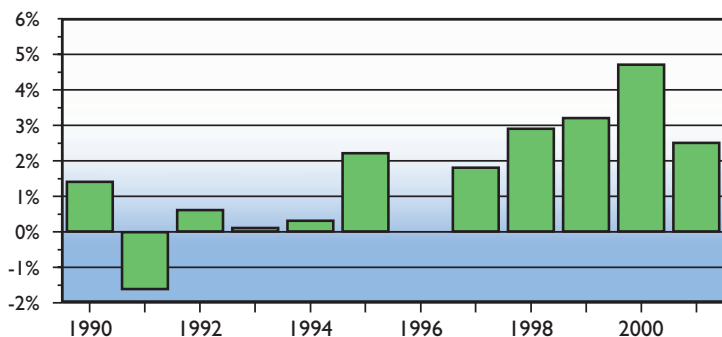


Source: CMHC, adapted from Statistics Canada (CANSIM II)

Figure 19

Disposable Income Growth, Canada, 1990-2001

Annual growth in real disposable income



Source: CMHC, adapted from Statistics Canada (CANSIM II)

while the average income of unattached individuals (\$22,955) was 8.2 per cent higher. Over the decade, average family incomes grew fastest in Ontario, followed by Alberta.

The income growth of the 1990s accrued disproportionately to high-income earners. The real average after-tax income of the bottom fifth of families increased by 5.5 per cent between 1991 and 2000, well below the 16.3 per cent increase of the top fifth. As a result, the ratio of the average after-tax income of the top quintile to that of the bottom quintile rose from 4.8 in 1991 to 5.3 in 2000. The ratio of incomes before taxes and transfers in the top and bottom quintiles was much higher - 11.7 in 2000 - than the ratio of after-tax income, an indication that taxes and government transfers reduced income inequality. In 2000, nearly half the before-tax income of the lowest quintile came from government transfers.

Increases in Wealth Benefit Owners

While current income clearly influences the ability to pay for housing, household wealth (in terms of personal savings, investments and assets) is also an

important factor. Wealth can also be transferred to other family members outside the immediate household to help them pay for housing. In addition to directly funding spending on shelter, wealth may indirectly affect housing demand through influencing the confidence of consumers.

Between 1984 and 1999, the real median net worth of Canadian households increased by 10.7 per cent to \$92,543. At \$210,913, average net worth in 1999 was much higher than the median. Because wealth is more unevenly distributed than income, the gap

between median and average net worth is much larger than the gap between median and average incomes.

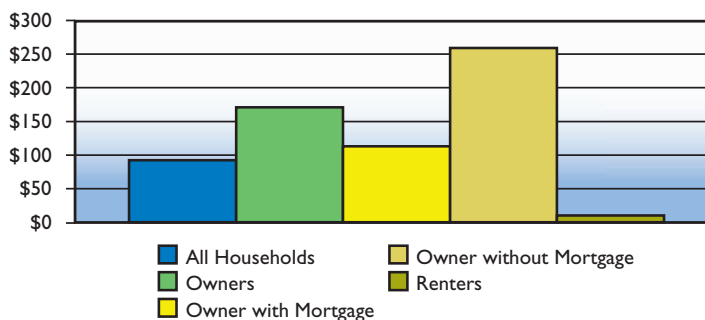
The wealth profile of renters and homeowners changed significantly between 1984 and 1999. The real median net worth of owners increased by 20.7 per cent, while that of renter households dropped by 41.4 per cent. The median net worth of owners in 1999 was nearly 17 times higher than that of renters - \$171,150 versus \$10,201 (see Figure 20).

At \$46,972, renters' average net worth was much higher than the median. In contrast to the decline in their median net worth, the average net worth of renter households increased between 1984 and 1999.

Figure 20

Household Net Worth by Tenure, Canada, 1999

Median household net worth in 1999, thousands of dollars



Renters include households occupying their homes rent-free.

Source: CMHC, adapted from Statistics Canada (Survey of Financial Security)

The growing gap between the average and the median indicates that the wealth of renter households became more unevenly distributed over this period, with a larger relative proportion of renter households having net worth levels in the lower ranges in 1999, compared to 1984.

For homeowners, housing represents a significant source of wealth. In 1999, equity in the principal residence accounted for about 40 per cent of the average net worth of homeowners. Fifty-four per cent of these owners had mortgages on their homes. The median net worth of owners with mortgages was \$113,000, less than half of that of owners without mortgages (\$259,311).

These differences in wealth in part reflect underlying differences in age. Renters tend to be younger than owners, and mortgage-free owners are older, on average, than those with mortgages. Because wealth accumulates over time and is drawn down during retirement, net worth increases with age, peaking at ages 55 to 64 and declining gradually thereafter (see Figure 21). In 1999, the median net worth of households in which the highest income earner was

aged 55 to 64 was \$177,200. Median net worth of households in which the highest earner was under-25 was only \$5,900. In the 75-and-over age group, median net worth was \$136,700.

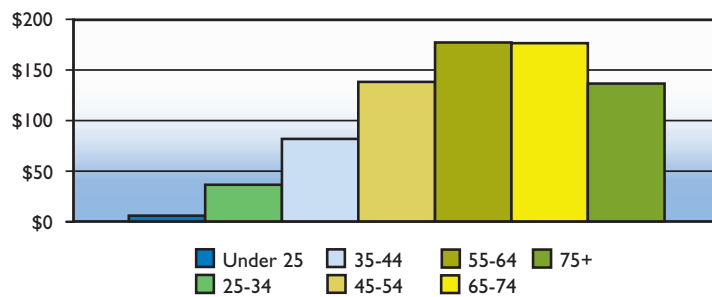
The aging of the population was one factor behind increases in wealth but not the whole story. Between 1984 and 1999, aging pushed a growing proportion of the population into middle-aged and older age groups, groups that have had time to acquire assets and watch their value grow. At the same time, wealth within age categories changed significantly during the period. Median net worth rose for households in which the highest income earner was 55 or older, especially for senior households, but fell sharply in all younger groups, especially the renter-dominated, under-35 group.

Given recent declines in equity markets, a trend towards higher average home values, and the movement, induced by lower mortgage rates, of large numbers of renters into homeownership, the wealth profile of Canadian owner and renter households is likely to have changed to some extent since 1999.

Figure 21

Household Net Worth by Age Group, Canada, 1999

Median household net worth in 1999, thousands of dollars



Source: CMHC, adapted from Statistics Canada (Survey of Financial Security)



Current Housing MARKET DEVELOPMENTS

2002 was a year of significant growth in housing market activity in Canada. Housing starts reached a 13-year high, resale volumes reached new records, and renovation spending continued to expand.

Low mortgage rates, increased disposable income, high levels of job growth, resilient consumer confidence, and high immigration all helped to stimulate housing demand in 2002. Demand pressures reduced inventories of unoccupied new housing units to record lows. The average rental vacancy rate of the 28 largest urban centres rose to 1.7 per cent from the 2001 low of 1.1 per cent. House prices and rents advanced at the fastest pace since the late 1980s and early 1990s.

New Home Construction Enjoys Renewed Strength

Housing starts reached 205,034 units in 2002. This level of new residential construction activity

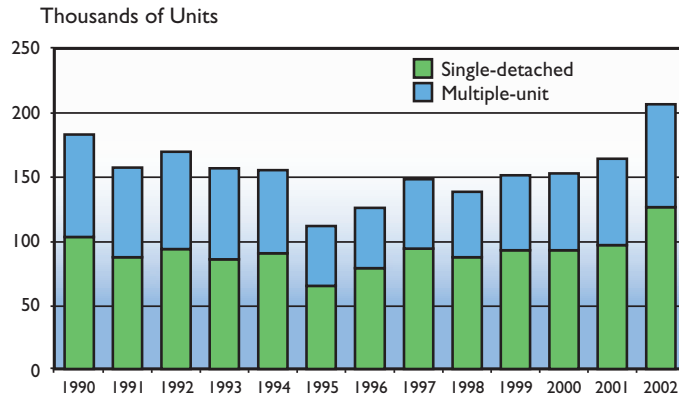
represented a 26 per cent increase over 2001 and was the highest number of housing starts recorded since 1989. High volumes of new construction activity were observed across Canada, with housing starts increasing or remaining at high levels in all provinces in 2002. Most of the growth in housing starts from 2001 to 2002 took place in Québec, Ontario, and Alberta. Total starts in British Columbia also rose significantly, but remained much below levels seen in the late 1980s and early 1990s.

Single-detached homes remained the dominant type of unit constructed, representing 61.1 per cent of all housing starts in 2002 (see *Figure 22*). Multiple-unit dwellings (comprised of semi-detached homes, row housing and apartments) made up the remaining 38.9 per cent of total starts.

Single-detached housing starts posted the largest increase in 2002, rising by 30.6 per cent over 2001 levels, to reach a total of 125,374 units. Multiple-unit housing starts increased by 19.4 per cent to reach a total of 79,660 units. Significant growth in housing starts was recorded in both urban and rural areas. Urban starts increased by 25.9 per cent, while rural starts rose by 26.7 per cent.

Figure 22

Housing Starts, Single-Detached and Multiple-Unit Homes, Canada, 1990-2002



Source: CMHC (Starts and Completions Survey)

Housing starts targeted to the home ownership market (which includes condominiums) in urban areas rose by 25.8 per cent in 2002 over 2001. Condominium starts were up 15 per cent over the same period, equal to 18.7 per cent of all housing starts in 2002. Condominium starts represented a significant share of total housing starts in Vancouver (48 per cent), Montréal (28 per cent), Edmonton (25 per cent), and Toronto (25 per cent). These four centres accounted for over 70 per cent of all condominium starts, 25,927 units out of a total of 36,798.

Housing starts targeted to the rental market reached 18,841 units in 2002, up by 28.3 per cent over 2001. Most starts destined for the rental market were located in the larger urban centres. The cities with the highest proportion of total starts directed to the rental market were Québec, Halifax and Edmonton.

Overall, Toronto accounted for the largest total number of housing starts in 2002, followed by Montréal and Calgary (see Figure 23).

During 2002, the increase in manufactured home building activity

was similar to the one experienced by traditional on-site building activity. Indeed, manufactured housing shipments in 2002 were up about 26 per cent over 2001. Shipments of multi-section modular homes increased by about 20 per cent over this period, while shipments of single-section manufactured homes rose by about 28 per cent.

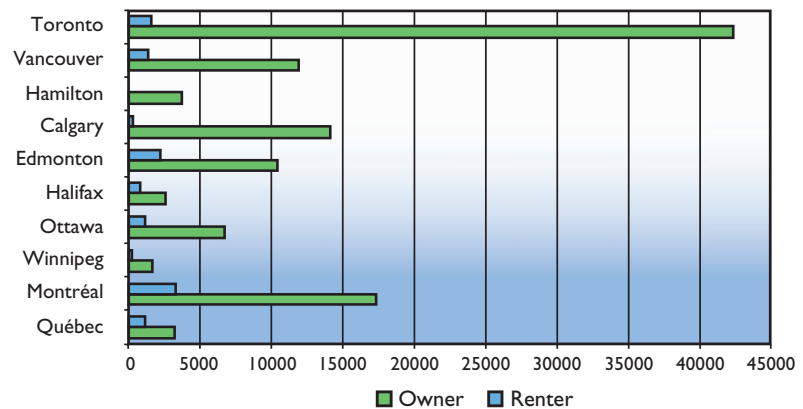
Modest Increases Posted in Labour and Material Costs

Construction costs increased at a modest pace during 2002 (see Figure 24). Hourly wage rates in 2002 for skilled construction workers were up only 1.3 per cent on average over 2001, compared to the general rate of inflation, which was 2.2 per cent. Over the previous five years wages increased 11 per cent compared to inflation of 10.7 per cent.

A composite of total building material costs fluctuated significantly during 2002, but ultimately posted an average year-over-year increase of 1.9 per cent relative to 2001, just under the rate of inflation.

Figure 23

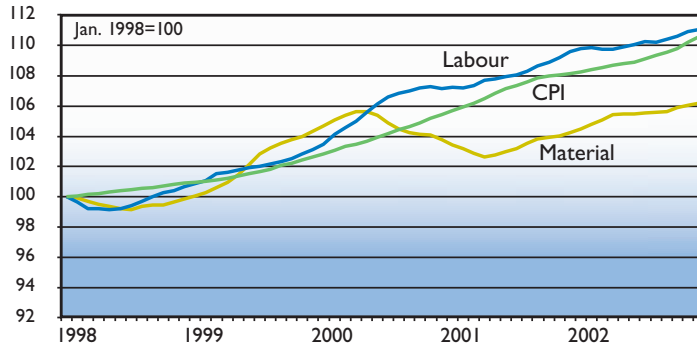
Total Starts, Owner and Rental Units, Selected Urban Centres, 2002



Source: CMHC (Starts and Completions Survey)

Figure 24

Construction Cost Indices, 12-Month Moving Average, Canada, 1998-2002



Source: CMHC, adapted from Statistics Canada (CANSIM II and custom tabulation of construction materials cost index)

Increased Demand Reduces the Number of Unabsorbed New Housing Units⁴ to Their Lowest Recorded Levels

The number of unabsorbed new units (including model homes) in urban centres with populations of 50,000 or more declined in 2002. Falling from a level of 10,509 units in December of 2001, the inventory of unabsorbed newly constructed housing units decreased to 10,251 units a year later. This is up from the lowest recorded level (8,882 units in August 2002), but still about 61 per cent less than the peak of 26,098 units recorded in January 1991.

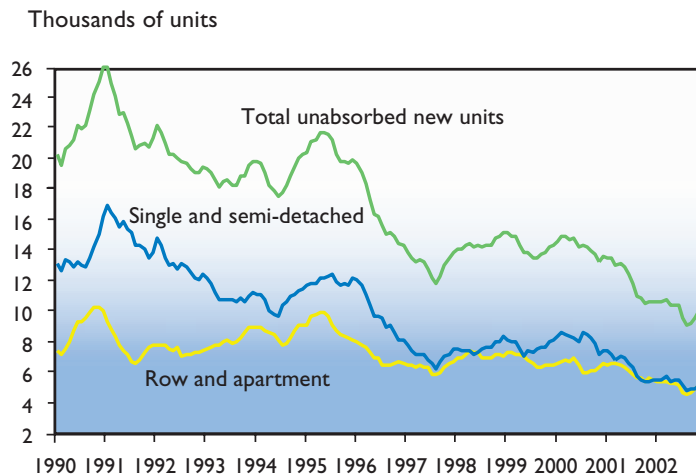
Given the large trade flows between the two countries, trends in building material costs are strongly influenced by residential construction activity in the U.S. as well as in Canada. In 2001, due to the strength of home building in Canada and the U.S., demand for many residential construction materials outpaced supply across North America, lifting overall material costs. Increased production of materials eased the pace of cost increases in 2002 and kept the level of overall costs near the record highs set in 1999.

There have been large differences in cost trends in 2002 over 2001 from one type of material to another. Sharp increases in the costs of wood products early in the year were largely offset by declines in later months. The cost of many other materials, such as bricks, furnaces and drywall increased at or below the rate of inflation. A few construction materials, including various plastic products and nails, declined in cost in 2002.

Declining inventories were reported in most urban centres, and across all types of structures, including single-detached, semi-detached, row, and apartment units (see Figure 25). This decline in inventories reflects two coincident factors: an increased demand for homeownership, due to low mortgage rates, and a reduction in speculative building by developers compared to the housing expansion of the late 1980s.

Figure 25

Unabsorbed New Housing Units, Canada, 1990-2002

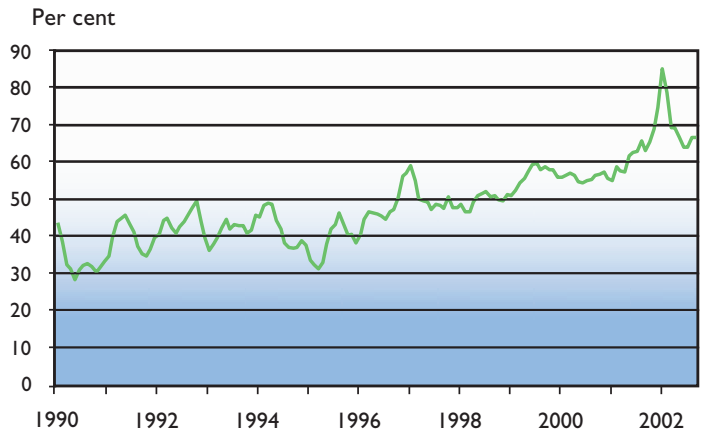


Source: CMHC (Market Absorption Survey)

⁴ Housing units for which construction has been completed but which have not been rented or sold.

Figure 26

MLS® Sales-to-Listings Ratio, Canada, 1990-2002



MLS® is a registered trademark of the Canada Real Estate Association (CREA)
 Source: CMHC, Canadian Real Estate Association (MLS®)

The combination of low mortgage rates, job creation, and rising disposable income contributed to the increase in sales volume. Given these developments, home ownership became more attractive to many households which had been renting. Typically, these households turned to the lower-priced resale market.

Economic Conditions Fuel Increases in Home Prices

A combination of high demand for existing homes and a low number of new listings led to an increase in the

Active Resale Market Breaks Records for Sales Volumes

Activity in the resale housing market, as measured by Multiple Listing Service (MLS®) transactions, reached unprecedented levels of activity at the beginning of 2002. While the resale market slowed somewhat as the year progressed, the national annual sales total still reached a new high of 421,227 transactions in 2002, which was 10.6 per cent higher than in 2001. Sales volumes were near or exceeded previous records in all provinces except Saskatchewan, Manitoba, and British Columbia.

sales-to-listings ratio (see Figure 26), and contributed to rising home prices in 2002. The average sale price recorded by the Multiple Listing Service (MLS®) increased by 9.5 per cent, nearly double the increase in 2001, and well above the average annual increase recorded in the previous decade. The largest price increases, of 9.0 per cent or more, were observed in Nova Scotia, Alberta, Ontario, and Québec. British Columbia continued to have the highest average resale price at \$238,877.

Increases in average home prices in 2002 reflected both price appreciation and changes in the type and location of homes sold. A shift in sales activity in favour of more expensive segments of the market, coupled with increased sales volumes in relatively high-priced urban housing markets such as Vancouver, contributed to higher average sale prices.

New homes also increased in price in 2002. Statistics Canada's New Housing Price Index (NHPI) provides a standardized indicator of house price movements since it is adjusted for the different types of homes sold over time. The NHPI has moved up steadily at the national level since 1997, reflecting higher demand for new housing and higher prices for material and labour. Land costs and local development charges have also influenced the cost of new housing.

Figure 27

New Housing Price Index, Annual Per Cent Change, Selected Urban Centres, 2002	
Ottawa-Gatineau	7.7
Edmonton	7.2
Montréal	5.8
Calgary	5.2
Hamilton	4.3
Québec	4.3
National Average	4.1
Halifax	3.6
Toronto	3.4
Winnipeg	2.6
Vancouver	2.5

Source: CMHC, adapted from Statistics Canada (CANSIM II)

Based on the NHPI, new home prices rose by an average of 4.1 per cent in 2002 over 2001. Average price increases varied across the country (see Figure 27), reflecting local market conditions. Among the larger urban centres, Ottawa-Gatineau posted the largest year-over-year increase at 7.7 per cent, while Vancouver posted the lowest increase at 2.5 per cent.

Over the last few years, a shift to higher price ranges for new homes has been particularly noticeable in three of Canada's largest urban centres: Montréal, Calgary, and Ottawa (see Figures 28, 29, and 30).

Recent declines in mortgage interest rates have meant that the same monthly mortgage payment could carry a higher principal amount and therefore a more expensive house. The shift from lower to higher price ranges has been accompanied by an increase in the size and level of amenities of homes built.

Overall Cost of Owning a Home Increases Moderately

Movements in average house prices provide only a partial indicator of changes in the overall costs of homeownership, as they do not incorporate financing and operating costs. Statistics Canada's Consumer Price Index for owned accommodation is a better overall indicator of changes in the cost of owning a home. Among the cost factors included in this index are mortgage interest costs, replacement costs, property taxes, insurance premiums, maintenance, repairs and utilities.

