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Understanding Affordability Challenges for Homeowners in Core Housing Need in Canada

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May 2021



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Suggested Citation:

McCullough, S. and S. Zell (2021). *Understanding Affordability Challenges for Homeowners in Core Housing Need in Canada*. Winnipeg, Institute of Urban Studies, The University of Winnipeg.

This publication is available for download at: <https://www.uwinnipeg.ca/ius/>

ADD ISBN #

The authors would like to thank everyone who participated in this research and whose contributions informed its development. We are especially grateful to the homeowners who were willing to share their stories and reflections with us to enhance our understanding of the challenges they face.

The Institute of Urban Studies acts as an innovative, independent research and educational unit of the University of Winnipeg, with an action-research orientation. Since 1969, the IUS has been both an academic and an applied research centre, committed to examining urban development issues in a broad, non-partisan manner. Originally dedicated to addressing the problems and concerns of the inner city, the Institute's research mandate has evolved to encompass the social, demographic, physical, economic, and environmental well-being of Canadian cities and communities

This project was funded by Canada Mortgage and Housing Corporation (CMHC), but views expressed are the views of the author(s) and do not necessarily reflect the views of CMHC. CMHC's financial contribution to this report does not constitute an endorsement of its contents.

Executive Summary:

The project Understanding Affordability Challenges for Homeowners in Core Housing Need was initiated by the CMHC to broaden the understanding of affordable homeownership, the needs of homeowners, and the barriers to accessing alternative affordable housing. The research is intended to inform the development of programmatic responses to support affordable homeownership.

“Core housing need” (CHN) is a concept used to identify households that face challenges with their housing. A household is said to be in core housing need if its housing falls below at least one of the adequacy, affordability or suitability standards and the household would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing. Significant numbers of Canadian households experience core housing need. Census data reveals that 1.7 million – or about 13% – of Canadian households are in core need, of which at least 573,865 are homeowners. There are significant regional, and demographic differences to core housing need, with seniors facing the greatest challenges.

This research created a housing program and policy database to explore responses to core housing need, and interviewed housing professionals and homeowners. Thirteen interviews were completed with housing professionals in Nova Scotia, Saskatchewan, and Ontario, as well as 24 interviews with homeowners in Nova Scotia and Saskatchewan.

Housing professionals provided a litany of drivers of core housing need. Overall, professionals spoke of a tight housing market with low inventory – especially affordable housing, and high demand driven by a confluence of factors: market forces, social problems, and housing challenges. In Nova Scotia, professionals identified core need as being associated with senior homeowners living in rural areas on low incomes in poor quality housing, and in a context of no other affordable options. In Saskatchewan, professionals identified the challenge for homeowners as two-sided: cumulative high costs for housing and utilities, combined with the structural problems of lack of employment and a poorly developed economy in the north. Professionals also identified that there are many moderate-income households that are on the cusp of being in CHN.

Professionals noted a need for increased funding for repair programs which are considered highly effective and well utilized. Some felt that government policies have focused on renters rather than homeowners and this has eroded repair programs over the last decade or more. Homeowners typically find out about programs through friends and family, so there is an opportunity to expand the reach of programs, but they would need to be resourced sufficiently for greater uptake. There are data challenges for provincial housing professionals, particularly the low resolution of data in non-urban areas, and a lack of capacity and resources to collect data on their own.

The COVID pandemic has had significant impacts on housing assistance programs causing delays, labour shortages, and communication challenges, but programs have adapted and responded as best they could and continue to function. The pandemic has also driven the housing market, with more migration to affordable areas, potentially squeezing some new-homeowners

out of the market. The pandemic has significantly increased construction costs, further driving up the price of housing. Federal policies and programs including the National Housing Strategy and the Rapid Housing Initiative were seen as “pouring money into housing” which has the unintended consequence of driving up costs and prices of housing, and creating differences in access to funding between rural and urban areas.

