

Housing newcomers to Canada: A federal housing policy perspective

Patricia Roset-Zuppa
Vice-President, Policy Development
Canada Mortgage and Housing
Corporation

November 9, 2021

Canada 



Canada Mortgage and Housing Corporation (CMHC) is Canada's national housing agency

- As a Crown corporation, we are responsible to Parliament through the newly established Minister of Housing and Diversity and Inclusion
- We contribute to housing affordability and a stable housing finance system, support Canadians in housing need through investments for housing, and conduct housing research and market analysis
- Our corporate aspiration: *By 2030, everyone in Canada has a home that they can afford and that meets their needs*
- We lead Canada's National Housing Strategy (NHS) on behalf of the Government of Canada, working with other federal departments, other levels of government and the housing sector

Housing in Canada

An overview

Canada's housing system

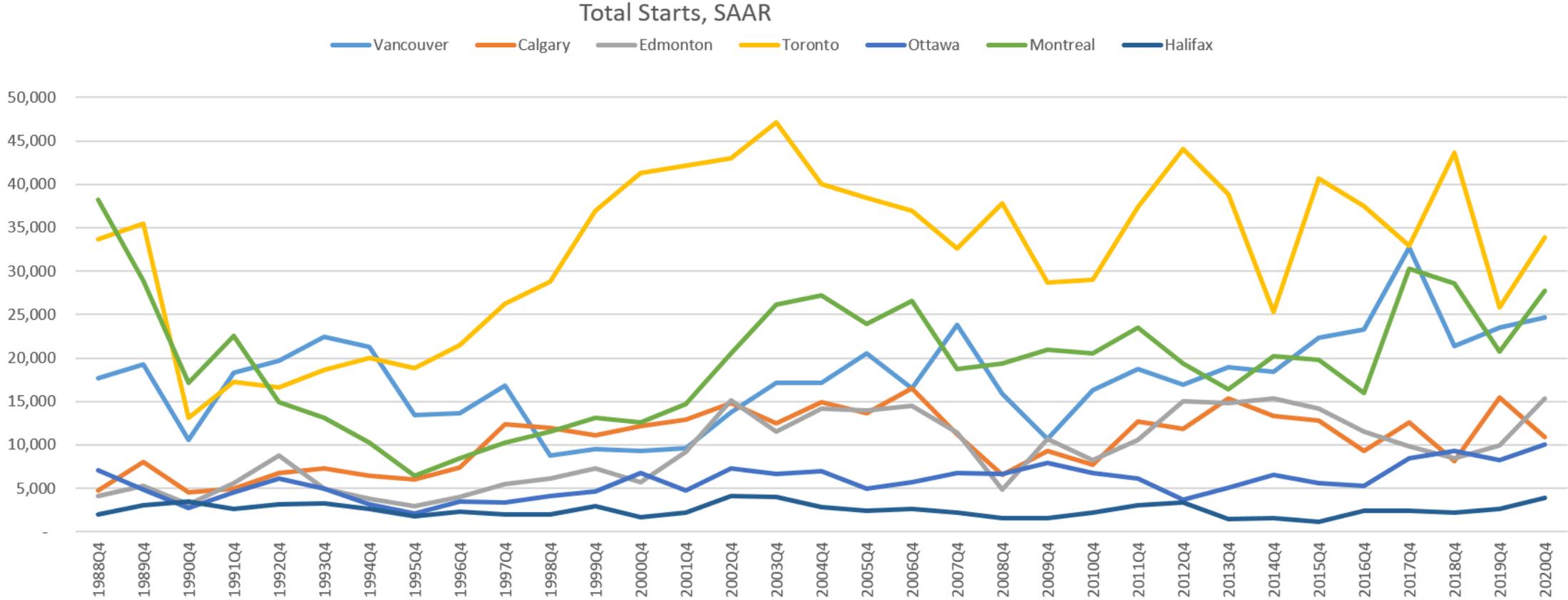
- Housing is a continuum, including shelters, transitional and supportive housing, community housing, affordable rental housing and homeownership
- Housing is mostly privately owned, and tightly connected to financial, economic and social systems
- A well-functioning, stable housing system is fundamental to a human rights-based approach to housing and promotes economic stability, long-term affordability and sustainability