Figure 28

Absorptions by Price Range, Montréal, 1998-2002

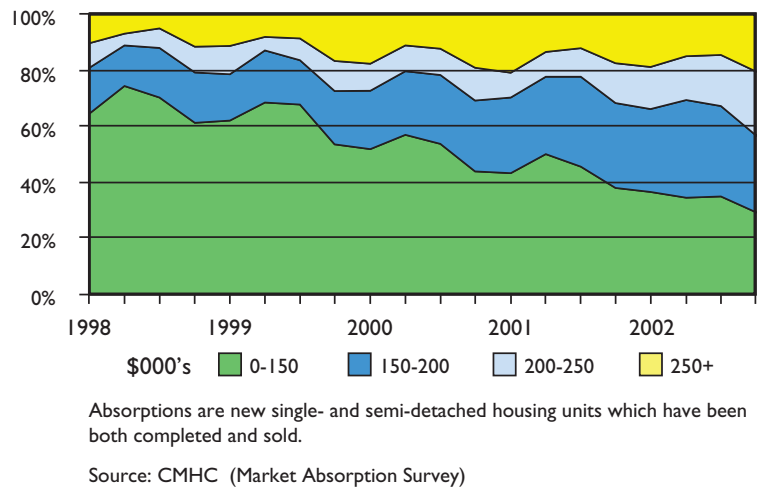


Figure 29

Absorptions by Price Range, Calgary, 1998-2002

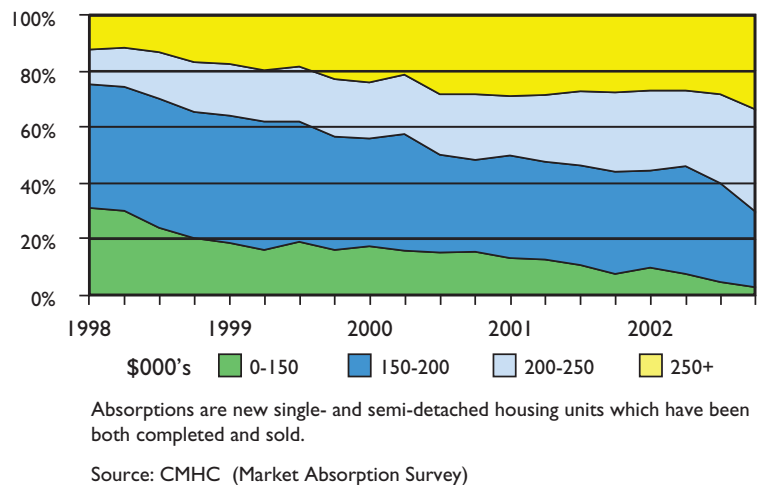


Figure 30

Absorptions by Price Range, Ottawa, 1998-2002

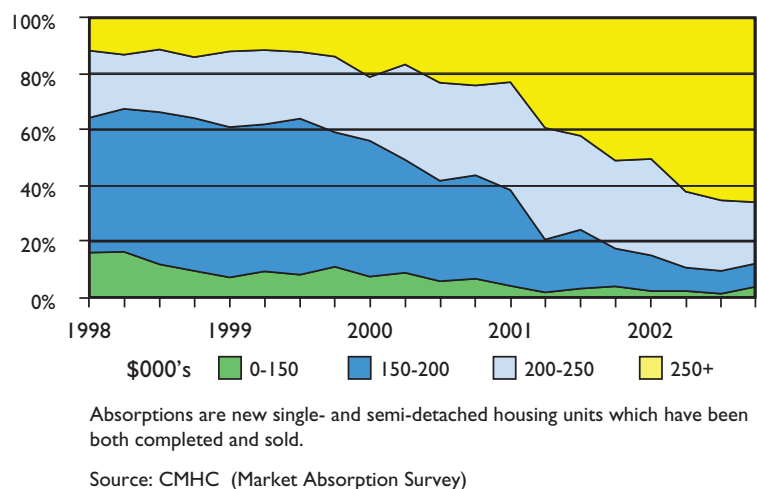
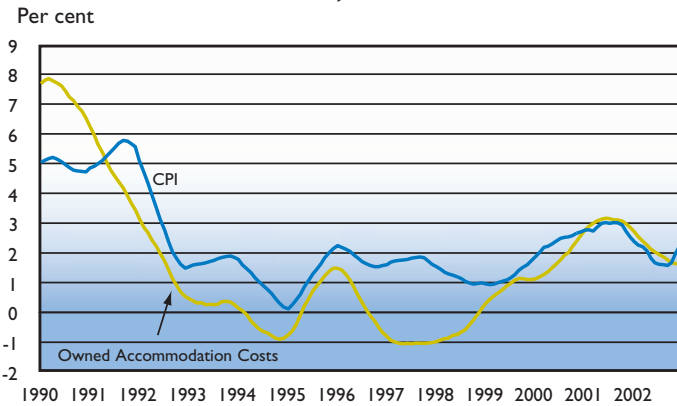


Figure 31

Owned Accommodation Costs
Annual Per Cent Change of 12-Month Moving Average,
Canada, 1990-2002



Source: CMHC, adapted from Statistics Canada (CANSIM II)

Owned accommodation costs rose by an average of 1.7 per cent in 2002. This increase was moderately less than the general rate of inflation of 2.2 per cent and lower than the 2.9 per cent increase recorded in 2001. Since 1992, the average annual per cent change in the owned accommodation cost index has remained below the general rate of inflation, with the exception of 2001 (see Figure 31).

Several cost items put upward pressure on overall owned accommodation costs, notably electricity, insurance premiums and replacement cost. (see Figure 32). However, declining mortgage interest costs, and to a lesser extent, relatively low rates of property tax increases helped to cushion the impact of cost increases in other areas.

Utility costs also declined in 2002, by an average of 2.6 per cent, due in large part to a large drop in oil and gas prices which more than offset increases in electricity and water prices.

Ownership Costs Vary Considerably Between Urban Centres

The cost of owning a home varies significantly from one urban centre to another (see Figure 33).

Among the larger urban centres, the monthly cost of owning an average-priced home was significantly above the national average in Toronto and Vancouver, but significantly below average in Winnipeg and Québec City.

To a large extent, the disparities in the monthly cost of owning a home reflect the sizable variation in house prices across Canadian communities. Heating and property taxes account for some of the variation, but in a much smaller proportion. House prices reflect a variety of factors affecting both the supply and demand for housing in specific local markets.

Rental Vacancy Rates Remain Low

Although housing starts intended for the rental market have increased in recent years, the construction of new conventional rental units has generally not kept pace with demand for rental housing created by high levels of immigration and increased employment in the young adult population.

Figure 32

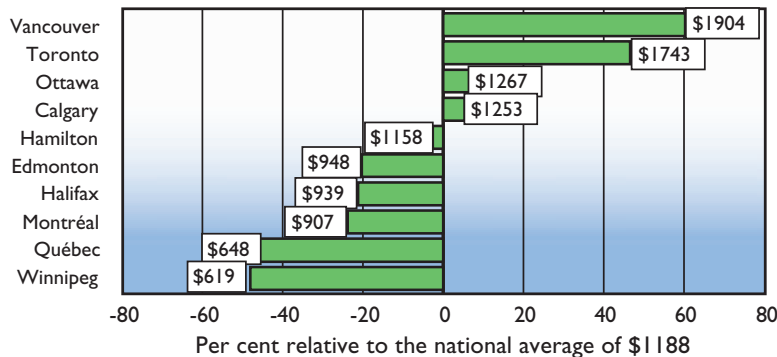
Costs Related to Owned Accommodation, Annual Per Cent Change, Canada, 2002		
		Share (%) ¹
Owned accommodation	1.7	100.0%
Mortgage interest cost	-2.8	25.1%
Replacement cost	4.9	13.7%
Property taxes (including special charges)	1.7	18.1%
Homeowners' insurance premiums	6.8	5.4%
Homeowners' maintenance, repairs and other expenses	4.7	8.6%
Other owned accommodation expenses	3.7	5.5%
Water, fuel and electricity	-2.6	23.7%
Electricity	7.6	13.3%
Water	5.0	2.0%
Piped gas	-18.1	5.2%
Fuel oil and other fuel	-8.1	3.0%

¹Share indicates the relative importance of the item in contributing to total home ownership costs.

Source: CMHC, adapted from Statistics Canada (CANSIM II)

Figure 33

Monthly Mortgage Payment for the Average-Priced Home¹, Selected Urban Centres, 2002



¹ Based on 10% down payment, 25-year amortization and average 2002 5-year mortgage rate of 7.02%

Source: CMHC, Canadian Real Estate Association (MLS®), Bank of Canada

A key factor in marginally increasing vacancy rates from the 2001 low has been the shift of many renters to the home ownership market, largely encouraged by historically low mortgage rates.

Modest Increases in Cost of Rental Accommodation

Despite continued low vacancy rates in 2002, increases in average rents have been relatively modest overall. Average rents for two-bedroom apartments increased by 3.1 per cent between 2001 and 2002 according to CMHC's Rental Market Survey. Increases in average

A portion of rental housing demand has been met by housing units which have been purposefully constructed as rental accommodation, while units supplied through the secondary rental market have constituted another important part of the total supply.

The latter component of the rental market consists of accessory apartments, rented condominiums, single homes rented out, and duplexes and triplexes often operated by small-scale landlords. While the secondary rental market is an important source of housing supply in many centres, efforts to estimate its overall size are hampered by a lack of statistics.

Low levels of rental housing production had contributed to progressively declining vacancy rates in most major centres in Canada between 1994 and 2001. The year 2002 was significant in that it marked a halt to this trend.

Based on CMHC's annual Rental Market Survey conducted in October, the average rental vacancy rate in Canada's metropolitan centres rose from 1.1 per cent in 2001 to 1.7 per cent in 2002. The majority of Canada's larger urban centres had higher rental vacancy rates in 2002 than in 2001, although rates remained low (see Figure 34).

rents for two-bedroom apartments in specific local markets ranged from a low of 1.8 per cent in Ottawa to a high of 8.4 per cent in Edmonton. Halifax posted the second highest increase in average rents, at 4.6 per cent.

Average rents vary considerably from one urban centre to another. Among the larger urban centres, the monthly rent for a two-bedroom apartment was

Figure 34

Vacancy Rates ¹ (per cent), Selected Urban Centres, 2001-2002			
	Oct. 2001	Oct. 2002	Chg. from Oct. 2001
Québec	0.8	0.3	-0.5
Montréal	0.6	0.7	0.1
Winnipeg	1.4	1.2	-0.2
Vancouver	1.0	1.4	0.4
Hamilton	1.3	1.6	0.3
Edmonton	0.9	1.7	0.8
Ottawa	0.8	1.9	1.1
Toronto	0.9	2.5	1.6
Halifax	2.8	2.7	-0.1
Calgary	1.2	2.9	1.7
Average ²	1.1	1.7	0.6

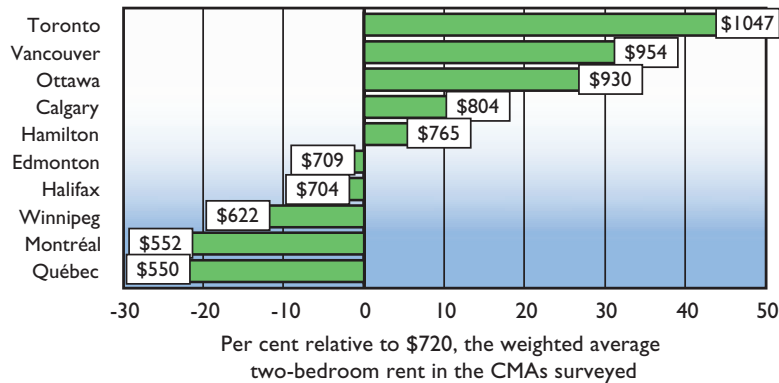
¹ In privately initiated apartment structures of three units and over

² Weighted average of Census Metropolitan Areas surveyed

Source: CMHC (Rental Market Survey)

Figure 35

Monthly Rent for a Two-Bedroom Apartment¹, Selected Urban Centres, 2002



¹ In privately initiated structures of three units and over

Source: CMHC (Rental Market Survey)

significantly above the national average in Toronto, Vancouver, and Ottawa, but significantly below average in Montréal and Québec City (see Figure 35). The variation in average rents reflects a host of factors affecting both the supply and demand for housing across urban centres.

Statistics Canada's Consumer Price Index for rented accommodation provides a different indicator of rental costs, one that encompasses Canada as a whole. This index incorporates a variety of rental cost components such as rents, tenants' insurance premiums, and tenants' maintenance and repairs. It also factors out cost increases that are due to improvements in quality.

In 2002, average rented accommodation costs rose by 2.0 per cent, compared to 2001, similar to the price index for owned accommodation costs and somewhat less than the 2.2 per cent annual average rate of inflation.

The dominant cost component, which is rent, rose at a rate of 1.9 per cent in 2002 (see Figure 36). The cost of electricity rose by 7.6 per cent, insurance premiums by 3.8 per cent, and maintenance and repair expenses by 4.8 per cent. Other costs, such as

utilities declined by 2.6 per cent in 2002 relative to 2001, due in large part to a large drop in oil and gas prices. One should note however, that these costs are extremely volatile, much more volatile than changes in rent. The gas and fuel oil components have often exhibited price changes of over 10 per cent, either up or down, over the past five years, while electricity and water prices have exhibited changes of more than five per cent in either direction over the same time period.

Trends in rental cost inflation vary across Canada. Amongst the bigger cities, Edmonton registered the fastest rate of growth in the overall cost of living in rental accommodation in 2002, while Vancouver and Montréal posted the smallest increases.

The rate of increase in rented accommodation costs has begun to move up recently after almost 10 years of decline. Since 1994, the average annual change in the rented accommodation cost index has been below two per cent (see Figure 37).

Figure 36

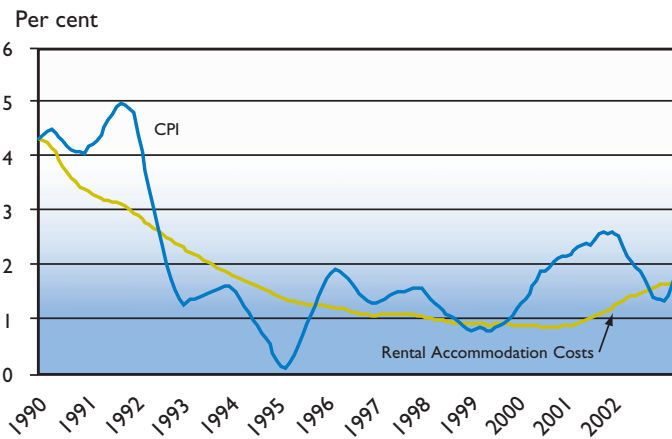
Costs Related to Rented Accommodation, Annual Per Cent Change, Canada, 2002		
		Share (%) ¹
Rented accommodation	2.0	100.0%
Rent	1.9	59.1%
Tenants' insurance premiums	3.8	0.9%
Tenants' maintenance, repairs and other expenses	4.8	0.8%
Water, fuel and electricity	-2.6	39.3%
Electricity	7.6	22.4%
Water	5.0	3.3%
Piped gas	-18.1	8.6%
Fuel oil and other fuel	-8.1	4.9%

¹ Share indicates the relative importance of the item in overall rental costs

Source: CMHC, adapted from Statistics Canada (CANSIM II)

Figure 37

Rental Accommodation Costs, Annual Per Cent Change of 12-Month Moving Average, Canada, 1990-2002



Source: CMHC, adapted from Statistics Canada (CANSIM II)

local rental markets reveals that, in many cases, there is little divergence in the trends observed in these two market segments (see Figure 38). The difference between vacancy rates for two bedroom rental units in the lower and upper ends of the rental market, respectively, was 0.3 percentage points nationally in 2002. For the larger urban centres reviewed in Figure 38, this difference ranged from a low of 0.1 percentage points in Ottawa, Edmonton, and Québec City, to a high of 5.3 percentage points in Halifax.

Differences in increases in median rents for two-bedroom rental units, in the lower and upper ends of the market respectively, averaged 0.5 percentage points nationally. Again, there was some variation among the ten large urban centres, where the difference ranged from a low of 0.5 percentage points in Vancouver and Québec City, to 13 percentage points in Ottawa. Differences in increases in median rents

Comparison of Vacancy Rates and Rent Increases in the Lower and Upper Ends of the Rental Market

Comparing vacancy rates and rent increases within the lower and higher-priced components of individual

Figure 38

Vacancy Rates and Rents for Two-Bedroom Apartments ¹ by Rent Level, Selected Urban Centres, 2002								
	Lower ²				Upper ²			
	Vacancy Rate		Median Rent		Vacancy Rate		Median Rent	
	Rate %	Difference from 2001 (%)	\$	% change from 2001	Rate %	Difference from 2001 (%)	\$	% change from 2001
Toronto	1.4	1.0	825	4.4	3.2	1.8	1314	1.9
Ottawa	1.3	1.0	740	9.6	1.2	-1.0	1135	-3.4
Vancouver	1.8	0.5	710	2.9	1.1	0.3	1300	2.4
Calgary	3.2	1.3	650	4.0	2.0	0.4	975	2.6
Hamilton	1.6	-0.8	620	4.2	0.8	0.3	950	2.3
Edmonton	1.7	-0.4	555	8.8	1.8	1.1	865	5.4
Halifax	7.5	0.6	500	1.0	2.2	1.4	920	2.2
Winnipeg	1.8	-2.0	460	2.2	0.6	0.5	766	3.5
Québec City	0.2	-0.9	425	1.2	0.1	-0.5	680	0.7
Montréal	0.4	-0.6	400	2.6	0.9	0.5	775	9.5
National ³	1.8	0.1	435	2.4	1.5	0.6	1070	1.9

¹ In privately initiated apartments structures of three units and over

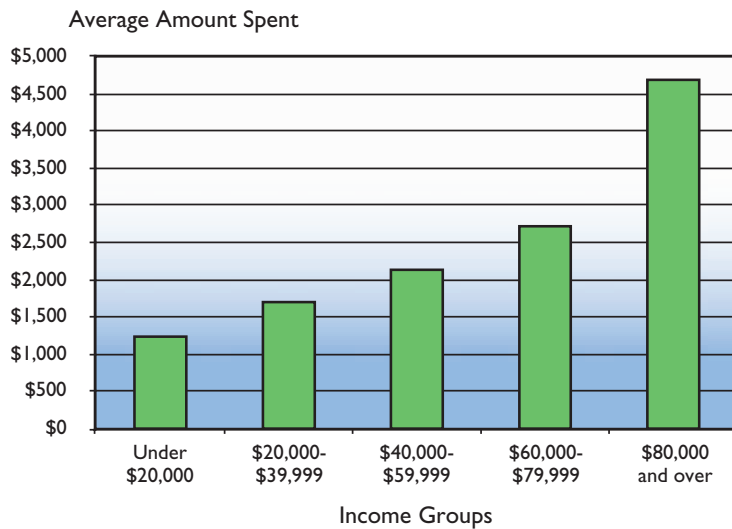
² Lower is the 20% of apartments (quintile) in a specific market with the lowest rents, Upper is the 20% with the highest rents

³ Weighted averages of data from the 28 largest urban centres

Source: CMHC (Rental Market Survey)

Figure 39

Average Expenditure by Homeowners on Housing Repairs and Renovations by Income Group, Canada, 2001



Source: Statistics Canada (Catalogue no. 62-201-X1B)

According to Statistics Canada's 2001 Homeowner Repair and Renovation Expenditure Survey, 76 per cent of homeowner households reported at least one repair or renovation expenditure in 2001. The average amount spent by homeowners on repairs and renovations across Canada in 2001 was \$2,585. Survey responses indicated that on average, two-thirds of the amount spent on repairs and renovations were dedicated to work contracted out, while the remaining one-third was spent on materials purchased separately by the homeowner.

As might be expected, households with larger incomes tend to spend more on repairs and renovations than households with lower incomes (See Figure 39).

