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Housing Unaffordable For Many in York and Durham

New Province-Wide Report Highlights Housing Needs

(Toronto) As Ontario continues its slide into one of the deepest recessions in 50 years, access to affordable rental housing continues to be a problem for many households in **York** and **Durham** Region. According to a report released today, tight rental markets and long social housing waiting lists highlight the need for increased investment in affordable housing in order to protect families and create jobs.

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."

In **York** Region, increased demand for rental housing, combined with extremely low levels of rental production, contributed to a tight rental market. York's vacancy rate decreased from 1.6% in 2006 to 1.5% in 2008. In **Durham** Region, vacancy rates increased from 3.4% in 2007 to 3.8% in 2008. Parts of Durham Region have proven more susceptible to the downturn in the auto industry, causing the vacancy rate to increase.

Province-wide, the report's authors estimate that 10,000 additional rental units must be built annually to meet demand. Last year, only 3,000 units were produced in Ontario. In **York** and **Durham**, virtually no rental housing was completed between 2003 and 2007.

Affordability remains an issue across the province, with rents outpacing inflation in 14 of the 22 rental markets studied. 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. 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.

Currently, over 20% of tenants in **Durham** and over 22% of tenants in **York** spend more than half of their income on rent, a level that forces them to make daily choices between necessities, and that puts them at considerable risk of losing their housing. As the economic condition across the province deteriorates, these households may be at increased risk for housing-induced poverty.

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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