Housing supply has not kept up with high demand

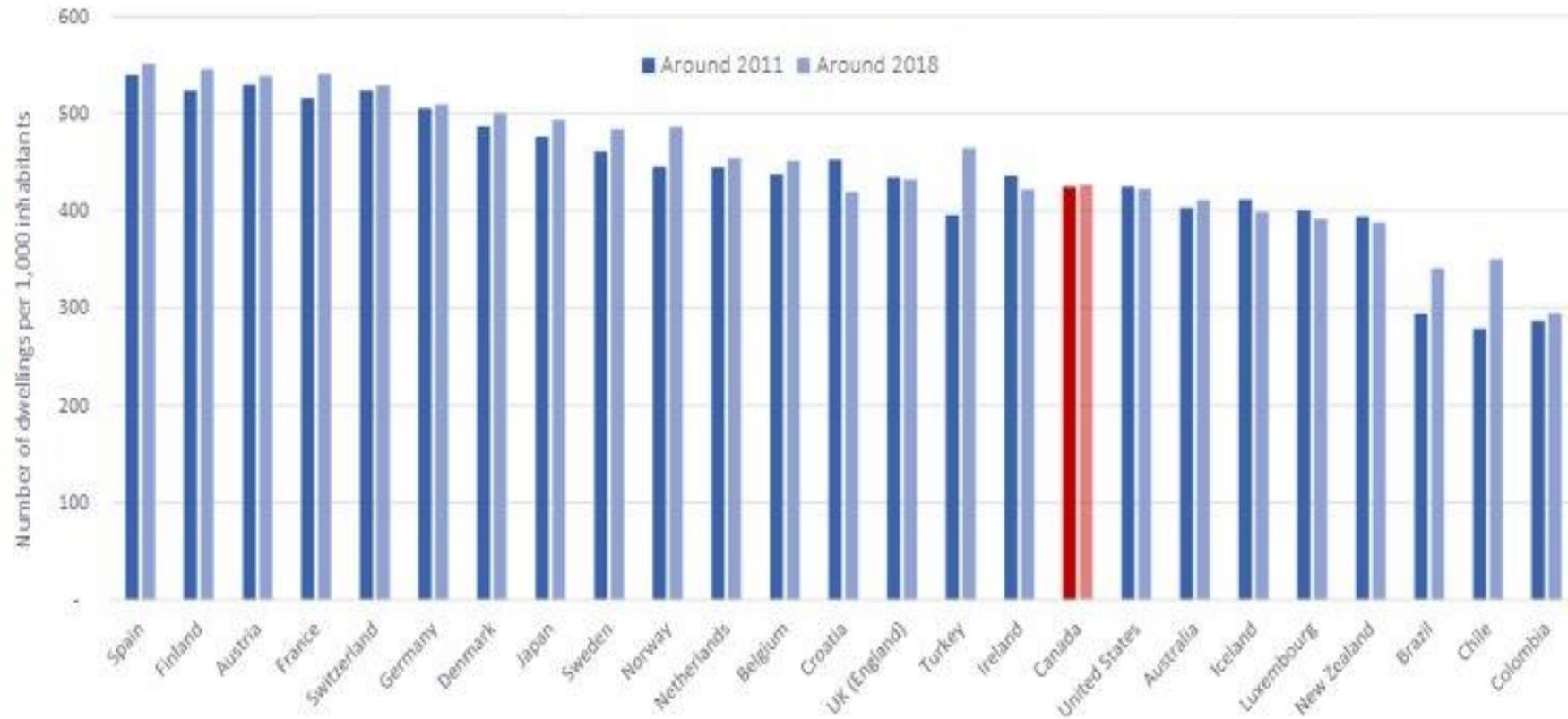
- House prices and rents have continued to increase, while incomes have not kept up
- Increased housing demand over the past two decades has been driven by population growth (including from immigration), low interest rates, tax structures and unwarranted demand
- Supply has not kept up with the increased demand
- Key barriers to increasing supply include geographic constraints, land-use regulations, high building costs, and local opposition (“Not-in-My-Backyard” or NIMBYism)

Despite strong demand, housing starts have remained steady



Sources: CMHC (Starts and Completions Survey); Extracted 2021-04
 SAAR = seasonally adjusted annual rates