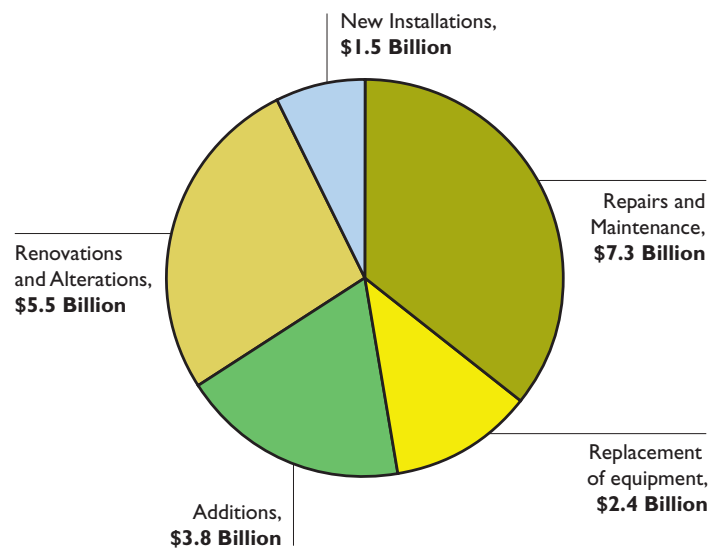
in the lower and upper ends of the rental market were also pronounced in Montréal (at 6.9 percentage points) and Edmonton (at 3.4 percentage points).

Homeowner Spending on Repairs and Renovations

Record levels of resales and relatively low mortgage rates supported solid growth in renovation spending in 2001. Resale activity is a particularly important driver of the renovation market, since households generally do most renovation work within the first three years of purchasing a home. Furthermore, resales involve older homes which hold greater potential for renovation, particularly more extensive projects aimed at modernizing the home's features or customizing them to the new owner's tastes.

Figure 40

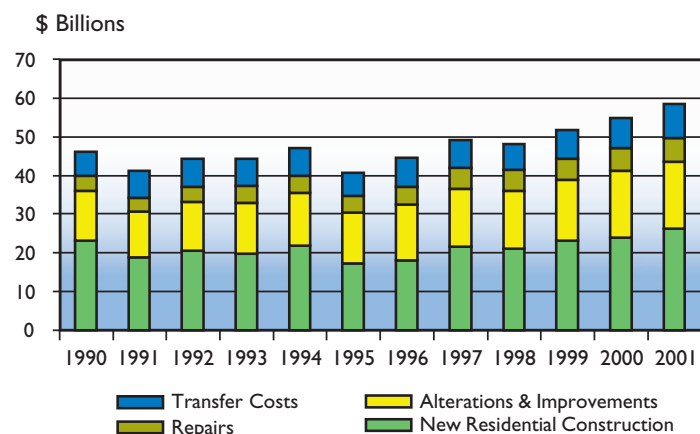
Homeowner Expenditures on Housing Repairs and Renovations, Canada, 2001



Source: CMHC, adapted from Statistics Canada (Catalogue no. 62-201-X1B)

Figure 41

Breakdown of Total Residential Investment and Home Repairs Spending, Canada, 1990-2001



Source: CMHC, adapted from Statistics Canada (CANSIM II)

Housing Exports Rise

Exports of Canadian housing-related value-added building products reached a record high of \$8.3 billion in 2001, an increase of 1.3 per cent over 2000. British Columbia, Ontario and Québec accounted for over 85 per cent of the exports of all housing-related building products. The main destination for Canadian exports was the U.S. with a 93 per cent share of the total. Japan was the second largest market (with a 3 per cent share), while the United Kingdom, China and Germany accounted for a combined share of less than 1.5 per cent.

Survey results show that households with incomes over \$80,000 spent on average \$4,690 on repairs and renovations, while households with incomes of \$20,000 to \$39,999, spent on average \$1,706.

While homeowners' average repair and renovation expenditure increases significantly with household income, there is no clear trend with respect to the age of the dwelling. For example, in 2001, homeowners spent an average of \$2,730 on repairs and renovations for dwellings built before 1946, \$2,646 for those built between 1946 and 1970 and \$3,012 for dwellings built in the 1980s.

As illustrated in Figure 40, repairs and maintenance, which includes items such as painting, re-roofing and outdoor patio, fence and driveway repair, accounted for the largest amount of aggregate expenditure in 2001 with \$7.3 billion spent. Renovations and alterations were the second largest component at \$5.5 billion.

The performance of Canada's housing export sector was significant given the economic slowdown in the U.S. and Japan, two of Canada's key housing export markets.

Contribution of Housing to the Economy

Total spending on residential investment⁵ and home repairs together contributed \$58.5 billion to the Canadian economy in 2001 (see Figure 41). New construction together with the associated acquisition costs (land development charges, legal fees, permits, etc.) accounted for just under one-half (44.9 per cent) of this total, with the remainder split between alterations and improvements (29.7 per cent), transfer costs⁶ (15.1 per cent), and repairs (10.3 per cent).

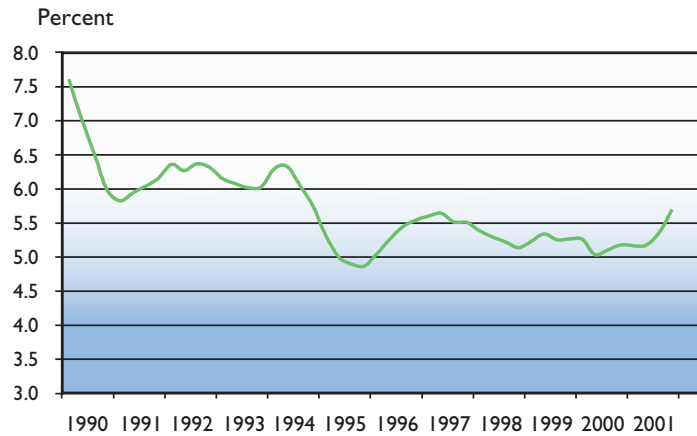
Residential investment and home repair spending rose steadily between 1998 and 2001, increasing by 21.4 per cent overall (an average of 6.7 per cent

⁵ Resale transactions and the value of land are excluded.

⁶ Transfer costs include spending on services associated with changes in ownership such as real estate commissions, appraisals, legal fees and land transfer taxes.

Figure 42

Residential Investment and Home Repairs as a Percentage of GDP, Canada, 1990-2001



Source: CMHC, adapted from Statistics Canada (CANSIM II)

per annum). The high numbers of housing starts discussed earlier contributed to a substantial boost in residential investment in 2002. Investment in new residential construction (including acquisition costs) was up 30 per cent in 2002, as compared to 2001, while spending on alterations and improvements increased by 7.2 per cent and transfer costs rose by 20.8 per cent.

In terms of its contribution to the Canadian economy, the share of GDP accounted for by residential investment and home repairs had fallen from a high of 7.6 per cent in 1990 to a low of 4.9 per cent in 1995. By the fourth quarter of 2001, this percentage had climbed back to 5.7 per cent. (See Figure 42)



Trends in HOUSING FINANCE

The Canadian system of housing finance is well integrated into the capital market. It is based almost entirely upon private-sector funds. Hence, housing must compete with other demands for capital. The federal government maintains a national facilitative presence in the marketplace through CMHC's commercial mortgage loan insurance and securitization activities.

Ample Supply of Mortgage Funding, Low Rates and More Choices

Housing costs are influenced partly by the availability and cost of mortgage financing. The supply of mortgages is plentiful. And mortgage rates are currently at historic low levels.

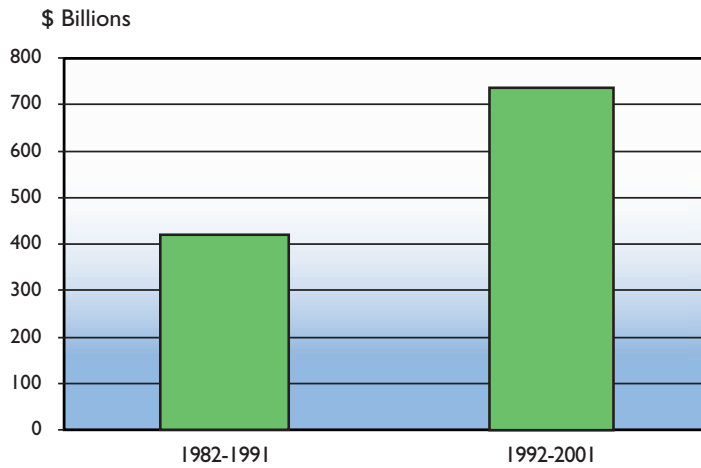
In 2001, \$94.4 billion were available to finance 915,200 units of new or existing housing across the country. The average loan amount was \$103,100. About three-quarters of the financing was taken up by owners of single-detached homes, while owners of multiple-unit housing received the remaining one-quarter. Between 1992 and 2001, \$736.8 billion of financing went to the housing sector. This can be compared to \$412.4 billion in the previous ten-year period from 1982 to 1991 (see *Figure 43*).

Mortgage lending continued to grow in the first half of 2002, as 32.9 per cent more units were financed compared to the level in the same period of 2001. Along with rising housing prices, the average loan amount rose 6.1 per cent between the first half of 2001 and the first half of 2002, to \$108,700 per unit.

In response to a softer economy, short-term interest rates and, to a lesser extent, long-term interest rates generally fell throughout 2001 and 2002. This led to a decline in posted one-year mortgage rates from 8 per cent in May 2000 to as low as 4.6 per cent in

Figure 43

Mortgage Loan Approvals, Canada, 1982-2001



Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisses populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

Movements in short and long-term interest rates influence the cost of home ownership, by impacting on monthly mortgage payments, as illustrated in Figure 45. Declines in mortgage rates in recent years have helped to significantly reduce the monthly interest charges required to carry a mortgage, helping to bring homeownership within the reach of many additional households. Those who have been able to take advantage of shorter term mortgages have particularly benefited in this regard.

The system of housing finance in Canada is national and inclusive. Mortgage credit is generally accessible in all parts of the country at similar terms and conditions. There is

February 2002. Since then, posted one-year mortgage rates drifted higher, reaching 4.9 per cent in December 2002.

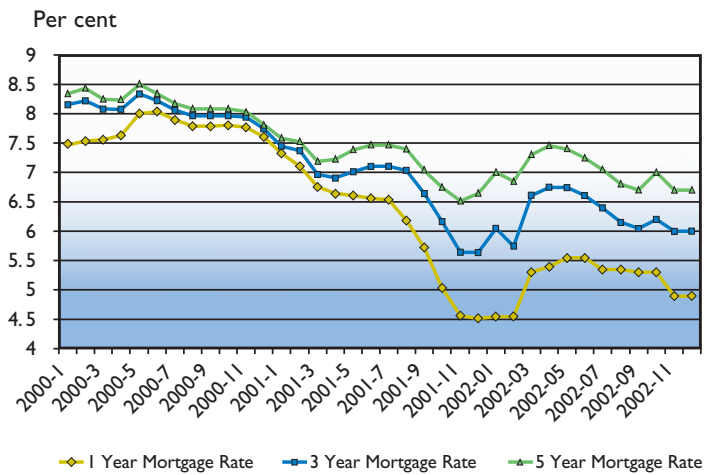
Posted three-year mortgage rates also declined, from 8.3 per cent in May 2000 to 6.0 per cent in December 2002. Posted five-year mortgage rates declined by a smaller amount from 8.5 per cent to 6.7 per cent (see Figure 44).

The smaller reduction in long-term interest rates, relative to the decline observed in short-term interest rates, increased the relative price borrowers had to pay for long-term mortgages. In January 2001, three-year and five-year posted rates were 0.1 per cent and 0.3 per cent above one-year posted rates, respectively. However, in December 2002, the spread widened to 1.1 percentage points and 1.8 percentage points, respectively.

competition amongst lenders for a slice of the mortgage origination and renewal business, resulting in customized services, flexible loan terms and conditions, and discounts off posted mortgage rates.

Figure 44

Average Mortgage Rates, 2000-2002



Source: Bank of Canada

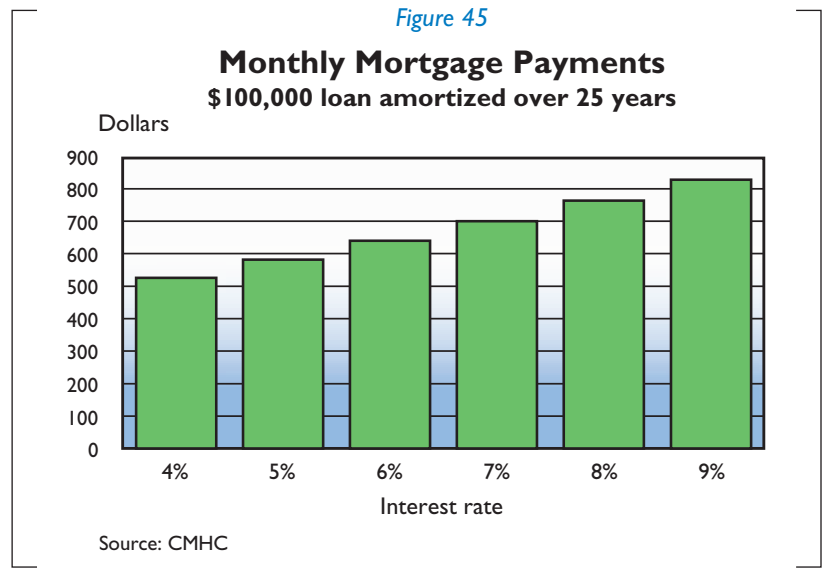
Borrowers typically have access to a number of financing options. With respect to financing terms, they are offered open, convertible, and closed mortgages at fixed rates or variable rates, with or without rate caps. In addition, mortgage rates can be blended with lower rates or extended in a period of increasing interest rates. Borrowers are also given the option to skip some payments, to renew mortgage contracts before the end of the term, and to use home equity as a line of credit. Shorter mortgage terms are favoured by borrowers, although a few lenders offer closed, fixed-rate mortgages of longer than five years.

According to a 2002 Canadian Institute of Mortgage Brokers and Lenders survey sponsored and managed by CMHC, 57 per cent of borrowers shopped around for a mortgage, up from 46 per cent one year ago. However, 60 per cent of those seeking new mortgages and 84 per cent of those renewing their existing mortgages stayed with their current financial institution. Fully three-quarters of mortgage borrowers surveyed indicated that they are familiar with the services offered by mortgage brokers.

Competition in mortgage lending has meant that discounts off posted mortgage rates have become increasingly common. Rate discounts tend to be larger for lower-risk, asset-rich borrowers living in highly competitive markets.

Banks are Lead Mortgage Lenders

Housing investment in Canada usually involves debt financing secured by a mortgaged property. Mortgages made by deposit-taking institutions, such as banks and trust companies, are typically funded by selling



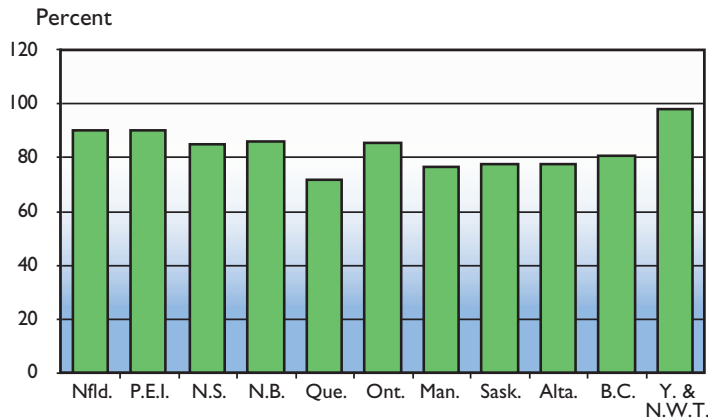
guaranteed investment certificates or other similar interest-bearing term instruments to savers. Life insurance companies and pension funds are the exceptions, because their funding sources for mortgages are the premiums they collect from their clients.

Securitization is also a way to fund mortgages, albeit in an indirect fashion. Mortgage-backed securities (MBS) are an investment in an undivided interest in a pool of insured or uninsured residential mortgages. MBS may or may not involve an unconditional CMHC guarantee of timely payment.

In 2001, the mortgage market supplied \$94.4 billion of financing for the building of new houses or the acquisition of existing homes. Banks led the market with 81.6 per cent of the total mortgage approvals. As a group, life insurance companies, mortgage investment brokers, loan companies, co-operative credit societies, pension funds, and other lending institutions were a distant second, capturing a combined share of 14.2 per cent of the new mortgage business. The market share of trust companies was 4.2 per cent.

Figure 46

Banks' Share of Mortgage Loan Approvals, Provinces and Territories, 2001



Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisses populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

The relative market share was drastically different prior to the recent era of consolidation of financial institutions. For example, in 1991, banks had 54.5 per cent of the mortgage origination business, compared to a market share of 22.4 per cent for trust companies, 15.9 per cent for loan and other lending institutions, and 7.2 per cent for life insurance companies.

There is some regional variation in banks' dominance overall (see Figure 46). Reflecting the strength of caisses populaires, banks' share of mortgage origination in Québec was lower than elsewhere in Canada.

There is also some variation in banks' lending by dwelling type (see Figure 47). In 2001, banks captured 85.5 per cent of the mortgage approvals for single-detached homes, but a smaller

69.7 per cent of the mortgage approvals for multiple-unit housing. The split between singles and multiples in 2001 was about 85-15 for banks and about 59-41 for non-banks.

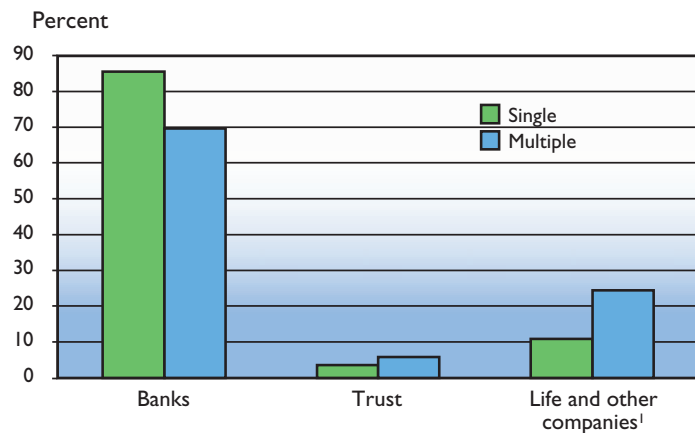
Growth in Mortgage Securitization

On a portfolio basis, banks accounted for 64 per cent of the \$479.4 billion of the residential mortgage credit provided in 2002 (see Figure 48). This was followed by a share of 13 per cent for credit unions and caisses populaires and 11.5 per cent from various mortgage securitization vehicles. The remaining 11.5 per cent of the outstanding mortgage balances was held by trust,

loan and life insurance companies, pension funds or other lending institutions.

Figure 47

Mortgage Loan Approvals for Single and Multiple Unit Housing, By Type of Lender, Canada, 2001

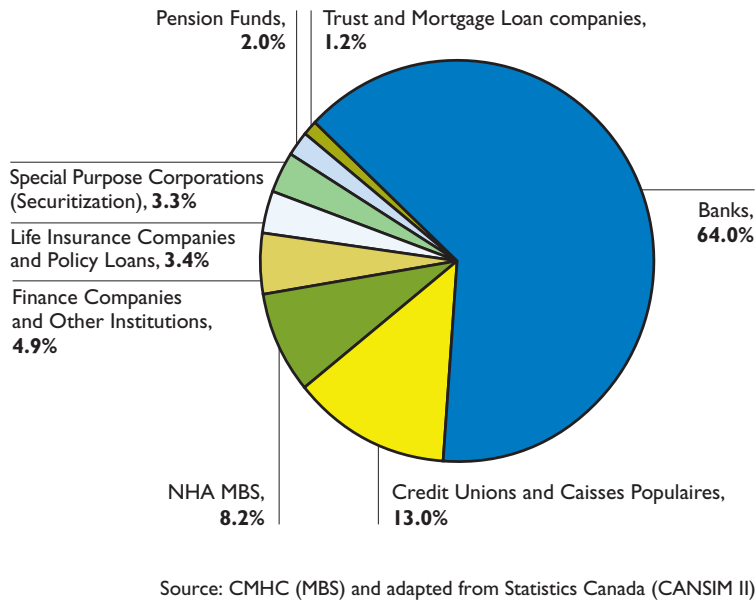


¹ including loan companies, co-operative credit societies, pension funds, mortgage investment brokers and provincial housing corporations.

Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisses populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

Figure 48
Outstanding Mortgage Balance Shares, Canada, 2002



Between 1998 and 2002, outstanding NHA MBS balances grew 119.6 per cent from \$17.9 billion to \$39.3 billion (see Figure 49) or 8.2 per cent of the residential mortgage credit.

In the same period, outstanding balances of mortgages securitized through special purpose securitization corporations grew 44.6 per cent from \$11 billion in 1998 to \$15.9 billion in 2002, back from a peak of \$23.4 billion in 2000.

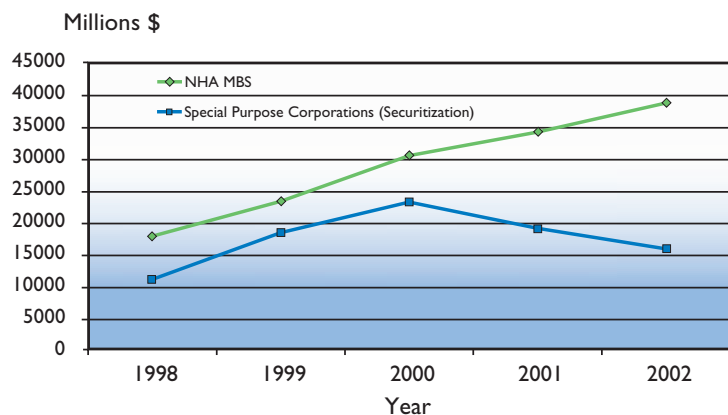
Canada Mortgage Bonds (CMB), CMHC's latest securitization initiative, were launched in 2001, raising \$4.7 billion. CMB is an alternative mortgage funding vehicle that will generate downward pressure on mortgage rates. Subsequent issues have brought the total CMB outstanding to \$17.9 billion by year-end

Mortgage funding, origination, servicing and investment are generally bundled as a group by the lender. However, some unbundling of these activities (i.e. mortgage disintermediation) is occurring through mortgage-backed securities, Canada Mortgage Bonds and other mortgage structures. As well, mortgage brokers are an alternative mortgage originator in many parts of Canada. Mortgage disintermediation is carried out in the secondary mortgage market on the basis of capital funds instead of the traditional deposits.

Mortgage funding through securitization experienced significant growth in the past five years. Mortgage securitization vehicles today are the third most important source of mortgage funds (behind banks, and credit unions and caisses populaires).

2002. CMB has a global flavour, having been sold in Canada, Europe, Asia and the United States.

Figure 49
Mortgage Securitization, Canada, 1998-2002



Annual estimates have been calculated by averaging monthly data and therefore, will differ from end-of-year estimates.

Source: CMHC (MBS) and adapted from Statistics Canada (CANSIM II)



Housing AFFORDABILITY

What households actually pay and, in return, acquire for their housing varies widely according to household preferences and means. This is the case both within and between individual local housing markets. Wherever they live, though, Canadians expect their housing to be in adequate condition and spacious enough to accommodate all household members without being crowded. Assessing housing affordability therefore entails evaluating whether households can afford local market housing meeting these expectations or norms.

Measuring Housing Affordability and Need in Canada

Affordable housing is adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. Canadians who cannot access affordable housing are considered to be in core housing need.

The Census is currently the key source of data used to examine housing affordability and housing need in Canada, as it contains a wealth of information on incomes and shelter expenditures for households in all parts of the country. The information required to examine housing affordability is not available for some groups, however. These include farming households, Aboriginal households living on reserve, and persons living in collective dwellings.

Detailed information on household incomes and housing expenditures from the 2001 Census were not

available at the time of writing. In their place, data from the 1991 and 1996 Censuses, supplemented by more recent intercensal survey data, provide an indication of housing affordability trends over the past decade.

Most Canadian Households Have Access to Affordable Housing

The majority of Canadian households do not have difficulty obtaining affordable housing. Roughly four out of every five Canadian households answering the 1996 Census questions on shelter costs either lived in affordable, adequate, suitable housing or could have afforded to do so. These households paid, on average, just over \$700 per month or 16 per cent of their income for shelter.

As would be expected, higher income households spend, on average, a significantly smaller percentage of their income on housing than lower income households. In 1996, for example, households earning more than \$100,000 annually spent an average of 10 per cent of their income on shelter. By comparison, households with incomes of between \$10,000 and \$20,000 spent an average of 37 per cent of their

income on housing. Households with the lowest incomes, of less than \$10,000, spent an average of 57 per cent of their income on housing.

While the vast majority of Canadians are well housed, a significant number of Canadian households, estimated at almost 1.8 million in 1996, experienced difficulties in accessing affordable housing. As a group, households with affordability problems spent an average 48 per cent of their income for shelter. Homeowners reported higher average household incomes and lower shelter cost-to-income ratios than renters (see Figure 50).

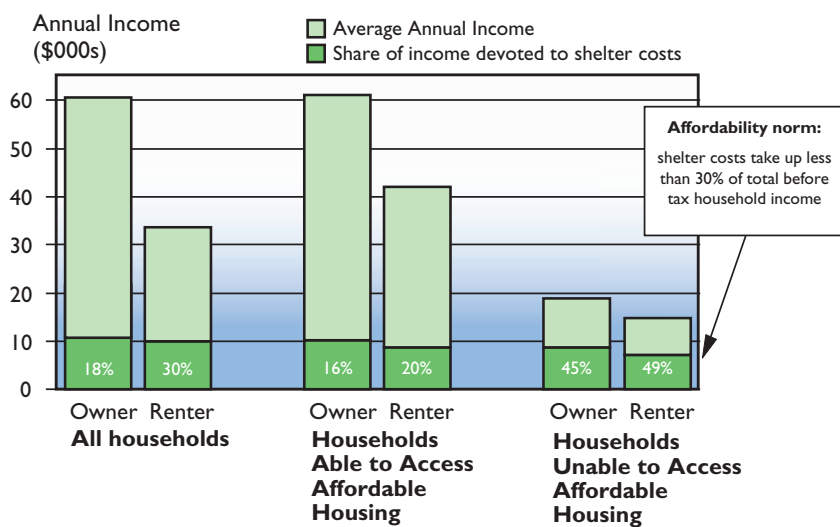
Housing Affordability is Closely Linked to Employment and Income Trends

Housing affordability trends are closely related to patterns of labour market participation and income. In 1996, for example, fewer than one in ten households where the primary household maintainer was employed full time had difficulties accessing affordable housing. Approximately 88 per cent of Canadian households maintained by adults in the labour force had access to affordable housing. This proportion increases to almost 91 per cent amongst those households led by adults who were working full time.

Looked at from an income perspective, over one-half (61 per cent) of those households with incomes between \$10,000 and \$20,000, and fully 85 per cent of households earning less than \$10,000 per annum, were unable to access affordable housing. In contrast, the incidence of households with annual incomes of more than \$40,000 unable to access affordable housing was negligible, at less than 1 per cent.

Figure 50

Household Income and Shelter Costs Owners and Renters, Canada, 1996



Source: CMHC (census-based housing indicators and data)

Employment Trends Contributed to Declining Housing Affordability in the Early 1990s

The 1996 Census acts as a watershed, demarcating the first half of the 1990s as a difficult time for Canadian households, a time when housing costs were rising faster than household incomes, housing affordability was in decline, and the numbers of households in core housing need were increasing. The number of households with affordability problems increased significantly in the early 1990s, rising from about 1.2 million (13 per cent of all households) in 1991 to the 1.8 million recorded in 1996 (see Figure 51).

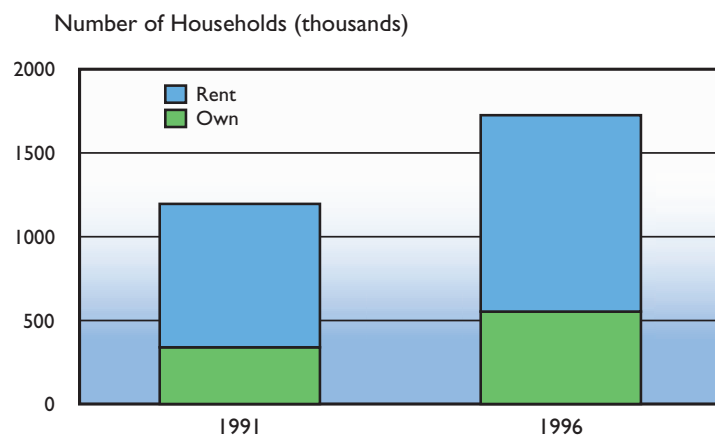
While the number of non-native Canadian households grew by 8.5 per cent between 1991 and 1996, the number in housing need grew five times faster, primarily because of a disproportionate increase in households led by working age adults unable to access affordable housing.

Declining housing affordability in the early 1990s was closely linked to employment trends. Large increases in households unable to access affordable housing resulted from almost 50 per cent increases in the numbers of households in need led by persons who were either no longer in the labour force or were unemployed, and a 66 per cent increase in those in need who reported that income from government was their major source of income.

Between three-quarters and four-fifths of all households in these three groups were renters with insufficient incomes to obtain affordable housing. On average, with incomes as low as \$11,600, these renters in core housing need spent as much as 54 per cent of their pre-tax household income on shelter.

Figure 51

Number of Households Unable to Access Affordable Housing Owners and Renters, Canada, 1991-1996



Source: CMHC (census-based housing indicators and data)

Incidence of Housing Affordability Problems Higher Among Specific Groups

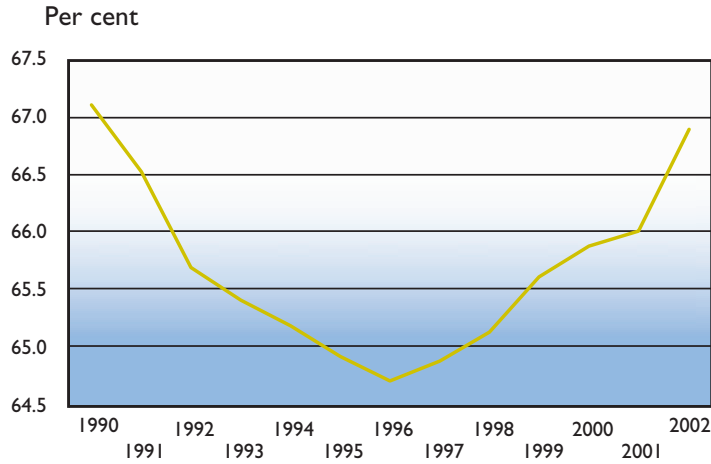
The incidence of housing affordability problems is higher than average among lone parent families, persons with disabilities, Aboriginal peoples, recent immigrants and seniors. In the early 1990s, these segments of the Canadian population experienced simultaneously high growth rates and problems with housing affordability.

Lone-parent households supporting children under 18 years of age grew over twice as fast as Canada's household population overall between 1991 and 1996. By 1996, 203,000, or almost 57 per cent of all lone parents residing in rental housing with children under 18 years of age could not access affordable housing. In contrast to the situation of lone parent families, over 90 per cent of couples with children less than 18 years of age were able to access affordable housing.

Over the 1991-96 period, the number of Canadians with disabilities grew almost four times as fast as the general population. Compared with non-disabled Canadians, Canadians with disabilities experienced a

Figure 52

Per Cent of Adult Canadians in Labour Force, 1990-2002



Source: Statistics Canada (CANSIM II)

Though increasingly the backbone underpinning Canada's population growth, there is evidence to suggest that some immigrant and refugee households experience difficulties in obtaining affordable housing when they first arrive in Canada. Indeed, almost two-fifths of the 232,000 arriving during the five years prior to the 1996 Census did not occupy affordable housing.

Over time, however, many immigrant households improve their housing conditions markedly. In 1996, those immigrants who had lived in Canada for at least twenty years had a lower incidence of housing affordability problems than Canadian households of non-immigrant origin.

Moreover, long-term immigrant households are more likely to own their housing than non-immigrants.

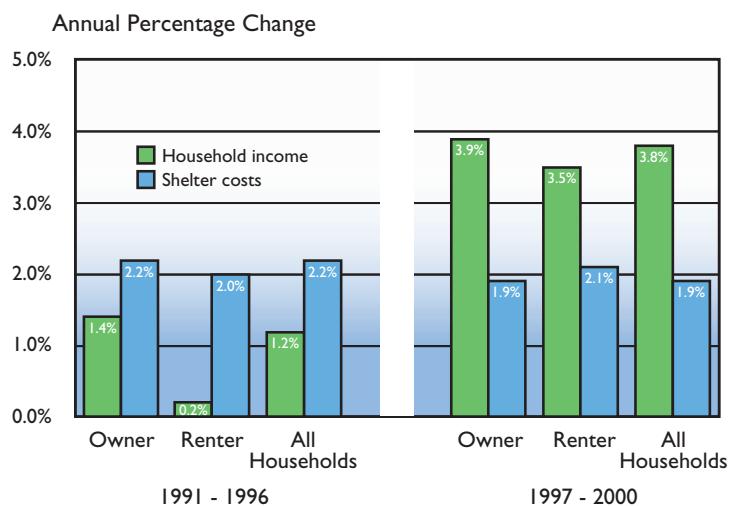
much greater decline in their housing affordability, with the result that in 1996 almost one-quarter (about 615,000 Canadians of all ages) resided in households that could not access affordable housing.

Working age adults with disabilities and families with children with disabilities were the two groups that experienced the most difficulty in accessing affordable housing.

Canada's Aboriginal Peoples constitute another of the rapidly growing groups facing significant housing affordability challenges. Between 1991 and 1996 the number of Aboriginal households grew almost four times as fast as non-Aboriginal households. Just over two-thirds of the 80 per cent of households living off reserve could access affordable housing. Despite improvements made in housing affordability between 1991 and 1996, significant housing challenges continue to face Aboriginal communities.

Figure 53

Average Annual Change in Pre-tax Household Income and Shelter Costs Owners and Renters, Canada, 1991-2000



All percentage changes were calculated from nominal dollars, i.e. using the incomes and shelter costs from the years to which they applied, unadjusted for inflation

Source: CMHC, adapted from Statistics Canada (Census of Canada and Survey of Household Spending)

Reflecting the aging of the population, the number of seniors grew over twice as fast as the Canadian population between 1991 and 1996. Canada's seniors experienced less decline in their housing affordability than non-senior-led households. Still, in 1996 about one-fifth of all senior-led households had difficulties accessing affordable housing, and over one-half of these were elderly individuals (mainly women) renting on incomes averaging about \$13,100.

Recent Trends Have Supported Improvements in Housing Affordability

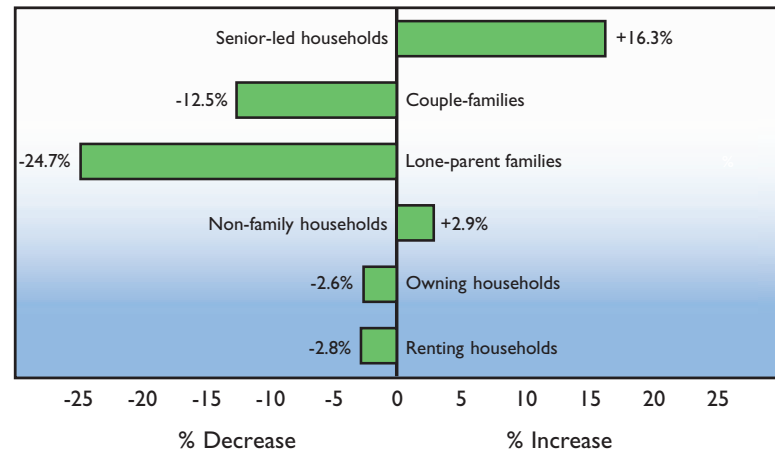
Beginning in the late 1990s, increases in labour force participation, employment and incomes, in combination with moderate shelter cost increases (see Figures 52 and 53), supported improvements in housing affordability, reversing the trend of increasing numbers of households falling into housing need.

While not directly comparable to the 1996 Census, information derived from Statistics Canada's Survey of Household Spending for the years 1997 through 2000 can be used to assess high-level trends in housing conditions in recent years. These data suggest that many households have benefited from improvements in both incomes and housing affordability in the latter part of the 1990s (see Figure 54).

The numbers of households with affordability problems are estimated to have declined among both renters and homeowners between 1997 and 2000 (by 2.8 per cent and 2.6 per cent, respectively). Significant improvements in housing affordability were experienced by family households, and lone-parent families in particular. The number of lone parent families in core housing need declined by an estimated 24.7 per cent over this period.

Figure 54

Percentage Change in the Number of Households in Core Housing Need, Canada, 1997 - 2000



Source: CMHC, adapted from Statistics Canada (Survey of Household Spending)

Having retired from the labour force, seniors have not directly benefited from recent improvements in employment and incomes. The number of senior-led households with housing affordability problems increased by 16.3 per cent between 1997 and 2000.

The proportion of households reporting government transfers as their major source of income declined very slightly between 1997 and 2000, as did the percentage of government transfer-dependent households that were in core housing need. For households which remained in need, however, shelter costs continued to consume very high proportions of total pre-tax household incomes, which averaged about \$16,600 in 2000.

When they are released in 2003, data from the 2001 Census will permit a more complete analysis of housing affordability trends to be performed. If the data obtained from the Census are consistent with those of the Survey of Household Spending, they can be expected to show significant overall improvements in housing conditions for renter households, and in particular lone-parent households.

Information on Housing Affordability Lacking for Some Groups

As was mentioned earlier, Census information related to housing affordability is currently lacking for a number of specific groups. This includes, for example, the almost 350,000 Canadians living in institutional and other collective dwellings, over two-thirds of whom occupy special care homes for the elderly and chronically ill, as well as those living in hotels, motels, lodging and rooming houses, and the homeless.

Similarly, housing cost data are not available for farming households and Aboriginal households on reserve. As a result, much less is known about their overall housing circumstances, and housing affordability in particular. What is known, however, suggests that low-income Aboriginal households living on-reserve face significant housing quality issues centred on dwelling disrepair and crowded living conditions.

Crowded living conditions and associated health issues, linked in this case to the very high cost of creating and maintaining housing in remote areas, are also prominent issues in Canada's Far North. These issues are particularly acute at the present time in the new and fast growing jurisdiction of Nunavut.

