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Report Highlights Ontario's Housing Needs

Build Affordable Housing – Reduce Poverty, Improve Economy

(Toronto) As Ontario continues its slide into one of the deepest recessions in 50 years, the income gap between renters and home owners in the province continues to increase. This worrisome trend, combined with low vacancy rates in many areas and long waiting lists for social housing across the province, highlights the need for increased investment in affordable housing to protect families and create jobs, according to a report released today.

The eighth annual edition of [*Where's Home? A Picture of Housing Needs in Ontario \(2008\)*](#) authored by the Ontario Non-Profit Housing Association (ONPHA) and the Co-operative Housing Federation of Canada (CHF Canada) Ontario Region, analyzes 22 separate housing markets across Ontario.

“One –in –five Ontario tenant households are still spending more than half of their income on housing,” said ONPHA Executive Director, Sharad Kerur. “Many of these households are one paycheque away from losing their homes. I am really worried that as the economy moves deeper into recession, more and more households will be forced to choose between paying the rent and other necessities.”

“We need to fix the housing we have and build more co-operative and non-profit housing,” commented Harvey Cooper, Manager of Government Relations at CHF Canada Ontario Region. “Affordable housing is a natural firewall against poverty – we need more of it.”

The report's authors estimate that 10,000 additional rental units must be built annually to meet the demand. Last year, only 3,000 units were produced. Over the last decade, there has been an 8,500 unit net *decrease* in the total number of rental housing units in Ontario, with many rental units being converted to condominiums or demolished. For many renters, the units that remain are unaffordable.

Where's Home? 2008 shows that the rents in 14 of the rental markets, which contain 60% of Ontario's population, increased at a rate higher than inflation between 1997 and 2007. Most renters are clearly losing ground when it comes to maintaining, or achieving, housing

affordability. This was a period of relative economic growth, so the current projections of a lengthy recession with significant job losses and wage deflation are of great concern.

The highest rent increases over the last ten years took place in **York Region**, where rents increased by a rate that was 60% more than the rate of inflation. In **Ottawa and Kingston**, rents outpaced inflation by 40%, while in **Toronto, Peterborough and Kitchener** rents outpaced inflation by 30%.

Where's Home? 2008 also shows that there is a growing gap between incomes of homeowners and tenant households. Census data shows that increases in the average income of homeowners steadily outpaced increases to tenant incomes. Homeowner incomes increased by over 40% between 1995 and 2005, compared to an average increase of 25% among tenant households. Even during periods of stable economic growth, housing affordability problems have remained high among tenant households.

The report argues that a larger inventory of permanently affordable non-profit and co-operative housing would offer low-income households a measure of stability as the economy worsens. Furthermore, the report argues that building new affordable housing can act as an effective stimulus strategy, benefiting Ontario's low-income households and creating jobs in sectors like construction.

"Housing affordability problems are getting worse and Ontario's low and moderate-income households are losing ground" said Harvey Cooper. "While many municipalities are attempting to improve the situation, they can't do it alone. Senior governments have to do their part."

"The time is now. The public wants economic stimulus, energy conservation and poverty reduction. Good housing policies can achieve all three." said Sharad Kerur.

ONPHA and CHF Canada Ontario Region want to see senior governments take a balanced approach to the creation of more affordable housing, combining permanently affordable non-profit and co-op housing, private sector rental, renovation of existing social housing, as well as rent supplements to fill vacant units.

"Where's Home?" can be found on www.onpha.on.ca or www.chfc.ca. For more information, contact:

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