Supply is lagging: Canada has continued to lag many benchmark countries in the number of dwellings per capita



Source: OECD, last updated 2021-06

Unmet housing demand has several socio-economic and environmental impacts

- Erodes economic growth: High housing costs reduce productivity of labour markets; more difficult to attract, retain employees
- Increases social exclusion: Housing shortages displace and exclude certain population groups from communities
- Drives inequality: Widening divide between owners and renters; parents with home equity more able to help children
- Hurts the environment: Low-density land-use contributes to higher emissions

Over 12% of households in Canada are in Core Housing Need

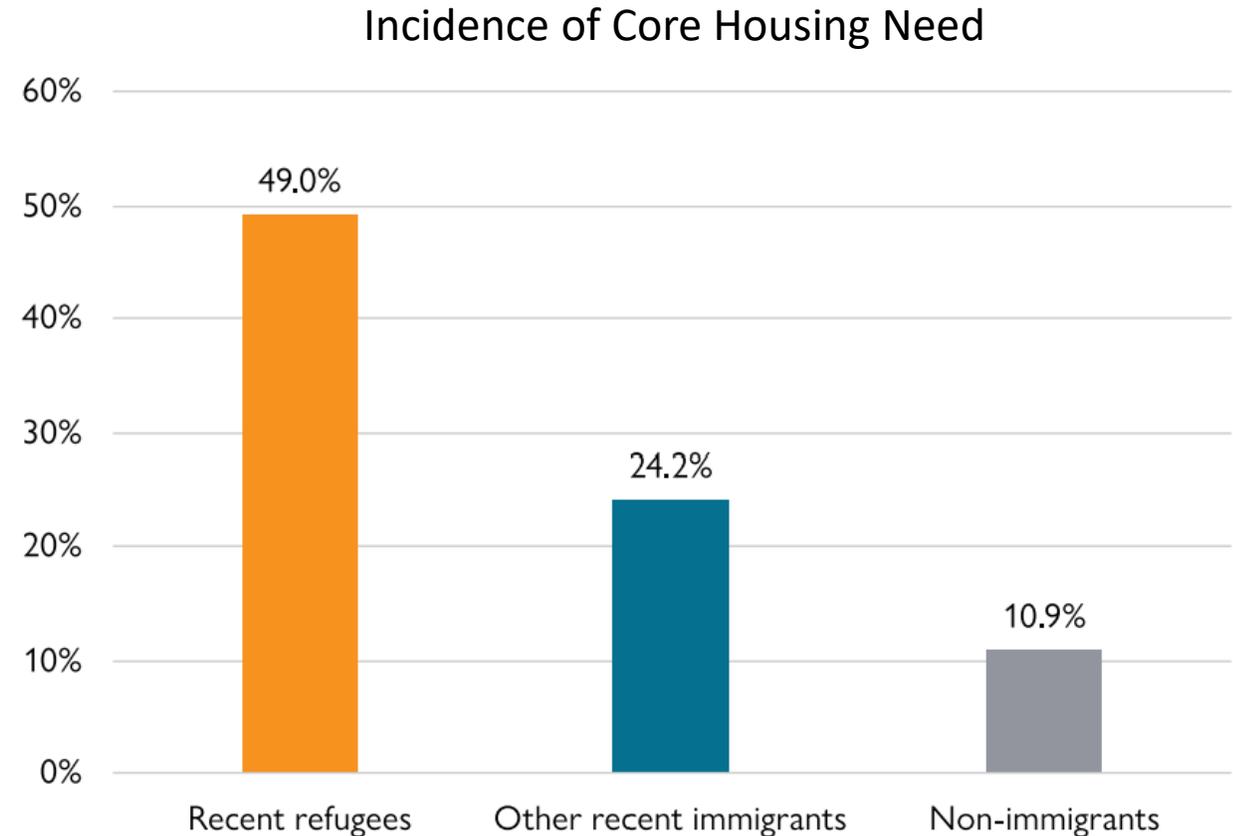
- In 2016, 1.7 million households in Canada were in core housing need (2016 Census)
- Core housing need happens when:
 - Housing fails to meet one or more of the standards of affordability, adequacy (condition of the home), or suitability (enough bedrooms for household composition)
 - AND the household would have to spend 30% or more of its before-tax income to find an alternative unit in the local housing market that meets all three standards
- Certain groups are overrepresented in core housing need statistics, including renters, newcomers, Indigenous peoples, seniors