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Table I
Housing Market Indicators, Canada, 1990-2002

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Construction													
Starts, total	181,630	156,197	168,271	155,443	154,057	110,933	124,713	147,040	137,439	149,968	151,653	162,733	205,034
Starts, single	102,315	86,567	92,851	85,099	89,509	64,425	77,996	93,186	86,431	92,190	92,184	96,026	125,374
Starts, multiple	79,315	69,630	75,420	70,344	64,548	46,508	46,717	53,854	51,008	57,778	59,469	66,707	79,660
Semi-detached	7,551	9,035	10,314	11,441	12,119	7,536	9,305	11,385	10,043	11,096	11,530	11,883	13,584
Row	16,240	16,720	20,000	18,849	17,247	11,887	14,350	17,256	15,287	14,895	15,247	15,166	18,482
Apartment	55,524	43,875	45,106	40,054	35,182	27,085	23,062	25,213	25,678	31,787	32,692	39,658	47,594
Starts by Intended Market ¹ :													
Homeownership	85,025	77,083	84,091	78,220	82,466	56,684	71,553	88,009	82,892	89,189	92,283	95,125	123,106
Rental	32,201	30,495	27,197	18,193	11,698	7,998	6,643	7,559	6,531	9,276	10,155	14,681	18,841
Condo	29,359	18,649	23,250	32,017	31,686	24,106	23,076	27,471	27,351	28,434	28,319	31,986	36,798
Other	4,035	3,867	5,588	1,558	1,496	738	532	182	19	204	295	488	379
Total	150,620	130,094	140,126	129,988	127,346	89,526	101,804	123,221	116,793	127,103	131,052	142,280	179,124
Completions, total	206,163	160,014	173,245	161,794	162,085	119,501	117,834	143,386	133,941	140,986	145,873	151,936	185,626
Resale Market													
MLS® sales (units) ²	235,124	279,753	310,741	288,149	288,112	251,986	321,845	330,265	314,553	335,490	333,970	380,753	421,227
MLS® sales/new listings (%) ²	33.0	39.7	43.7	41.5	41.7	38.3	47.5	49.9	49.6	56.3	55.8	62.6	68.2
Available Supply													
Newly completed and unabsorbed ³ homes	26,090	21,364	19,488	19,895	20,301	19,935	14,278	13,738	15,079	14,230	13,587	10,509	10,251
Single and semi-detached	9,920	7,577	7,220	8,798	8,971	7,914	6,371	6,443	6,877	6,304	6,319	5,291	4,755
Row and apartment	16,170	13,787	12,268	11,097	11,330	12,021	7,907	7,295	8,202	7,926	7,268	5,218	5,496
Housing stock (thousands) ⁵	10,281	10,471	10,686	10,870	11,072	11,227	11,359	11,499	11,629	11,767	11,908	NA	NA
Rental vacancy rate ⁴ (%)	NA	NA	4.8	4.9	4.7	4.5	4.5	4.5	4	3.2	2.2	1.7	2.1
Housing Costs													
MLS® average price (\$) ²	139,870	146,959	149,572	152,888	158,299	150,328	150,822	154,616	152,366	158,145	164,050	171,858	188,138
New Housing Price Index (% change) ⁶	1.5	-6.9	0.0	1.3	0.1	-1.2	-1.9	0.8	0.9	0.9	2.2	2.7	4.1
Consumer Price Index (% change) ⁶	4.8	5.6	1.5	1.9	0.2	2.2	1.6	1.6	1.0	1.7	2.7	2.5	2.2
Construction materials cost index (% change) ⁶	-0.6	-10.1	1.2	6.6	8.0	5.4	2.2	0.7	-0.3	4.5	-0.5	0.4	1.9
Construction wage rate index (% change) ⁶	NA	NA	NA	NA	NA	NA	NA	NA	0.6	2.5	3.9	2.3	1.3
Owned accommodation costs (% change) ⁶	6.6	3.5	0.5	0.2	-0.9	1.5	-0.7	-1.0	0.1	1.1	2.6	2.9	1.7
Rental accommodation costs (% change) ⁶	4.0	3.5	2.7	2.1	1.7	1.4	1.3	1.2	1.1	1.0	1.1	1.6	2.0
Average rent ⁴ (\$):													
Bachelor	NA	NA	389	398	400	409	413	420	432	448	469	490	503
One-bedroom	NA	NA	493	501	506	515	522	527	543	560	582	606	626
Two-bedroom	NA	NA	568	575	579	589	593	597	616	628	647	672	693
3+ bedroom	NA	NA	634	638	645	657	654	662	679	697	720	751	774
Demand Influences													
Population on July 1 (thousands) ⁵	27,701	28,031	28,377	28,703	29,036	29,354	29,672	29,987	30,248	30,509	30,791	31,111	31,414
Labour force participation rate (%) ⁵	67.1	66.5	65.7	65.4	65.2	64.9	64.7	64.9	65.1	65.6	65.9	66.0	66.9
Employment (% change) ⁶	0.8	-1.8	-0.7	0.8	2.0	1.9	0.8	2.3	2.7	2.8	2.6	1.1	2.2
Unemployment rate (%) ⁵	8.1	10.3	11.2	11.4	10.4	9.4	9.6	9.1	8.3	7.6	6.8	7.2	7.7
Real disposable income (% change) ⁶	1.4	-1.6	0.6	0.1	0.3	2.2	0.0	1.8	2.9	3.2	4.7	2.5	NA
1-year mortgage rate (%)	13.40	10.08	7.87	6.91	7.83	8.38	6.19	5.54	6.50	6.80	7.85	6.14	5.17
3-year mortgage rate (%)	13.38	10.90	8.95	8.10	8.99	8.82	7.33	6.56	6.77	7.37	8.17	6.88	6.28
5-year mortgage rate (%)	13.35	11.13	9.51	8.78	9.53	9.16	7.93	7.07	6.93	7.56	8.35	7.40	7.02
Net migration ⁶	183,076	150,872	199,221	170,265	183,556	187,342	172,777	160,652	118,164	156,883	184,555	217,555	NA
Residential Investment and Repairs⁵													
New construction													
including acquisition costs (\$ millions)	23,088	18,787	20,674	19,877	21,786	17,302	18,128	21,503	21,106	23,137	23,975	26,239	34,116
Alterations and improvements (\$ millions)	13,018	11,836	12,508	13,180	13,621	13,003	14,220	15,009	14,904	15,660	17,149	17,370	18,612
Transfer costs (\$ millions)	6,141	6,730	7,205	6,913	7,259	6,007	7,409	7,253	6,722	7,375	7,704	8,804	10,634
Repairs (\$ millions)	3,893	3,715	3,961	4,167	4,401	4,411	4,820	5,384	5,409	5,529	5,960	6,036	NA
Total (\$ millions)	46,140	41,068	44,348	44,137	47,067	40,723	44,577	49,149	48,141	51,701	54,788	58,449	NA

¹ Housing units in centres 10,000+

² MLS® is a registered trademark of the Canadian Real Estate Association.

³ Housing units in centres 50,000+ for which construction has been completed but which have not been rented or sold

⁴ In privately initiated apartment structures with at least 3 units

⁵ Statistics Canada (CANSIM II)

⁶ CMHC, adapted from Statistics Canada (CANSIM II)

Source: CMHC (Starts and Completions Survey, Market Absorption Survey, Rental Market Survey); CREA (MLS®); Bank of Canada (mortgage rates); Statistics Canada (CANSIM II and custom tabulation of construction materials cost index)

Table 2
**Total Housing Starts, Canada, Provinces and Metropolitan Areas
1990-2002 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	181,630	156,197	168,271	155,443	154,057	110,933	124,713	147,040	137,439	149,968	151,653	162,733	205,034
Provinces													
Newfoundland and Labrador	3,245	2,836	2,271	2,405	2,243	1,712	2,034	1,696	1,450	1,371	1,459	1,788	2,419
Prince Edward Island	762	553	644	645	669	422	554	470	524	616	710	675	775
Nova Scotia	5,560	5,173	4,673	4,282	4,748	4,168	4,059	3,813	3,137	4,250	4,432	4,092	4,970
New Brunswick	2,683	2,872	3,310	3,693	3,203	2,300	2,722	2,702	2,447	2,776	3,079	3,462	3,862
Québec	48,070	44,654	38,228	34,015	34,154	21,885	23,220	25,896	23,138	25,742	24,695	27,682	42,452
Ontario	62,649	52,794	55,772	45,140	46,645	35,818	43,062	54,072	53,830	67,235	71,521	73,282	83,597
Manitoba	3,297	1,950	2,310	2,425	3,197	1,963	2,318	2,612	2,895	3,133	2,560	2,963	3,617
Saskatchewan	1,417	998	1,869	1,880	2,098	1,702	2,438	2,757	2,965	3,089	2,513	2,381	2,963
Alberta	17,227	12,492	18,573	18,151	17,692	13,906	16,665	23,671	27,122	25,447	26,266	29,174	38,754
British Columbia	36,720	31,875	40,621	42,807	39,408	27,057	27,641	29,351	19,931	16,309	14,418	17,234	21,625
Metropolitan Areas													
St. John's	1,434	1,108	1,024	1,137	1,215	745	1,001	932	741	807	935	1,029	1,350
Halifax	2,647	2,938	2,420	2,127	2,460	2,080	2,022	2,065	1,739	2,356	2,661	2,340	3,310
Saint John	589	441	493	471	442	267	306	234	278	296	346	374	397
Saguenay	1,128	955	737	668	606	311	309	500	502	305	296	336	596
Québec	5,972	6,523	6,300	4,699	4,677	2,405	2,208	2,233	1,845	1,814	2,275	2,555	4,282
Sherbrooke	1,179	1,105	749	778	983	582	797	756	590	645	515	589	857
Trois-Rivières	1,400	1,133	696	783	938	519	486	520	599	380	337	324	619
Montréal	21,101	17,882	14,520	13,729	13,157	7,468	7,556	10,508	10,293	12,366	12,766	13,300	20,554
Gatineau	3,309	3,346	2,368	2,367	2,128	1,208	1,044	1,262	1,244	1,185	1,224	1,659	2,553
Ottawa	4,860	4,475	5,830	4,421	3,929	2,190	3,066	3,485	3,615	4,447	5,786	6,251	7,796
Kingston	1,403	792	761	575	498	323	533	559	486	656	659	707	810
Oshawa	2,189	2,596	2,188	1,409	1,963	1,330	1,563	2,064	1,759	2,463	2,874	2,561	3,490
Toronto	18,723	18,814	20,770	15,637	18,443	16,325	18,998	25,574	25,910	34,904	38,982	41,017	43,805
Hamilton	2,969	2,498	2,632	2,989	2,833	2,001	2,642	3,698	3,627	3,923	3,108	3,365	3,803
St. Catharines - Niagara	2,506	1,357	1,669	1,015	1,703	898	995	1,462	1,319	1,485	1,230	1,134	1,317
Kitchener	2,981	2,131	2,240	1,705	1,747	1,105	1,968	2,171	2,549	2,821	3,509	3,537	4,130
London	2,905	2,222	1,553	2,522	1,972	1,016	1,394	1,807	2,027	1,773	1,713	1,607	2,604
Windsor	1,588	1,279	1,376	1,222	1,661	1,495	2,300	2,102	1,938	2,387	2,382	2,157	2,490
Greater Sudbury	1,468	1,758	1,289	715	712	336	346	281	165	199	173	191	298
Thunder Bay	629	771	563	573	449	288	296	266	224	232	154	211	197
Winnipeg	2,147	1,349	1,620	1,540	1,529	1,104	1,135	1,518	1,575	1,772	1,317	1,473	1,821
Regina	471	189	666	563	462	371	434	516	537	573	615	626	651
Saskatoon	410	305	464	593	682	697	1,208	1,187	1,137	1,273	968	900	1,489
Calgary	7,004	4,750	7,034	6,629	6,877	5,685	7,111	11,215	12,495	10,600	11,093	11,349	14,339
Edmonton	5,921	4,285	6,764	6,720	5,006	3,082	3,634	4,962	5,947	6,655	6,228	7,855	12,581
Abbotsford	1,866	1,847	1,678	2,045	1,600	886	865	871	536	566	405	418	1,038
Vancouver	17,970	14,769	18,684	21,307	20,473	14,992	15,453	15,950	11,878	8,677	8,203	10,862	13,197
Victoria	2,588	2,129	2,421	2,633	2,303	1,299	1,142	1,311	964	1,340	872	1,264	1,344

Source: CMHC (Starts and Completions Survey)

Table 3
**Single Housing Starts, Canada, Provinces and Metropolitan Areas,
 1990-2002 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	102,315	86,567	92,851	85,099	89,509	64,425	77,996	93,186	86,431	92,190	92,184	96,026	125,374
Provinces													
Newfoundland and Labrador	2,468	2,135	1,611	1,559	1,455	1,165	1,395	1,220	1,086	1,233	1,315	1,598	2,092
Prince Edward Island	483	376	421	460	454	364	430	374	387	472	614	551	582
Nova Scotia	3,639	2,604	3,232	3,126	3,358	3,040	3,278	2,939	2,257	3,345	2,856	2,761	3,363
New Brunswick	2,137	2,154	2,391	2,535	2,547	1,722	2,173	2,125	1,989	2,201	2,442	2,573	2,769
Québec	24,942	22,531	18,564	17,136	18,414	13,428	14,818	16,073	14,685	15,798	15,349	17,193	25,257
Ontario	32,425	26,290	27,868	26,240	30,036	20,124	27,019	35,401	32,737	39,421	41,087	39,632	51,114
Manitoba	2,847	1,589	1,683	1,874	2,441	1,564	1,875	2,019	2,368	2,231	2,348	2,460	3,016
Saskatchewan	1,087	775	1,484	1,342	1,542	1,341	1,612	1,954	2,154	2,070	1,890	1,627	1,931
Alberta	13,809	9,778	14,125	13,040	12,671	10,096	12,949	18,170	20,077	16,688	16,835	19,769	24,520
British Columbia	18,478	18,335	21,472	17,787	16,591	11,581	12,447	12,911	8,691	8,731	7,448	7,862	10,730
Metropolitan Areas													
St. John's	903	653	534	508	587	312	524	522	475	688	825	875	1,093
Halifax	1,128	798	1,266	1,267	1,412	1,173	1,578	1,385	1,125	1,669	1,373	1,296	1,865
Saint John	520	304	409	437	379	195	217	175	216	255	309	325	338
Saguenay	571	378	288	314	281	166	237	335	331	243	203	228	254
Québec	3,025	3,108	2,167	1,748	1,842	1,077	1,006	1,247	1,108	1,165	1,262	1,581	2,327
Sherbrooke	515	636	437	412	434	332	309	419	329	305	283	283	416
Trois-Rivières	556	499	347	339	315	217	229	232	233	205	225	224	250
Montréal	10,316	8,689	6,516	5,913	6,138	3,819	3,781	5,203	5,657	6,522	6,800	7,151	10,416
Gatineau	1,249	909	817	987	987	548	528	638	687	640	768	1,093	1,574
Ottawa	2,414	1,811	2,463	1,858	1,732	807	1,439	2,053	2,248	2,837	3,494	3,502	3,807
Kingston	591	337	326	302	272	202	207	386	388	437	500	537	775
Oshawa	1,230	1,385	910	1,020	1,485	1,035	1,216	1,736	1,400	2,150	2,152	2,038	2,955
Toronto	7,067	9,459	9,027	8,037	10,811	6,879	10,152	14,203	12,696	15,535	17,119	16,844	22,115
Hamilton	1,451	790	1,213	1,510	1,670	1,057	1,472	2,239	1,736	1,906	1,884	1,842	2,259
St. Catharines - Niagara	1,109	558	646	575	935	565	668	1,007	996	1,026	962	916	1,032
Kitchener	934	669	1,042	1,049	1,225	759	1,339	1,539	1,759	2,002	2,261	2,197	3,007
London	1,142	684	822	771	905	579	804	1,309	1,309	1,344	1,198	1,317	1,969
Windsor	835	804	1,068	1,045	1,340	1,217	1,629	1,574	1,355	1,761	1,748	1,605	1,726
Greater Sudbury	819	523	563	436	448	257	300	242	161	131	169	191	292
Thunder Bay	412	277	353	310	296	196	162	184	161	192	141	163	193
Winnipeg	1,905	1,006	1,261	1,210	1,201	840	838	1,192	1,190	1,204	1,210	1,238	1,528
Regina	320	161	546	423	393	323	362	370	468	403	459	401	504
Saskatoon	267	224	312	309	370	479	635	709	692	724	602	542	691
Calgary	5,564	4,150	5,982	5,220	5,179	4,387	5,862	8,656	9,219	6,613	6,749	7,559	9,413
Edmonton	4,759	3,016	4,683	4,202	3,225	2,159	2,944	3,685	4,080	4,075	4,072	4,959	6,860
Abbotsford	900	923	914	623	727	429	556	527	426	400	381	412	558
Vancouver	6,316	6,991	7,603	6,593	6,345	4,526	5,072	4,685	3,373	3,568	3,132	3,512	4,980
Victoria	1,238	1,160	1,082	811	710	449	586	637	520	531	531	631	879

Source: CMHC (Starts and Completions Survey)

Table 4
**Multiple Housing Starts, Canada, Provinces and Metropolitan Areas,
 1990-2002 (units)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	79,315	69,630	75,420	70,344	64,548	46,508	46,717	53,854	51,008	57,778	59,469	66,707	79,660
Provinces													
Newfoundland and Labrador	777	701	660	846	788	547	639	476	364	138	144	190	327
Prince Edward Island	279	177	223	185	215	58	124	96	137	144	96	124	193
Nova Scotia	1,921	2,569	1,441	1,156	1,390	1,128	781	874	880	905	1,576	1,331	1,607
New Brunswick	546	718	919	1,158	656	578	549	577	458	575	637	889	1,093
Québec	23,128	22,123	19,664	16,879	15,740	8,457	8,402	9,823	8,453	9,944	9,346	10,489	17,195
Ontario	30,224	26,504	27,904	18,900	16,609	15,694	16,043	18,671	21,093	27,814	30,434	33,650	32,483
Manitoba	450	361	627	551	756	399	443	593	527	902	212	503	601
Saskatchewan	330	223	385	538	556	361	826	803	811	1,019	623	754	1,032
Alberta	3,418	2,714	4,448	5,111	5,021	3,810	3,716	5,501	7,045	8,759	9,431	9,405	14,234
British Columbia	18,242	13,540	19,149	25,020	22,817	15,476	15,194	16,440	11,240	7,578	6,970	9,372	10,895
Metropolitan Areas													
St. John's	531	455	490	629	628	433	477	410	266	119	110	154	257
Halifax	1,519	2,140	1,154	860	1,048	907	444	680	614	687	1,288	1,044	1,445
Saint John	69	137	84	34	63	72	89	59	62	41	37	49	59
Saguenay	557	577	449	354	325	145	72	165	171	62	93	108	342
Québec	2,947	3,415	4,133	2,951	2,835	1,328	1,202	986	737	649	1,013	974	1,955
Sherbrooke	664	469	312	366	549	250	488	337	261	340	232	306	441
Trois-Rivières	844	634	349	444	623	302	257	288	366	175	112	100	369
Montréal	10,785	9,193	8,004	7,816	7,019	3,649	3,775	5,305	4,636	5,844	5,966	6,149	10,138
Gatineau	2,060	2,437	1,551	1,380	1,141	660	516	624	557	545	456	566	979
Ottawa	2,446	2,664	3,367	2,563	2,197	1,383	1,627	1,432	1,367	1,610	2,292	2,749	3,989
Kingston	812	455	435	273	226	121	326	173	98	219	159	170	35
Oshawa	959	1,211	1,278	389	478	295	347	328	359	313	722	523	535
Toronto	11,656	9,355	11,743	7,600	7,632	9,446	8,846	11,371	13,214	19,369	21,863	24,173	21,690
Hamilton	1,518	1,708	1,419	1,479	1,163	944	1,170	1,459	1,891	2,017	1,224	1,523	1,544
St. Catharines - Niagara	1,397	799	1,023	440	768	333	327	455	323	459	268	218	285
Kitchener	2,047	1,462	1,198	656	522	346	629	632	790	819	1,248	1,340	1,123
London	1,763	1,538	731	1,751	1,067	437	590	498	718	429	515	290	635
Windsor	753	475	308	177	321	278	671	528	583	626	634	552	764
Greater Sudbury	649	1,235	726	279	264	79	46	39	4	68	4	0	6
Thunder Bay	217	494	210	263	153	92	134	82	63	40	13	48	4
Winnipeg	242	343	359	330	328	264	297	326	385	568	107	235	293
Regina	151	28	120	140	69	48	72	146	69	170	156	225	147
Saskatoon	143	81	152	284	312	218	573	478	445	549	366	358	798
Calgary	1,440	600	1,052	1,409	1,698	1,298	1,249	2,559	3,276	3,987	4,344	3,790	4,926
Edmonton	1,162	1,269	2,081	2,518	1,781	923	690	1,277	1,867	2,580	2,156	2,896	5,721
Abbotsford	966	924	764	1,422	873	457	309	344	110	166	24	6	480
Vancouver	11,654	7,778	11,081	14,714	14,128	10,466	10,381	11,265	8,505	5,109	5,071	7,350	8,217
Victoria	1,350	969	1,339	1,822	1,593	850	556	674	444	809	341	633	465

Source: CMHC (Starts and Completions Survey)

