Canada’s Housing System: Evolving Conditions and Challenges

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Outline

• Housing as a system
  – Need to think system wide
  – Interactions and unintended consequences
  – Implications for housing affordability

Canada’s new National Housing Strategy
  How might it help locally

Potential Opportunities
Rising home prices and concern about owner affordability

Steady rise in ownership – until last 5 yrs
Low level of rental starts

Housing starts by intended market
Canada total, cma's only

Very low level of rental starts

Housing starts by intended market
Hamilton (cma)
Significant migration effect
Intra-provincial and Non Permanent = Students

Rental vacancy and rents

And upward pressure on home prices as shown in first slide
Erosion of lower rent stock

- On going constraints to ownership will increase pressure on rental market
- Shortages across lower half of rental market plus erosion effect exacerbate housing affordability
- This will have implications for housing need and ability to find lower rent options to support homeless housing first initiatives

Impacts at low end of rental market
National Housing Strategy

• Focused on deep affordability and homelessness
• New funding to sustain existing social housing
• Minimal new funds to expand supply
• Potential of a new Canada Housing Benefit to address affordability
• Some support for intermediate rental supply
• 2019 budget - First Buyer incentives

Implications for Hamilton

Does your Housing and Homeless Plan consider and include elements directed to the market part of the system? For example:
• Improve/enable FTB access
• Stimulate intermediate market construction
  – E.g. Student housing
  – Encourage/enable Non-profit sector to build mixed market
• Well designed initiatives to respond to affordability need (NHS) – demand side
• Support Housing First - targeted supply
• Slow or manage erosion issue
  – Role of NP in acquisition
Thank you!