Newcomers to Canada

Access to housing

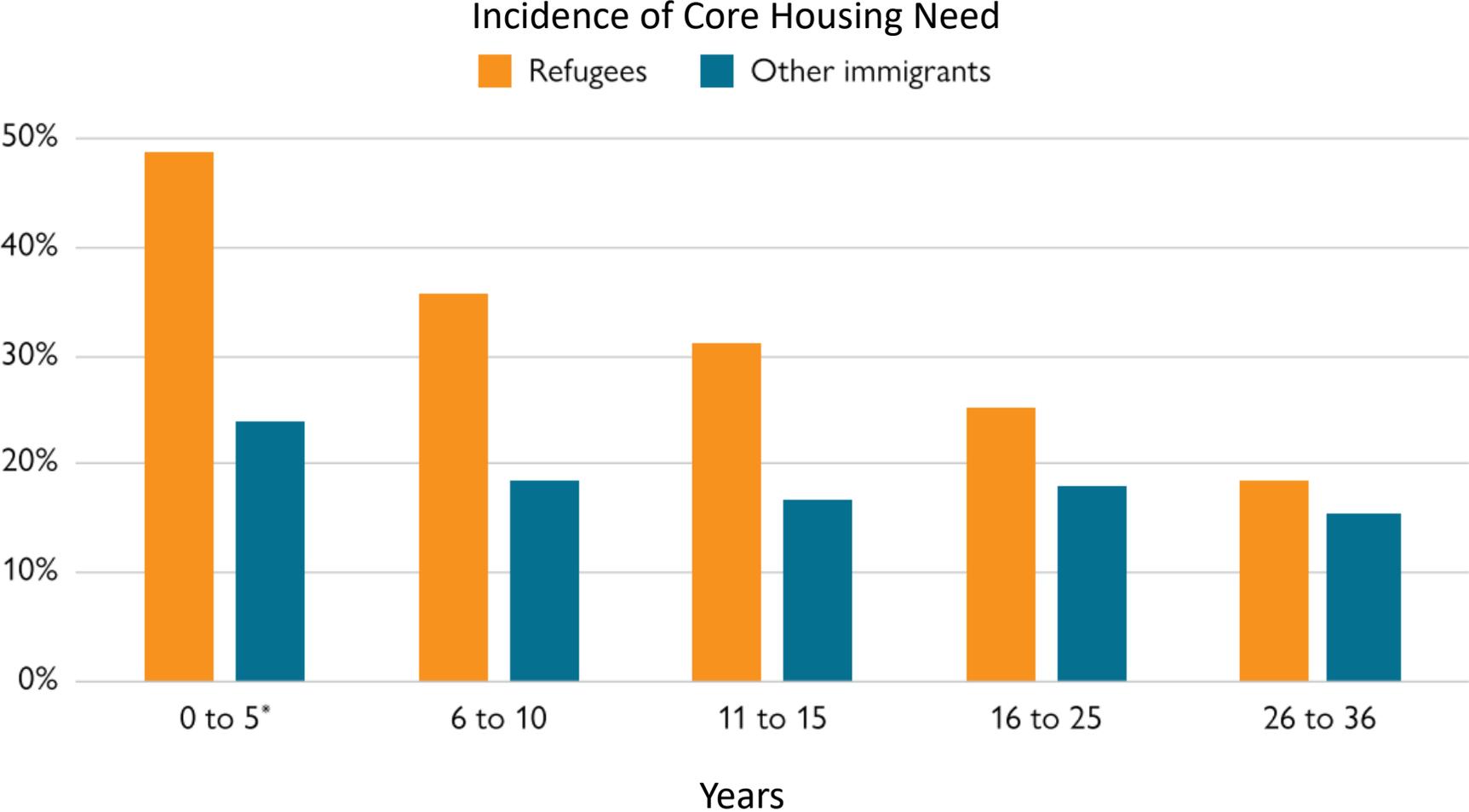
Newcomers and visible minority households have a higher incidence of core housing need