Table 5
MLS® Total Residential Sales, Canada, Provinces and Metropolitan Areas, 1990-2002 (units)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	235,124	279,753	310,741	288,149	288,112	251,986	321,845	330,265	314,553	335,490	333,970	380,753	421,227
Provinces													
Newfoundland and Labrador	1,998	1,892	1,829	1,867	1,873	1,655	2,005	2,170	2,288	2,437	2,593	2,808	3,014
Prince Edward Island	742	764	604	654	599	476	750	806	1,125	1,184	1,206	1,234	1,221
Nova Scotia	6,072	5,811	6,958	7,180	7,140	7,019	8,372	7,567	8,052	8,827	8,577	9,441	10,243
New Brunswick	3,316	3,259	3,550	3,483	3,339	3,496	4,023	3,941	3,908	4,376	4,524	4,779	5,089
Québec	28,067	28,005	31,946	31,875	33,539	29,776	39,135	43,463	45,192	49,792	53,755	61,620	71,001
Ontario	87,888	104,948	114,405	106,803	115,185	104,993	137,921	140,608	138,463	148,659	147,158	162,318	177,406
Manitoba	9,356	9,521	11,383	10,546	10,825	9,749	10,965	11,180	10,762	10,867	10,612	11,440	10,990
Saskatchewan	6,405	6,505	7,829	7,375	7,459	7,349	8,689	8,346	8,068	8,053	7,552	7,971	7,933
Alberta	33,085	34,360	38,545	37,024	32,512	29,098	37,485	43,693	43,383	42,684	43,311	48,989	51,042
British Columbia	58,027	84,554	93,564	80,919	75,270	58,082	72,182	68,182	52,910	58,084	54,179	69,554	82,737
Metropolitan Areas¹													
St. John's	1,939	1,799	1,720	1,741	1,783	1,572	1,915	2,080	2,131	2,298	2,453	2,675	2,893
Halifax	4,004	3,791	4,777	4,637	4,670	4,364	5,442	5,072	5,129	5,853	5,610	6,212	6,687
Saint John	1,353	1,282	1,403	1,282	1,162	1,078	1,346	1,274	1,353	1,530	1,484	1,510	1,505
Saguenay	278	454	426	512	603	640	1,033	1,009	933	1,043	1,219	1,362	1,436
Québec	4,146	3,892	4,791	4,836	5,017	4,679	5,473	6,427	6,363	6,570	7,311	8,204	8,771
Sherbrooke	906	924	874	1,274	1,616	1,434	1,597	1,663	1,628	1,764	1,971	1,951	2,178
Trois-Rivières	832	878	885	962	882	864	1,136	956	1,035	1,213	1,279	1,363	1,532
Montréal	18,776	18,627	21,138	20,213	21,269	19,009	25,165	28,337	29,303	32,736	34,427	39,875	46,931
Gatineau	1,622	1,358	1,543	1,711	1,634	1,243	1,766	2,071	2,306	2,708	3,177	3,818	3,823
Ottawa	8,249	8,398	9,089	8,249	7,632	6,484	8,648	9,431	9,552	11,334	12,692	12,240	12,894
Kingston	1,239	1,562	1,856	1,725	1,818	1,727	2,272	2,400	2,500	2,728	2,838	3,274	3,646
Oshawa	3,837	5,579	5,507	4,655	4,469	4,310	7,185	7,274	7,073	7,370	7,282	8,085	8,520
Toronto	26,778	38,144	41,703	38,990	44,237	39,273	55,779	58,014	55,344	58,957	58,349	67,612	74,107
Hamilton	7,116	7,881	8,608	7,747	8,345	7,737	10,224	9,972	10,017	10,543	10,347	11,334	12,482
St. Catharines - Niagara	5,040	4,746	4,620	4,372	5,036	4,609	5,457	5,509	5,794	5,863	5,207	5,488	5,951
Kitchener	3,501	3,590	3,949	3,583	3,689	3,467	4,666	4,307	4,365	4,695	4,569	4,816	5,253
London	5,739	6,254	6,487	5,966	5,954	5,510	6,906	6,454	6,562	6,864	6,616	7,503	8,290
Windsor	4,003	4,476	4,943	4,602	4,998	4,326	4,898	4,807	4,676	4,692	4,616	4,741	4,938
Greater Sudbury	2,016	2,196	2,183	1,896	1,754	1,710	2,198	1,901	1,693	1,744	1,825	1,937	2,031
Thunder Bay	1,177	1,358	1,594	1,455	1,453	1,395	1,458	1,431	1,311	1,301	1,279	1,354	1,599
Winnipeg	8,414	8,559	10,386	9,604	9,923	8,868	9,905	10,042	9,748	9,770	9,465	10,215	9,881
Regina	2,469	2,444	2,910	2,686	2,791	2,588	3,099	2,926	2,886	2,781	2,612	2,792	2,817
Saskatoon	2,280	2,433	2,828	2,750	2,754	2,814	3,359	3,153	3,010	3,039	2,758	2,987	2,941
Calgary	16,323	16,280	18,721	18,065	15,462	13,003	17,766	21,559	20,554	20,197	19,828	22,512	24,706
Edmonton	10,169	11,635	12,771	11,486	9,766	8,904	11,566	13,017	13,727	13,594	14,189	16,079	15,923
Abbotsford	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	21,094	33,914	38,774	32,482	31,303	22,229	28,555	26,946	19,612	22,944	21,244	28,732	34,909
Victoria	6,080	8,536	8,142	7,344	6,260	5,142	6,231	5,845	4,981	5,063	4,863	6,410	7,069

¹ The geographic definitions used by CREA differ from those used by Statistics Canada.

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Source: CREA (MLS®)

Table 6
MLS® Average Residential Price, Canada, Provinces and Metropolitan Areas, 1990-2002 (dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	139,870	146,959	149,572	152,888	158,299	150,328	150,822	154,616	152,366	158,145	164,050	171,858	188,138
Provinces													
Newfoundland and Labrador	88,654	90,822	91,590	91,243	91,698	89,525	93,661	92,226	91,514	94,359	99,525	104,376	113,081
Prince Edward Island	69,284	71,033	75,570	72,422	78,753	73,803	83,922	86,403	79,577	82,138	82,884	87,696	95,117
Nova Scotia	84,650	86,462	87,685	88,965	91,109	89,788	93,444	96,693	97,015	102,628	109,839	115,485	126,669
New Brunswick	77,752	80,897	82,478	84,951	84,149	83,993	84,198	87,204	85,948	88,072	91,624	95,947	100,129
Québec	100,811	102,795	102,311	102,447	102,181	98,685	98,435	101,715	103,947	107,501	111,260	115,865	129,504
Ontario	171,979	171,232	161,493	156,555	160,158	154,606	155,662	164,382	167,115	174,049	183,841	193,357	210,699
Manitoba	79,961	80,445	80,686	81,746	83,761	81,897	85,318	85,404	86,419	86,423	87,884	93,192	96,639
Saskatchewan	68,963	67,697	68,406	70,698	72,738	73,796	77,478	83,978	87,577	91,396	94,047	98,310	101,297
Alberta	108,675	111,482	113,558	117,085	117,336	114,772	117,673	124,865	132,905	139,621	146,258	153,737	170,253
British Columbia	157,616	168,235	189,999	211,992	229,514	221,860	218,687	220,512	212,046	215,283	221,371	222,822	238,877
Metropolitan Areas¹													
St. John's	88,939	91,123	91,959	92,319	92,011	89,655	94,142	92,797	92,560	95,606	100,763	105,237	114,626
Halifax	97,238	99,332	99,975	102,500	103,481	103,011	105,869	109,827	114,025	118,522	128,003	134,106	148,737
Saint John	78,041	81,713	81,560	85,398	79,148	83,498	82,066	86,171	87,087	88,731	93,697	97,348	103,544
Saguenay	67,657	66,650	72,491	70,465	72,741	69,038	69,313	71,554	72,619	75,803	77,166	80,213	83,982
Québec	81,462	84,505	84,095	85,250	86,143	83,800	84,994	84,051	85,883	88,091	90,079	93,354	102,627
Sherbrooke	83,274	83,161	80,037	83,722	82,486	79,018	81,232	85,711	87,369	89,258	93,269	98,167	105,938
Trois-Rivières	68,252	66,253	67,429	71,254	69,243	67,034	68,341	69,554	69,384	68,698	69,571	70,144	75,363
Montréal	111,197	113,512	112,753	113,083	112,492	108,614	107,239	111,440	114,426	118,529	124,064	128,562	143,589
Gatineau	86,256	92,100	94,172	96,437	97,067	94,074	94,351	90,275	90,353	90,989	89,311	97,676	112,755
Ottawa	141,562	143,379	143,869	146,405	147,032	143,127	140,513	143,866	143,914	149,626	159,511	175,972	200,711
Kingston	129,823	129,543	125,826	125,314	126,456	122,791	120,917	124,123	124,787	126,803	129,639	132,048	144,413
Oshawa	165,375	152,987	145,011	136,377	139,787	155,550	151,985	158,376	163,369	169,568	179,241	186,448	204,103
Toronto	254,890	234,313	214,971	206,490	208,922	203,028	198,150	211,307	216,815	228,372	243,249	251,508	275,975
Hamilton	165,742	160,954	151,038	143,433	145,939	141,109	142,267	151,538	153,628	158,162	164,168	172,567	183,442
St. Catharines - Niagara	125,281	126,673	121,012	116,548	117,406	114,252	114,072	117,778	121,981	126,155	129,390	133,715	144,720
Kitchener	159,718	154,725	145,015	138,896	141,683	135,452	134,839	141,387	143,104	146,495	157,317	164,548	177,559
London	134,920	137,278	138,327	135,594	135,597	128,643	129,338	131,382	131,299	131,254	135,857	137,717	142,745
Windsor	106,327	105,590	109,239	110,078	117,316	118,366	122,250	125,714	132,328	135,839	137,453	140,206	149,656
Greater Sudbury	108,596	113,262	116,076	114,284	113,278	113,554	108,222	108,521	109,622	105,093	109,262	107,774	110,826
Thunder Bay	100,697	102,716	108,648	114,964	115,289	110,747	112,723	111,608	110,099	112,315	109,811	110,532	109,930
Winnipeg	81,740	81,892	81,990	83,058	84,812	82,994	86,142	86,040	86,838	86,614	88,553	94,214	98,054
Regina	71,054	68,476	72,372	72,897	73,747	76,629	76,781	82,643	85,425	90,181	94,518	96,943	100,751
Saskatoon	76,008	75,049	74,946	78,993	81,720	82,030	88,132	98,270	104,776	109,822	112,567	116,472	118,999
Calgary	128,484	128,255	129,506	133,998	133,571	132,114	134,643	143,305	157,353	166,110	176,305	182,090	198,350
Edmonton	101,040	107,085	109,602	111,823	112,927	110,329	109,042	111,587	114,527	118,871	124,203	133,441	150,165
Abbotsford	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vancouver	226,385	221,874	245,260	279,758	303,535	307,747	288,268	287,094	278,659	281,163	295,978	285,910	301,473
Victoria	160,743	169,516	194,666	210,650	219,847	210,669	211,602	218,398	217,886	221,126	225,731	225,727	242,503

¹ The geographic definitions used by CREA differ from those used by Statistics Canada.

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Source: CREA (MLS®)

Table 7
**Residential Mortgage Credit by Lending Institutions, Canada,
 1990-2002 (billions of dollars)**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Chartered Banks	96.5	107.7	121.1	142.6	165.0	177.1	191.4	213.5	232.2	241.0	262.2	279.3	306.8
Trust & Mortgage Loans Co.	70.6	71.5	69.3	57.7	44.9	41.9	39.8	31.5	22.4	19.9	6.1	5.2	5.5
Life Insurance Co. Policy Loans	16.0	17.6	19.3	19.8	20.6	21.1	21.7	21.4	20.0	18.1	17.8	17.6	16.5
Finance Companies, Non-Depository Credit Intermediaries and Other Institutions	18.0	19.0	20.6	23.4	27.9	28.1	28.6	29.8	29.2	28.4	25.8	24.4	23.6
Pension Funds	7.9	7.9	7.7	8.0	8.2	8.0	7.7	8.0	7.8	7.9	8.6	9.4	9.4
NHA Mortgage-Backed Securities	4.1	6.2	9.5	14.5	16.8	17.4	15.7	13.9	17.9	23.5	30.8	34.6	39.3
Credit Unions & Caisse Populaires	30.6	34.0	38.6	41.9	44.4	46.2	48.2	50.8	52.2	53.4	55.5	58.4	62.4
Special Purpose Corps (Securitization)	NA	NA	NA	NA	NA	0.1	1.1	4.7	11.0	18.5	23.4	19.2	15.9
Total Outstanding Balances	243.7	263.9	286.1	307.9	327.8	339.9	354.2	373.6	392.7	410.7	430.2	448.1	479.4

Annual estimates are calculated by averaging monthly residential mortgage credit, and therefore differ from end-of-year estimates.

Source: CMHC (MBS), Statistics Canada (CANSIM II)

Table 8
NHA and Conventional Residential Mortgage Loans¹
Approved by Lending Institutions,
New and Existing Housing, by Type of Lender, Canada,
1990-2001 (millions of dollars)

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Chartered Banks												
New	5,492.7	5,723.2	6,913.0	6,673.4	6,888.2	5,769.5	7,364.3	9,515.0	10,072.6	11,195.3	10,619.5	13,014.6
Existing	23,844.3	32,489.9	43,533.8	35,916.6	33,464.0	29,133.8	43,920.1	47,731.9	45,054.0	49,033.3	43,597.4	64,026.5
Total	29,337.0	38,213.1	50,446.8	42,590.0	40,352.3	34,903.3	51,284.4	57,246.9	55,126.6	60,228.6	54,216.9	77,041.1
Trust Companies												
New	3,969.3	3,024.1	2,077.1	1,857.3	1,518.6	881.8	1,022.7	835.4	746.2	846.8	909.9	770.9
Existing	13,082.8	12,667.6	12,477.2	12,413.8	9,074.4	6,020.6	6,997.8	6,466.6	5,135.4	3,815.0	3,183.6	3,157.5
Total	17,052.1	15,691.8	14,554.3	14,271.1	10,592.9	6,902.4	8,020.5	7,302.0	5,881.6	4,661.8	4,093.6	3,928.4
Life Insurance & Other Companies												
New	1,885.8	2,064.4	1,939.4	1,827.2	1,837.5	1,202.7	1,350.6	1,149.6	1,245.5	1,439.1	2,107.4	2,798.8
Existing	7,174.2	14,090.0	15,993.8	12,318.8	12,333.8	9,076.9	10,015.6	9,621.7	9,461.8	11,991.8	14,507.4	10,625.8
Total	9,060.0	16,154.4	17,933.2	14,146.0	14,171.3	10,279.6	11,366.1	10,771.4	10,707.3	13,430.8	16,614.7	13,424.6
Total												
New	11,347.8	10,811.7	10,929.6	10,357.9	10,244.3	7,854.0	9,737.5	11,500.1	12,064.3	13,481.2	13,636.8	16,584.3
Existing	44,101.3	59,247.6	72,004.7	60,649.3	54,872.2	44,231.3	60,933.5	63,820.2	59,651.2	64,840.0	61,288.4	77,809.9
Total	55,449.1	70,059.3	82,934.3	71,007.1	65,116.5	52,085.3	70,671.0	75,320.2	71,715.5	78,321.2	74,925.2	94,394.1

¹Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

Table 9

**NHA and Conventional Residential Mortgage Loans¹ Approved by Lending Institutions,
New and Existing Housing, by Type of Lender and Type of Dwelling,
Canada, Provinces and Territories, 2001 (millions of dollars)**

	Chartered Banks			Trust Companies			Life Insurance and Other Companies			Total		
	New	Existing	Total	New	Existing	Total	New	Existing	Total	New	Existing	Total
Canada												
Single-Detached	9,111.2	51,718.5	60,829.7	321.6	2,258.6	2,580.3	1,186.2	6,534.3	7,720.6	10,619.0	60,511.5	71,130.5
Multiple Dwellings	3,903.4	12,308.0	16,211.4	448.8	898.9	1,347.7	1,612.4	4,091.3	5,703.8	5,964.6	17,298.3	23,262.9
Total	13,014.6	64,026.5	77,041.1	770.4	3,157.5	3,927.9	2,798.7	10,625.7	13,424.3	16,583.7	77,809.7	94,393.4
Newfoundland and Labrador												
Single-Detached	106.2	698.4	804.6	3.3	34.6	37.9	9.1	41.9	51.0	118.7	774.9	893.5
Multiple Dwellings	4.6	54.6	59.2	NA	2.2	2.2	0.4	5.4	5.8	5.0	62.2	67.2
Total	110.8	753.0	863.8	3.3	36.8	40.1	9.5	47.3	56.8	123.6	837.1	960.7
Prince Edward Island												
Single-Detached	30.4	180.0	210.4	1.2	11.1	12.3	1.0	10.7	11.8	32.6	201.9	234.5
Multiple Dwellings	4.6	22.4	26.9	NA	0.6	0.6	0.3	1.6	1.9	4.9	24.6	29.4
Total	35.0	202.4	237.4	1.2	11.7	12.9	1.4	12.3	13.7	37.5	226.4	264.0
Nova Scotia												
Single-Detached	218.9	1,559.4	1,778.3	7.0	40.1	47.1	12.7	98.3	111.0	238.6	1,697.8	1,936.4
Multiple Dwellings	179.1	229.3	408.4	61.2	38.5	99.7	57.3	67.1	124.3	297.6	334.8	632.4
Total	398.0	1,788.7	2,186.7	68.2	78.6	146.8	69.9	165.4	235.3	536.2	2,032.6	2,568.8
New Brunswick												
Single-Detached	120.0	890.2	1,010.2	6.7	38.6	45.3	15.4	103.2	118.6	142.2	1,031.9	1,174.1
Multiple Dwellings	15.4	114.3	129.7	0.5	1.4	1.8	4.4	16.6	21.1	20.3	132.4	152.7
Total	135.4	1,004.5	1,140.0	7.2	40.0	47.1	19.9	119.8	139.7	162.5	1,164.3	1,326.8
Québec												
Single-Detached	733.5	5,383.2	6,116.7	7.1	294.6	301.7	259.9	1,336.2	1,596.2	1,000.5	7,014.1	8,014.6
Multiple Dwellings	266.4	2,468.6	2,735.0	22.3	155.8	178.1	232.1	1,136.1	1,368.2	520.8	3,760.5	4,281.3
Total	999.9	7,851.8	8,851.7	29.4	450.4	479.8	492.0	2,472.4	2,964.4	1,521.3	10,774.6	12,295.9
Ontario												
Single-Detached	5,369.8	25,878.6	31,248.3	198.8	1,054.9	1,253.7	369.8	2,294.7	2,664.5	5,938.4	29,228.1	35,166.5
Multiple Dwellings	2,318.5	5,956.2	8,274.7	162.2	419.1	581.3	601.6	1,627.3	2,228.9	3,082.4	8,002.6	11,084.9
Total	7,688.3	31,834.8	39,523.0	361.0	1,473.9	1,835.0	971.4	3,922.0	4,893.4	9,020.8	37,230.7	46,251.4
Manitoba												
Single-Detached	108.4	1,194.1	1,302.5	4.6	128.3	132.9	19.9	242.5	262.4	133.0	1,564.8	1,697.8
Multiple Dwellings	6.0	110.9	116.9	0	6.9	6.9	2.8	35.5	38.3	8.7	153.4	162.1
Total	114.4	1,305.0	1,419.4	4.6	135.2	139.8	22.7	278.0	300.7	141.7	1,718.1	1,859.9
Saskatchewan												
Single-Detached	86.4	964.5	1,050.9	5.1	63.8	69.0	21.4	208.8	230.2	112.9	1,237.1	1,350.1
Multiple Dwellings	13.1	84.3	97.4	0.8	6.1	6.9	4.9	17.1	22.0	18.8	107.5	126.3
Total	99.5	1,048.8	1,148.4	5.9	69.9	75.8	26.3	225.9	252.2	131.8	1,344.7	1,476.4
Alberta												
Single-Detached	1,692.5	6,317.0	8,009.5	76.3	338.8	415.1	370.3	1,135.8	1,506.1	2,139.1	7,791.6	9,930.7
Multiple Dwellings	640.2	1,259.1	1,899.2	67.6	123.8	191.4	236.6	553.2	789.8	944.3	1,936.1	2,880.4
Total	2,332.7	7,576.1	9,908.8	143.9	462.6	606.5	606.9	1,689.0	2,295.9	3,083.5	9,727.7	12,811.1
British Columbia												
Single-Detached	629.3	8,524.7	9,154.0	11.5	252.0	263.5	106.5	1,061.5	1,168.0	747.3	9,838.2	10,585.5
Multiple Dwellings	452.7	1,965.2	2,417.9	134.2	143.3	277.5	472.1	631.3	1,103.4	1,059.0	2,739.9	3,798.9
Total	1,082.0	10,489.9	11,571.9	145.7	395.3	541.0	578.6	1,692.8	2,271.4	1,806.3	12,578.0	14,384.4
Yukon and NWT												
Single-Detached	15.8	128.4	144.1	0	1.9	1.9	NA	0.9	0.9	15.8	131.1	146.8
Multiple Dwellings	2.8	43.2	46.0	0	1.2	1.2	0	NA	0	2.8	44.4	47.2
Total	18.6	171.5	190.1	0	3.1	3.1	0	0.9	0.9	18.6	175.5	194.1

¹Mortgage approval data are gross and may not fully capture lending activities of credit unions, caisse populaires, other smaller institutions and privately-insured loans.

Source: CMHC (NHA loan approval system and Conventional Lending Survey)

Table 10

Ownership Rates¹, Canada, Provinces and Metropolitan Areas 1971-2001 (per cent)

	1971	1976	1981	1986	1991	1996	2001
Canada	60.3	61.8	62.1	62.1	62.6	63.6	65.8
Provinces							
Newfoundland and Labrador	80.0	80.6	80.6	80.1	78.6	77.1	78.2
Prince Edward Island	74.3	76.6	75.7	74.0	73.6	72.1	73.1
Nova Scotia	71.2	72.4	71.5	71.6	70.6	70.4	70.8
New Brunswick	69.4	71.8	73.4	74.2	74.1	73.8	74.5
Québec	47.4	50.4	53.3	54.7	55.5	56.5	57.9
Ontario	62.9	63.6	63.3	63.6	63.7	64.3	67.8
Manitoba	66.1	66.4	65.8	65.5	65.8	66.4	67.8
Saskatchewan	72.7	75.5	72.9	70.1	69.9	68.8	70.8
Alberta	63.9	64.8	63.1	61.7	63.9	67.8	70.4
British Columbia	63.3	65.3	64.4	62.2	63.8	65.2	66.3
Yukon	50.2	49.3	52.7	55.7	57.6	58.5	63.0
Northwest Territories ²	24.7	25.0	22.6	27.6	31.5	38.6	53.1
Nunavut ²	NA	NA	NA	NA	NA	NA	24.2
Metropolitan Areas							
St. John's	66.6	68.9	69.5	68.3	67.1	67.5	69.5
Halifax	53.2	55.7	55.6	58.3	58.0	59.9	61.7
Saint John	52.0	56.8	59.6	61.6	63.4	65.6	67.4
Saguenay	55.5	60.3	62.0	61.5	60.9	60.8	62.3
Québec	43.8	46.6	50.9	52.9	53.6	54.9	55.5
Sherbrooke	43.9	48.0	49.4	50.1	49.2	50.2	51.9
Trois-Rivières	50.3	53.0	55.6	55.4	54.5	55.5	57.3
Montréal	35.5	38.4	41.9	44.7	46.7	48.5	50.2
Gatineau	58.6	59.7	59.1	59.2	59.8	61.5	62.4
Ottawa	50.1	50.1	51.4	50.0	54.4	58.2	61.4
Kingston	55.1	57.7	59.3	59.7	59.4	61.2	63.9
Oshawa	69.0	70.0	68.8	70.2	70.1	71.4	75.6
Toronto	55.4	56.7	57.3	58.3	57.9	58.4	63.2
Hamilton	63.9	63.8	63.4	64.6	64.6	65.2	68.3
St. Catharines - Niagara	72.2	72.9	71.6	72.0	71.4	70.7	73.2
Kitchener	60.8	60.4	60.8	61.9	61.5	62.4	66.7
London	60.1	59.5	58.0	57.8	57.6	60.0	62.8
Windsor	70.4	69.9	68.0	67.2	68.4	68.6	71.8
Greater Sudbury	57.6	62.2	64.3	64.4	63.8	62.6	65.8
Thunder Bay	73.6	72.0	69.4	69.0	68.4	69.7	71.9
Winnipeg	59.6	59.2	59.1	60.8	62.0	63.9	65.5
Regina	60.9	66.2	65.4	65.7	66.2	66.0	68.2
Saskatoon	61.3	65.7	61.8	59.9	61.0	61.4	65.0
Calgary	56.5	59.2	58.4	57.9	60.6	65.5	70.6
Edmonton	57.1	58.1	57.9	57.1	59.2	64.4	66.3
Abbotsford	74.7	75.5	72.2	70.4	72.6	71.5	71.1
Vancouver	58.8	59.4	58.5	56.3	57.5	59.4	61.0
Victoria	61.5	61.2	59.8	59.2	61.1	62.1	63.1

¹Ownership rates are computed as owners divided by total of all tenure types. Census Metropolitan Area data for 1971-1986 are based on 1986 CMA boundaries. All other data for Census Metropolitan Areas have not been adjusted for boundary changes.

²In 1996 and prior years, the Northwest Territories included Nunavut.

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

Table 11
**Rental Vacancy Rate¹, Canada, Provinces and Metropolitan Areas
 1992-2002 (per cent)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	4.8	4.9	4.7	4.5	4.5	4.5	4.0	3.2	2.2	1.7	2.1
Provinces											
Newfoundland and Labrador	6.1	9.2	7.4	10.0	13.8	15.4	14.9	10.8	5.7	3.2	3.0
Prince Edward Island	6.2	5.1	6.8	7.6	4.9	4.9	7.0	5.4	3.3	2.7	2.8
Nova Scotia	5.7	6.0	6.7	7.6	8.6	8.3	5.9	4.2	4.2	3.3	3.0
New Brunswick	4.7	5.3	6.8	6.7	6.7	6.6	6.1	4.3	3.1	4.1	4.2
Québec	7.5	7.3	6.9	6.3	6.0	6.3	5.3	3.8	2.2	1.3	1.2
Ontario	2.6	2.7	2.4	2.3	3.0	2.8	2.6	2.1	1.6	1.7	2.7
Manitoba	5.8	5.6	5.5	5.2	5.6	5.5	3.9	3.2	2.2	1.4	1.4
Saskatchewan	4.7	3.9	2.7	2.2	1.9	1.6	1.6	1.7	2.2	3.5	3.9
Alberta	4.9	6.0	7.1	7.2	4.8	2.7	1.4	2.4	1.3	1.1	2.3
British Columbia	1.8	1.4	1.4	2.3	2.8	3.4	5.0	5.0	3.6	2.6	3.1
Metropolitan Area											
St. John's	5.6	8.8	7.1	10.8	15.4	16.6	15.4	9.2	3.8	2.5	2.7
Halifax	5.7	6.3	7.2	7.7	8.7	7.7	5.5	3.6	3.6	2.8	2.7
Saint John	6.0	6.3	8.0	8.6	9.1	8.2	7.3	5.2	3.4	5.6	6.3
Saguenay	7.1	6.3	6.3	6.0	5.4	4.1	4.8	4.9	4.4	4.4	4.9
Québec	6.3	6.0	6.9	6.0	6.5	6.6	5.2	3.3	1.6	0.8	0.3
Sherbrooke	9.3	7.6	8.0	6.2	6.6	7.5	7.3	7.6	4.7	2.3	1.8
Trois-Rivières	7.0	6.5	7.4	7.2	8.0	8.6	8.5	7.9	6.8	4.7	3.0
Montréal	7.7	7.7	6.8	6.2	5.7	5.9	4.7	3.0	1.5	0.6	0.7
Gatineau	3.7	4.5	6.6	8.3	7.7	9.4	6.7	4.4	1.4	0.6	0.5
Ottawa	1.3	1.8	2.6	3.8	4.9	4.2	2.1	0.7	0.2	0.8	1.9
Kingston	1.9	2.5	2.9	3.2	4.2	5.3	5.4	3.4	1.8	1.5	0.9
Oshawa	6.1	4.6	3.4	2.7	3.7	2.4	2.0	1.7	1.7	1.3	2.3
Toronto	2.2	2.0	1.2	0.8	1.2	0.8	0.8	0.9	0.6	0.9	2.5
Hamilton	2.3	2.7	2.4	2.0	2.2	3.1	3.2	1.9	1.7	1.3	1.6
St. Catharines - Niagara	3.4	4.9	5.8	5.2	5.6	5.4	4.6	3.2	2.6	1.9	2.4
Kitchener	4.4	4.3	2.8	2.2	1.8	1.9	1.5	1.0	0.7	0.9	2.3
London	3.4	3.8	4.1	4.3	6.0	5.1	4.5	3.5	2.2	1.6	2.0
Windsor	3.3	2.7	1.6	1.8	2.8	4.5	4.3	2.7	1.9	2.9	3.9
Greater Sudbury	2.5	3.8	4.3	6.0	6.8	7.2	9.4	11.1	7.7	5.7	5.1
Thunder Bay	2.5	2.7	4.1	6.2	5.6	7.7	9.3	7.5	5.8	5.8	4.7
Winnipeg	6.1	5.9	5.6	5.4	6.0	5.9	4.0	3.0	2.0	1.4	1.2
Regina	3.6	3.6	3.2	2.1	1.9	1.5	1.7	1.4	1.4	2.1	1.9
Saskatoon	4.4	2.7	1.8	1.0	0.7	0.9	0.8	0.9	1.7	2.9	3.7
Calgary	5.5	5.9	5.1	3.6	1.5	0.5	0.6	2.8	1.3	1.2	2.9
Edmonton	4.0	6.5	8.9	10.2	7.6	4.6	1.9	2.2	1.4	0.9	1.7
Abbotsford	1.5	2.4	2.9	7.7	6.0	5.1	7.4	6.7	3.7	2.4	2.0
Vancouver	1.6	1.1	0.8	1.2	1.1	1.7	2.7	2.7	1.4	1.0	1.4
Victoria	1.5	1.8	1.9	3.3	4.1	3.5	3.8	3.6	1.8	0.5	1.5
Average of Metropolitan Areas²	4.8	4.8	4.6	4.3	4.3	4.1	3.4	2.6	1.6	1.1	1.7

¹In privately initiated apartment structures with at least three units

²Prior to 2002, Kingston and Abbotsford are not included in the average of metropolitan areas

Source: CMHC (Rental Market Survey)

Table 12
**Average Rent for Two-Bedroom Apartments¹,
 Canada, Provinces and Metropolitan Areas, 1992-2002 (dollars)**

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Canada	568	575	579	589	593	597	616	628	647	672	693
Provinces											
Newfoundland and Labrador	517	512	517	525	526	524	490	489	510	530	538
Prince Edward Island	503	511	517	523	522	527	529	531	538	561	566
Nova Scotia	562	571	579	584	588	589	603	609	621	645	669
New Brunswick	461	470	479	484	490	499	503	510	515	530	543
Québec	473	471	472	481	479	479	486	491	495	513	531
Ontario	672	690	700	714	725	726	761	785	829	863	883
Manitoba	545	550	551	554	559	561	566	574	581	596	612
Saskatchewan	454	458	459	465	477	494	507	522	529	546	554
Alberta	553	548	541	540	543	565	607	633	651	701	734
British Columbia	682	699	716	725	737	739	746	742	753	772	795
Metropolitan Area											
St. John's	566	554	559	565	570	567	513	517	552	575	589
Halifax	595	604	610	615	617	616	631	637	648	673	704
Saint John	429	436	439	437	441	449	452	457	460	483	492
Saguenay	420	419	416	417	423	425	428	428	438	439	440
Québec	501	502	501	513	511	513	513	511	518	538	550
Sherbrooke	408	418	420	422	426	426	433	434	437	446	456
Trois-Rivières	395	400	402	406	405	406	411	403	413	419	431
Montréal	488	484	484	494	491	491	499	506	509	529	552
Gatineau	513	519	528	536	537	530	529	534	544	573	599
Ottawa	700	727	738	738	739	729	754	783	877	914	930
Kingston	592	619	624	631	654	643	653	658	679	709	727
Oshawa	651	659	659	689	700	691	726	745	778	799	819
Toronto	754	773	784	805	819	821	881	916	979	1027	1047
Hamilton	574	599	602	614	625	636	662	698	719	740	765
St. Catharines - Niagara	570	585	597	596	606	613	617	634	653	680	695
Kitchener	593	597	591	616	623	630	641	660	697	722	750
London	594	615	629	636	640	636	637	639	657	683	705
Windsor	620	631	643	667	682	680	680	696	736	738	769
Greater Sudbury	594	610	610	621	624	619	623	612	619	620	647
Thunder Bay	620	632	655	659	672	666	647	647	654	657	657
Winnipeg	553	557	559	561	567	568	574	582	588	605	622
Regina	484	487	485	487	494	512	525	547	549	568	581
Saskatoon	444	449	452	460	479	500	516	529	541	558	567
Calgary	598	584	585	584	595	635	707	739	740	783	804
Edmonton	544	543	524	519	518	525	551	576	601	654	709
Abbotsford	615	635	640	651	645	628	633	630	632	645	650
Vancouver	771	790	812	826	845	852	870	864	890	919	954
Victoria	684	703	713	715	717	724	722	728	731	751	771

¹In privately initiated apartment structures with at least three units

Source: CMHC (Rental Market Survey)

Table 13

Occupied Housing Stock by Structure Type and Tenure, Canada, 1991-2001 (dwelling units)

	1991				1996				2001			
	Owned	Rented	Band	Total	Owned	Rented	Band	Total	Owned	Rented	Band	Total
Total	6,273,030	3,718,520	26,715	10,018,270	6,877,780	3,905,145	37,125	10,820,050	7,610,390	3,907,170	45,415	11,562,975
Single-detached house	5,094,150	583,265	25,500	5,702,915	5,488,620	597,480	34,280	6,120,380	5,972,985	620,950	41,135	6,635,065
Semi-detached house	299,305	168,835	240	468,380	337,005	164,580	505	502,090	395,460	169,585	800	565,850
Row house	185,455	272,720	240	458,415	259,690	278,125	545	538,365	340,870	276,140	995	618,010
Apartment, detached duplex	132,555	243,200	35	375,785	164,720	286,620	155	451,495	154,385	258,210	165	412,760
Apartment, building that has five or more storeys	125,250	784,760	10	910,020	157,395	822,075	-	979,470	213,205	836,440	10	1,049,655
Apartment, building that has fewer than five storeys	260,350	1,613,745	105	1,874,200	318,645	1,709,375	305	2,028,325	386,165	1,696,730	510	2,083,410
Other single-attached house	21,035	26,925	40	48,005	17,525	22,005	25	39,555	16,850	24,945	50	41,845
Movable dwelling	154,930	25,075	545	180,555	134,175	24,885	1,310	160,370	130,470	24,165	1,750	156,385

Source: Statistics Canada (Census of Canada).

Table 14

Dwelling Condition by Tenure and Period of Construction, Canada, 2001

Tenure and Period of Construction	Total Occupied Dwellings	Dwelling Condition					
		In Need of Regular Maintenance Only		In Need of Minor Repairs		In Need of Major Repairs	
		Number	Per Cent	Number	Per Cent	Number	Per Cent
Total	11,562,975	7,554,135	65.3	3,060,605	26.5	948,235	8.2
1945 or before	1,661,635	806,080	48.5	582,315	35.0	273,240	16.4
1946-1960	1,819,730	1,033,505	56.8	586,510	32.2	199,715	11.0
1961-1970	1,833,290	1,136,880	62.0	534,300	29.1	162,110	8.8
1971-1980	2,460,455	1,573,350	63.9	707,510	28.8	179,595	7.3
1981-1985	1,001,665	680,515	67.9	268,115	26.8	53,035	5.3
1986-1990	1,079,075	817,490	75.8	221,485	20.5	40,100	3.7
1991-1995	887,255	747,375	84.2	112,740	12.7	27,140	3.1
1996-2001	819,865	758,940	92.6	47,630	5.8	13,295	1.6
Owned	7,610,385	4,961,405	65.2	2,082,950	27.4	566,035	7.4
1945 or before	1,083,600	512,130	47.3	397,515	36.7	173,950	16.1
1946-1960	1,149,140	650,885	56.6	385,095	33.5	113,155	9.8
1961-1970	992,295	604,260	60.9	309,220	31.2	78,815	7.9
1971-1980	1,587,135	973,690	61.3	500,165	31.5	113,275	7.1
1981-1985	655,055	424,055	64.7	198,050	30.2	32,950	5.0
1986-1990	798,775	597,825	74.8	174,410	21.8	26,535	3.3
1991-1995	662,930	562,215	84.8	82,720	12.5	18,000	2.7
1996-2001	681,460	636,345	93.4	35,765	5.2	9,355	1.4
Rented	3,907,170	2,580,170	66.0	962,630	24.6	364,370	9.3
1945 or before	577,815	293,930	50.9	184,740	32.0	99,140	17.2
1946-1960	669,685	382,500	57.1	201,170	30.0	86,015	12.8
1961-1970	838,125	532,245	63.5	224,410	26.8	81,465	9.7
1971-1980	865,675	598,605	69.1	205,270	23.7	61,800	7.1
1981-1985	338,655	255,030	75.3	67,465	19.9	16,165	4.8
1986-1990	272,145	217,980	80.1	43,800	16.1	10,365	3.8
1991-1995	215,200	182,325	84.7	26,340	12.2	6,535	3.0
1996-2001	129,870	117,555	90.5	9,425	7.3	2,890	2.2
Band	45,420	12,560	27.7	15,025	33.1	17,825	39.2
1945 or before	225	25	11.1	55	24.4	150	66.7
1946-1960	905	120	13.3	240	26.5	545	60.2
1961-1970	2,875	375	13.0	670	23.3	1,825	63.5
1971-1980	7,650	1,055	13.8	2,075	27.1	4,520	59.1
1981-1985	7,955	1,430	18.0	2,595	32.6	3,925	49.3
1986-1990	8,150	1,685	20.7	3,265	40.1	3,200	39.3
1991-1995	9,125	2,840	31.1	3,675	40.3	2,610	28.6
1996-2001	8,530	5,040	59.1	2,445	28.7	1,050	12.3

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

Table 15
**Household Growth Summary, Canada, Provinces
and Metropolitan Areas, 1996-2001**

	1996	2001	Growth (per cent)	Avg. Annual Growth
Canada	10,820,050	11,562,975	6.9	148,585
Provinces				
Newfoundland and Labrador	185,495	189,045	1.9	710
Prince Edward Island	47,960	50,795	5.9	567
Nova Scotia	342,595	360,025	5.1	3,486
New Brunswick	271,155	283,820	4.7	2,533
Québec	2,822,030	2,978,110	5.5	31,216
Ontario	3,924,510	4,219,410	7.5	58,980
Manitoba	419,385	432,550	3.1	2,633
Saskatchewan	372,820	379,675	1.8	1,371
Alberta	979,175	1,104,100	12.8	24,985
British Columbia	1,424,635	1,534,335	7.7	21,940
Metropolitan Area				
St. John's	60,295	64,830	7.5	907
Halifax	131,520	144,435	9.8	2,583
Saint John	47,050	48,260	2.6	242
Saguenay	59,940	62,195	3.8	451
Québec	275,935	295,105	6.9	3,834
Sherbrooke	61,595	66,280	7.6	937
Trois-Rivières	57,665	59,580	3.3	383
Montréal	1,341,275	1,417,360	5.7	15,217
Ottawa-Gatineau	381,225	415,940	9.1	6,943
Kingston	55,390	58,330	5.3	588
Oshawa	93,710	104,200	11.2	2,098
Toronto	1,488,370	1,634,755	9.8	29,277
Hamilton	235,605	253,085	7.4	3,496
St. Catharines - Niagara	144,505	150,875	4.4	1,274
Kitchener	140,460	153,280	9.1	2,564
London	162,390	173,120	6.6	2,146
Windsor	108,475	117,710	8.5	1,847
Greater Sudbury	63,780	63,145	-1.0	-127
Thunder Bay	49,225	49,545	0.7	64
Winnipeg	261,915	269,985	3.1	1,614
Regina	74,695	76,655	2.6	392
Saskatoon	84,535	88,945	5.2	882
Calgary	305,305	356,375	16.7	10,214
Edmonton	320,065	356,515	11.4	7,290
Abbotsford	46,640	51,020	9.4	876
Vancouver	692,960	758,710	9.5	13,150
Victoria	129,350	135,600	4.8	1,250

Data for 1996 are based on 2001 Census Metropolitan Area boundaries. Between 1996 and 2001, CMA boundaries changed in Halifax, Sherbrooke, Ottawa-Gatineau, Kingston, London, Windsor, Sudbury, and Thunder Bay.