- 17.8% of immigrant-led households in core housing need (CHN), compared to 12.7% for all households
- Incidence of CHN among recent refugee-led households almost 2x that of other recent immigrant-led households and over 4x greater than non-immigrant-led households
- 20.1% of visible minority households in CHN, compared to 11.2% of non-visible minority households



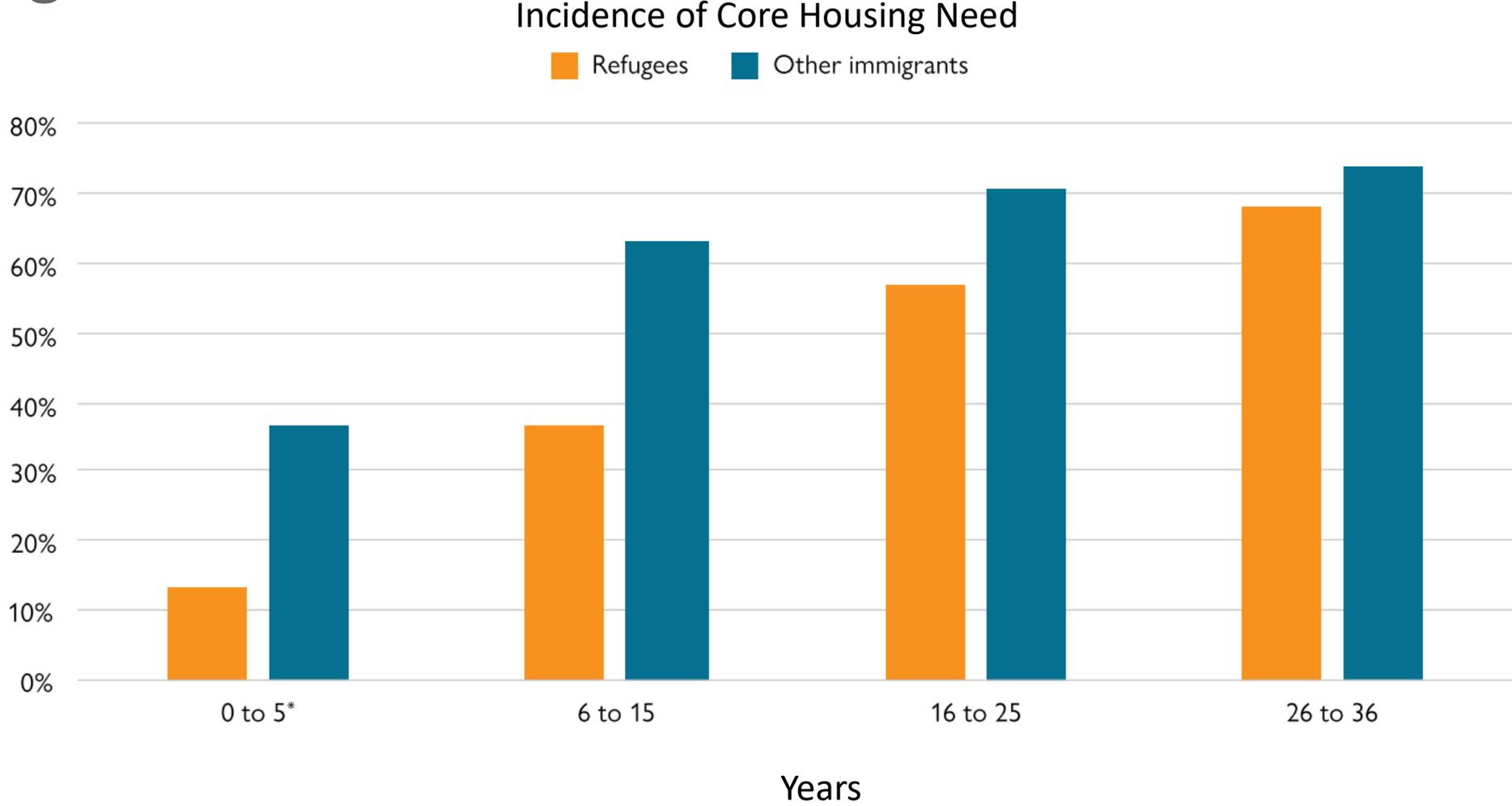
Source: CMHC, adapted from Statistics Canada (Census 2016)