Source: CMHC, adapted from Statistics Canada (Census of Canada) and Statistics Canada, Profile of Canadian families and households: Diversification continues, Catalogue no. 96F0030XIE2001003

Table 16

Households by Type and Tenure, Canada, 1971-2001

	1971	1976	1981	1986	1991	1996	2001
Total Households							
All household types	6,034,505	7,166,095	8,281,535	8,991,670	10,018,265	10,820,050	11,562,975
Family households	4,928,130	5,633,945	6,231,485	6,634,995	7,235,230	7,685,470	8,155,560
One-family households	4,807,010	5,542,295	6,140,330	6,537,880	7,118,660	7,540,625	7,951,960
Couples with children	3,028,315	3,266,655	3,523,205	3,604,045	3,729,800	3,853,800	3,857,620
Couples without children	1,354,970	1,759,510	1,948,700	2,130,935	2,485,115	2,608,435	2,910,180
Lone parents	423,725	516,125	668,425	802,905	903,745	1,078,385	1,184,165
Multiple-family households	121,120	91,655	91,160	97,115	116,575	144,845	203,600
Non-family households	1,106,375	1,532,150	2,050,045	2,356,675	2,783,035	3,134,580	3,407,415
One person only	810,395	1,205,340	1,681,130	1,934,710	2,297,060	2,622,180	2,976,880
Two or more persons	295,980	326,810	368,915	421,965	485,975	512,400	430,535
Owners							
All household types	3,636,925	4,431,230	5,141,935	5,580,875	6,273,030	6,877,780	7,610,385
Family households	3,220,840	3,918,915	4,465,250	4,755,765	5,240,405	5,626,670	6,145,835
One-family households	3,124,275	3,842,355	4,390,265	4,677,435	5,145,490	5,511,500	5,985,695
Couples with children	2,095,895	2,488,795	2,807,650	2,868,915	2,975,720	3,083,980	3,148,020
Couples without children	820,960	1,106,650	1,267,930	1,445,650	1,765,205	1,954,540	2,239,700
Lone parents	207,420	246,910	314,685	362,870	404,565	472,980	597,970
Multiple-family households	96,560	76,560	74,985	78,330	94,910	115,170	160,140
Non-family households	416,085	512,320	676,690	825,110	1,032,630	1,251,110	1,464,555
One person only	299,805	391,475	539,200	668,270	848,310	1,050,520	1,307,170
Two or more persons	116,285	120,850	137,490	156,845	184,325	200,595	157,380
Renters							
All household types	2,397,580	2,734,860	3,139,595	3,368,485	3,718,525	3,905,145	3,907,170
Family households	1,707,290	1,715,035	1,766,240	1,845,340	1,972,740	2,028,420	1,972,310
One-family households	1,682,735	1,699,940	1,750,065	1,828,435	1,952,400	2,000,890	1,933,895
Couples with children	932,420	777,860	715,555	715,655	740,235	752,150	690,815
Couples without children	534,015	652,860	680,770	679,600	717,520	650,285	666,775
Lone parents	216,310	269,220	353,745	433,180	494,645	598,450	576,290
Multiple-family households	24,555	15,095	16,170	16,900	20,340	27,530	38,415
Non-family households	690,290	1,019,825	1,373,355	1,523,145	1,745,785	1,876,725	1,934,860
One person only	510,595	813,865	1,141,935	1,260,065	1,445,450	1,566,635	1,662,845
Two or more persons	179,695	205,960	231,425	263,085	300,330	310,095	272,015

Total household counts for 1986-2001 include households in on-reserve (1986) or band housing (1991, 1996, 2001) and are therefore larger than the sum of owners and renters. Because of changes to the definition of census family, household type data for 2001, with the exception of data on one-person households, are not strictly comparable to data from earlier censuses.

Source: Statistics Canada (Census of Canada)

Table 17
Households by Age of Maintainer and Tenure, Canada, 1971-2001

	1971	1976	1981	1986	1991	1996	2001
Total Households							
15-24	413,570	584,270	674,825	535,945	466,225	437,460	447,165
25-34	1,262,315	1,678,965	2,036,370	2,124,040	2,219,995	2,045,210	1,792,025
35-44	1,250,530	1,339,425	1,589,410	1,971,475	2,363,020	2,630,170	2,747,615
45-54	1,172,285	1,305,650	1,370,800	1,412,515	1,666,415	2,102,365	2,509,625
55-64	955,825	1,079,005	1,215,890	1,327,005	1,379,945	1,434,725	1,659,775
65-74	627,395	763,350	905,740	1,021,305	1,168,255	1,280,605	1,324,885
75+	352,590	415,430	488,490	599,385	754,405	889,510	1,081,880
Total	6,034,505	7,166,095	8,281,535	8,991,670	10,018,265	10,820,050	11,562,975
Owners							
15-24	57,750	111,125	127,180	88,815	64,625	61,670	70,990
25-34	541,240	866,895	1,064,390	1,029,220	1,043,470	936,020	837,010
35-44	838,995	949,750	1,142,890	1,374,245	1,606,665	1,741,120	1,844,450
45-54	851,190	970,265	1,037,395	1,062,030	1,246,970	1,555,580	1,868,280
55-64	682,985	775,350	894,035	989,245	1,041,660	1,093,570	1,276,610
65-74	432,440	504,665	595,650	695,155	824,185	936,610	997,030
75+	232,330	253,190	280,405	342,175	445,450	553,210	716,015
Total	3,636,925	4,431,230	5,141,935	5,580,875	6,273,030	6,877,780	7,610,390
Renters							
15-24	355,820	473,150	547,645	443,735	399,360	372,805	373,060
25-34	721,070	812,075	971,985	1,083,920	1,168,780	1,098,795	943,670
35-44	411,535	389,670	446,520	588,310	750,085	879,555	890,540
45-54	321,095	335,390	333,405	343,705	415,175	540,525	633,160
55-64	272,845	303,655	321,860	332,095	335,185	337,020	378,015
65-74	194,955	258,685	310,095	321,750	342,100	341,440	324,590
75+	120,260	162,240	208,080	254,975	307,840	335,010	364,135
Total	2,397,580	2,734,860	3,139,595	3,368,485	3,718,525	3,905,145	3,907,170
Avg. Household Size	3.5	3.1	2.9	2.8	2.7	2.6	2.6

Total household counts for 1986-2001 include households in on-reserve (1986) or band housing (1991, 1996, 2001) and are therefore larger than the sum of owners and renters.

Source: Statistics Canada (Census of Canada).

Table 18

Median and Mean Household Net Worth¹ by Tenure, Canada, 1999 (dollars)

Age of maintainer	All Households		Owned		Did not own		Owned with mortgage		Owned without mortgage	
	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean
All ages	92,543	210,913	171,150	304,526	10,201	46,972	113,000	198,891	259,311	428,962
Under 35 years	26,500	83,818	84,087	157,930	6,200	29,223	73,600	125,342	223,700	338,872
Under 25 years	5,900	54,334	122,500	271,896	2,700	8,884	N/A	N/A	N/A	N/A
25-34 years	36,400	90,673	83,200	148,442	7,950	36,784	74,435	123,134	220,000	309,354
35-64 years	115,300	246,327	175,200	327,414	12,450	51,499	129,500	221,624	283,750	491,071
35-44 years	81,600	177,660	132,000	244,661	12,500	49,574	109,990	190,788	251,300	423,969
45-54 years	138,120	275,649	202,085	354,392	13,050	56,150	149,201	245,642	279,750	511,307
55-64 years	177,200	338,279	246,001	430,731	10,600	48,666	169,501	276,814	310,750	512,755
65 years and over	157,750	256,697	221,000	342,610	19,500	73,021	148,700	232,071	233,400	354,935
65-74 years	176,600	280,041	240,500	357,524	16,000	78,754	148,700	257,691	258,000	372,279
75 and over	136,700	226,287	199,500	320,279	22,000	67,438	N/A	N/A	204,000	330,925

Real Change in Household Net Worth² by Tenure, Canada, 1984-99 (per cent)

All ages	10.7	36.0	20.7	32.4	-41.4	27.6	3.3	12.8	45.7	52.0
Under 35 years	-31.0	4.9	-11.5	2.4	-78.7	39.4	-4.4	-1.4	45.2	54.4
Under 25 years	-89.4	12.9	65.0	101.7	-99.9	-67.8	NA	NA	NA	NA
25-34 years	-26.2	0.6	-14.7	-5.9	-65.7	62.4	-4.5	-6.2	42.3	34.3
35-64 years	-7.2	22.3	8.9	27.3	-43.5	7.1	-3.5	8.4	48.3	57.2
35-44 years	-15.7	11.0	0.9	15.6	-43.9	32.1	-2.8	12.5	46.9	42.5
45-54 years	-7.9	20.7	11.9	24.6	-22.3	6.9	-8.5	5.4	37.0	51.7
55-64 years	17.9	44.0	34.0	47.5	-67.8	-23.0	-1.6	3.8	59.8	69.2
65 years and over	51.5	45.8	44.5	39.9	2.4	12.8	6.3	2.4	48.8	44.1
65-74 years	47.4	36.9	37.6	32.3	-31.6	1.1	0.0	9.6	45.4	35.8
75 and over	58.6	76.9	51.3	65.3	49.6	40.9	NA	NA	55.9	70.0

¹Including the value of employer pension plan benefits

²Excluding the value of employer pension plan benefits in both 1984 and 1999

Source: CMHC, adapted from Statistics Canada custom tabulations (Survey of Financial Security - 1999 data; Assets and Debts Survey - 1984 data)

Table 19
**Household Income and Shelter Costs by Tenure
Canada, Provinces and Territories, 1991**

Tenure	All Households				Households Able to Access Affordable Housing				Households Unable to Access Affordable Housing			
	Number of Households	Average Annual Income	Average Monthly Shelter Cost (\$)	Average STIR ¹ (per cent)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (per cent)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (per cent)
Canada												
Total	9,371,730	47,944	619	21	8,101,750	53,226	636	17	1,269,980	14,244	506	46
Own	5,925,460	56,676	665	17	5,571,025	59,296	673	16	354,435	15,503	538	44
Rent	3,446,270	32,929	538	27	2,530,730	39,865	553	20	915,545	13,756	494	47
Newfoundland												
Total	169,755	40,730	416	16	145,125	45,231	421	12	24,630	14,205	381	38
Own	134,765	43,533	406	14	120,840	46,794	415	11	13,920	15,241	329	31
Rent	34,990	29,935	455	26	24,285	37,464	454	17	10,705	12,857	449	47
Prince Edward Island												
Total	41,700	39,359	453	19	36,115	43,360	454	14	5,585	13,487	441	43
Own	30,675	43,894	453	15	28,315	46,300	455	13	2,355	15,057	421	36
Rent	11,025	26,741	455	28	7,795	32,703	452	20	3,225	12,339	456	47
Nova Scotia												
Total	309,645	41,357	505	20	267,575	45,879	516	15	42,065	12,600	442	45
Own	221,900	46,043	509	16	204,860	48,819	518	14	17,035	12,666	408	41
Rent	87,745	29,506	496	28	62,715	36,272	508	20	25,035	12,554	465	48
New Brunswick												
Total	243,270	39,851	429	18	203,865	44,927	437	13	39,405	13,587	381	39
Own	181,930	44,211	432	15	162,750	47,606	440	12	19,175	15,400	368	33
Rent	61,340	26,916	419	27	41,105	34,322	430	18	20,230	11,868	393	44
Québec												
Total	2,479,915	42,550	548	21	2,119,925	47,812	566	17	359,990	11,563	434	48
Own	1,399,070	52,558	616	18	1,326,620	54,757	623	16	72,445	12,285	474	47
Rent	1,080,845	29,597	459	27	793,305	36,199	470	19	287,540	11,381	424	48
Ontario												
Total	3,433,900	54,211	729	21	3,025,860	59,358	748	18	408,035	16,044	585	47
Own	2,212,110	63,787	791	18	2,096,605	66,372	799	17	115,505	16,850	637	46
Rent	1,221,790	36,872	616	27	929,265	43,529	631	20	292,530	15,726	565	47
Manitoba												
Total	364,070	41,927	518	20	313,555	46,629	531	16	50,520	12,741	429	44
Own	242,195	49,324	551	16	227,635	51,570	557	14	14,555	14,211	456	40
Rent	121,880	27,228	451	27	85,910	33,542	462	20	35,965	12,146	418	45
Saskatchewan												
Total	304,365	40,179	479	19	258,960	44,731	485	15	45,405	14,216	443	42
Own	209,320	46,297	507	16	191,095	49,173	510	14	18,225	16,143	476	38
Rent	95,050	26,704	416	26	67,865	32,224	414	19	27,180	12,923	421	44
Alberta												
Total	828,725	49,102	619	20	722,950	54,207	636	17	105,780	14,217	499	45
Own	526,975	58,187	668	17	496,150	60,823	677	15	30,815	15,746	534	43
Rent	301,755	33,237	532	26	226,790	39,732	546	20	74,965	13,588	485	47
British Columbia												
Total	1,171,375	48,666	617	21	988,870	54,672	623	16	182,505	16,127	576	47
Own	756,035	56,528	622	16	707,380	59,185	621	14	48,650	17,883	631	45
Rent	415,340	34,355	607	29	281,485	43,327	630	20	133,855	15,489	556	47
Northwest Territories												
Total	15,705	56,533	661	16	11,160	68,463	761	14	4,540	27,210	409	20
Own	4,975	70,952	904	17	3,945	82,285	1,003	16	1,030	27,507	504	23
Rent	10,730	49,849	543	15	7,220	60,918	623	13	3,510	27,123	382	20
Yukon Territory												
Total	9,295	54,243	626	18	7,785	60,901	658	15	1,510	19,903	453	33
Own	5,510	60,696	670	16	4,800	66,516	709	15	710	21,382	397	27
Rent	3,785	44,853	562	20	2,985	51,940	575	16	805	18,599	505	38

¹Shelter cost-to-income ratio in per cent

These data apply to all non-farm, off-reserve households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent from the Census of Canada. Affordable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. The subset of households classified as unable to access affordable housing are considered to be in core housing need.

Source: CMHC (census-based housing indicators and data)

Table 20
**Household Income and Shelter Costs by Tenure
Canada, Provinces and Territories, 1996**

Tenure	All Households				Households Able to Access Affordable Housing				Households Unable to Access Affordable Housing			
	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (per cent)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (per cent)	Number of Households	Average Annual Income (\$)	Average Monthly Shelter Cost (\$)	Average STIR ¹ (per cent)
Canada												
Total	10,027,840	50,958	688	22	8,233,200	58,532	706	16	1,794,640	16,210	604	48
Own	6,494,030	60,633	738	18	5,927,290	64,616	742	16	566,735	18,974	693	45
Rent	3,533,810	33,177	593	30	2,305,905	42,891	608	20	1,227,900	14,934	563	49
Newfoundland												
Total	177,815	42,516	465	18	149,425	47,959	468	14	28,380	13,859	445	43
Own	139,485	46,117	458	15	125,435	49,658	464	13	14,050	14,505	400	37
Rent	38,325	29,409	492	29	23,995	39,073	491	17	14,335	13,226	489	48
Prince Edward Island												
Total	45,130	43,004	522	20	37,650	48,572	526	16	7,475	14,983	498	43
Own	32,680	48,722	529	16	29,745	51,900	532	14	2,935	16,495	494	39
Rent	12,450	27,995	502	29	7,900	36,040	503	19	4,545	14,006	500	46
Nova Scotia												
Total	323,050	43,304	545	21	264,345	49,670	553	15	58,710	14,635	508	45
Own	233,080	48,856	549	17	209,335	52,604	555	14	23,745	15,818	496	40
Rent	89,965	28,919	537	31	55,005	38,509	549	20	34,960	13,831	516	48
New Brunswick												
Total	255,700	42,823	484	19	216,845	48,185	492	14	38,850	12,893	437	44
Own	191,930	47,850	491	16	175,665	51,033	497	13	16,270	13,495	419	40
Rent	63,765	27,690	461	28	41,190	36,041	466	18	22,580	12,459	449	47
Québec												
Total	2,621,630	44,661	590	23	2,143,860	51,766	610	16	477,775	12,780	491	49
Own	1,519,340	55,545	656	18	1,405,225	58,846	664	16	114,110	14,891	565	48
Rent	1,102,285	29,659	497	29	738,630	38,296	509	19	363,660	12,117	468	50
Ontario												
Total	3,680,315	56,805	805	23	2,995,465	65,572	828	17	684,845	18,461	698	48
Own	2,410,620	67,620	869	19	2,187,255	72,336	874	16	223,360	21,433	816	47
Rent	1,269,700	36,273	682	31	808,205	47,266	704	21	461,490	17,023	641	48
Manitoba												
Total	374,620	45,581	559	20	312,835	51,719	573	16	61,780	14,499	479	44
Own	255,365	53,868	594	16	234,770	57,066	600	14	20,585	17,404	519	39
Rent	119,255	27,834	481	28	78,065	35,638	490	19	41,195	13,046	458	46
Saskatchewan												
Total	314,430	44,174	501	19	268,445	49,414	509	15	45,990	13,583	450	44
Own	216,965	51,623	527	15	200,780	54,515	531	14	16,185	15,756	469	39
Rent	97,470	27,589	443	27	67,655	34,280	443	19	29,810	12,403	439	47
Alberta												
Total	891,170	53,311	674	21	764,350	59,595	691	16	126,820	15,436	564	47
Own	607,290	62,427	727	18	563,475	65,897	733	16	43,805	17,800	652	46
Rent	283,880	33,810	558	27	200,870	41,917	573	19	83,010	14,189	518	47
British Columbia												
Total	1,315,400	53,363	755	23	1,058,300	61,772	766	17	257,105	18,747	707	48
Own	873,655	61,669	779	19	784,140	66,205	776	16	89,515	21,939	802	46
Rent	441,745	36,936	708	32	274,160	49,097	736	20	167,595	17,042	657	50
Northwest Territories												
Total	18,345	61,803	757	16	13,540	74,177	850	14	4,805	26,886	465	22
Own	7,140	81,057	1,006	17	5,990	90,781	1,073	15	1,155	30,321	648	27
Rent	11,200	49,527	589	16	7,550	61,002	670	13	3,655	25,803	405	20
Yukon Territory												
Total	10,235	59,309	775	20	8,130	68,472	787	15	2,100	23,880	720	40
Own	6,475	67,297	833	18	5,450	74,812	839	15	1,025	27,294	795	36
Rent	3,760	45,555	672	25	2,680	55,582	679	17	1,080	20,650	648	44

¹Shelter cost-to-income ratio in per cent

These data apply to all non-farm, off-reserve households reporting positive incomes and shelter cost-to-income ratios less than 100 per cent from the Census of Canada. Affordable housing is defined as adequate and suitable shelter that can be obtained without spending 30 per cent or more of before-tax household income. Adequate shelter is housing that is not in need of major repair. Suitable shelter is housing that is not crowded, meaning that it has sufficient bedrooms for the size and make-up of the occupying household. The subset of households classified as unable to access affordable housing are considered to be in core housing need.

Source: CMHC (census-based housing indicators and data)