Incidence of core housing need goes down after first five years since immigration



*From January 1, 2011 to May 10, 2016
Source: CMHC, adapted from Statistics Canada (Census 2016)

Homeownership rates increase as families are in the country longer



*From January 1, 2011 to May 10, 2016
Source: CMHC, adapted from Statistics Canada (Census 2016)

- Access to suitable and affordable housing is critical to timely integration of newcomers
- Immigrants have historically fared well in the housing market; core housing need declines with length of time in Canada, and homeownership increases
- Housing outcomes are tied to the admission category and other factors (e.g. visible minority status)
 - Over first four years of arrival, refugees experience least improvement in housing of three admission classes

Housing outcomes for newcomers to Canada

Affordability

- Most commonly cited barrier
- Especially challenging in major cities where newcomers tend to resettle

Overcrowding and hidden homelessness

- Common experience among many newcomers

Discrimination

- Newcomers, particularly from racialized groups, face discrimination in rental housing markets

Disconnected services and underutilizations

- May not be aware of available services
- May prefer to rely on informal networks for information

Key challenges and barriers for newcomers in accessing housing

Building housing solutions

Federal role in housing policy

2017

The federal government launches Canada's first National Housing Strategy

The National Housing Strategy (NHS) is a

\$72+ billion*, 10-year plan

to meet the housing needs of Canadians. The NHS:

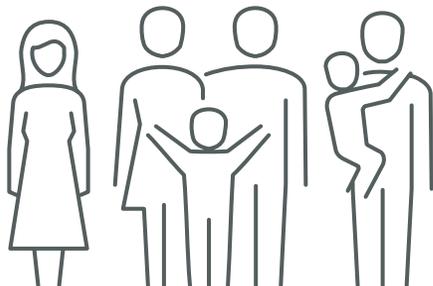
- is founded on a human rights-based approach that promotes inclusion, accountability, participation and non-discrimination.
- applies a Gender-Based Analysis Plus (GBA+) lens to equitably address diverse housing needs
- offers a toolkit of responses to address challenges across the housing continuum.

**Funding includes over \$2B proposed in Budget 2021 which are pending spending authorities.*

NHS programs respect the three key principles:

People

The Strategy will better meet the needs of Canadians with distinct housing needs.



Communities

The NHS is creating a new generation of housing.

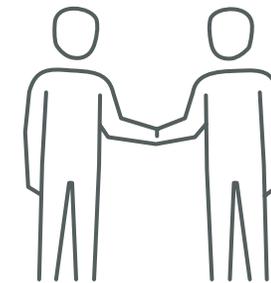
Housing investments align with other public investments including climate action.



Partnerships

The NHS is creating opportunities for greater innovation and collaboration.

Federal, provincial and territorial governments are primary partners in housing.



The NHS prioritizes vulnerable people, including:

- Women and children fleeing domestic violence
- Seniors
- Indigenous peoples
- Young adults
- People with disabilities
- People dealing with mental health and addiction issues
- Veterans
- LGBTQ2+
- Racialized groups, including Black Canadians
- Recent immigrants, including refugees
- People experiencing homelessness



Funding is delivered by the federal government or provinces and territories to developers, housing providers, community groups and researchers

Create New Housing

Funding, financing and land to build new affordable housing

Modernize Existing Housing

Funding and financing to renew and renovate existing affordable housing

Resources for Community Housing Providers

Technical assistance, tools and funding to increase capacity and support the community housing sector

Data, Innovation and Research

Funding to promote innovation in housing through research, data and demonstrations

Affordability Support

Direct financial support to households

What are the policy priorities?

- Increase supply of housing and repair the existing housing stock
- Ensure housing needs of equity-seeking groups are reflected in policies and programs
- Form partnerships and collaborations across all orders of government and across sectors necessary to address complex housing challenges
- Invest in research, data, and innovation to develop effective interventions



Affordable and resilient housing for new immigrants

Solutions Lab

Improved access to quality housing helps integrate new immigrants into the community



Let's Talk about Home and Community

Solutions Lab

Promoting social and economic inclusion for newcomers and people with developmental disabilities



For questions or
more information

Name: Patricia Roset-Zuppa

Email: prosetzu@cmhc-schl.gc.ca

Phone: (613) 748-2226



cmhc.ca