Most housing professionals felt that the challenge for a homeowner to get out of core housing need is lack of affordable housing supply – and professionals and homeowners were unanimous in stating that there simply isn’t enough affordable housing.

Homeowners interviewed were mostly from rural areas in Nova Scotia and larger cities in Saskatchewan, and were mostly seniors and female. Incomes were generally very low, except for one younger person who had used a down-payment program. Half of respondents only had high-school education or less, and this may be a driver of the low-incomes of the sample, and of core housing need. More than half of respondents were experiencing disabilities, many serious, and this was also a driver of low-incomes and core need.

But homeowners loved their homes, and most had been in their homes for decades. This also meant that many homes were older and in need of repair. Slightly more than half of respondents still had a mortgage on their home, even though most were retired. Though these mortgages tended to be small – they were a significant burden on homeowners. Homeowners stated that no single cost – such as the mortgage – is the challenge, rather it is low incomes (usually pensions) combined with the multiple costs associated with aging and owning housing. Costs of repairs are significant, with even small repairs costing many thousands. Utility costs are also problematic for many especially in rural and northern areas. Medical costs and transportation costs also emerged as burdens for homeowners.

Homeowners living in core housing need are typically faced with the dual challenges of low income and multiple, cumulative expenses – not all of them related to housing. This is the problem. Many were making grim choices to cut back on food, oil, or medicine to afford their homes. All knew that there was simply no affordable housing available in their communities for them to move to, and no other options either.

But again, homeowners loved their homes and communities and wanted to stay in their homes as long as possible. The respondents interviewed displayed resilience and determination to keep their home regardless of the challenges. When asked about what governments or organizations could do to help them, most could not provide answers, but a few asked for only ‘a little help’.

To deliver that bit of help, housing professionals suggested many potential roles for the National Housing Strategy. Most prominent is a need for expanded federal funding to repair and maintain housing for homeowners in core housing need. Interviews with housing professionals in all three provinces (and even a few homeowner interviews), repeatedly made the point that, **“Maintaining homes is the most affordable way to provide safe, affordable, adequate housing... It’s crucial to keep as many people in their homes as possible.”** The large number of other challenges identified also suggest a broader need for holistic responses to homeowner and community challenges with housing. Many homeowners in CHN require not simply a repair to

their home, but also an energy audit, homecare or assistance to age-in-place, and support services such as senior shuttles for groceries, mobile meal programs, help with small repairs, and seniors' home-cleaning services.

The focus of the National Housing Strategy is on creating affordable housing, but an opportunity exists to direct more of its energy to smaller communities and rural areas. Provinces should be encouraged to utilize the Portable Housing Benefit for homeowners as well as renters, this has been successful in Nova Scotia.

More substantially, CHN is about a lack of income combined with the lack of affordable housing options across the country. Interviews suggest many, many homeowners in core need are living on extremely small pensions or disability benefits. The recently announced one-time payment of \$500, and 10% increase in OAS for pensioners 75 and older will help, but more is needed.

The CMHC has indicated there is potential room under the NHS to support homeowners in core need, as well as potentially through the National Housing Co-investment Fund and the Federal Lands Initiative. The needs are high with 1.7 million Canadians in core need, of which at least 573,865 own their home (CMHC 2020). The CMHC estimates that for “those who struggle with affordability, the median earning shortfall to escape affordability issues was about \$2,500 in 2016” CMHC (2019-b). This aligns with what this research heard from both housing professionals and homeowners; for those in core housing need, all that is required is ‘a little help’.

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Abbreviations & Definitions:

BC:	British Columbia
CBRM:	Cape Breton Regional Municipality
CHB:	Canada Housing Benefit
CHN:	Core Housing Need
CMHC:	Canada Mortgage and Housing Corporation
COPD:	chronic obstructive pulmonary disease
COVID-19:	CO rona VI rus D isease 2019. Officially labeled by the World Health Organization as SARS-CoV-2
CPP:	Canada Pension Plan
EI:	Employment Insurance Benefit
GIS:	Guaranteed Income Supplement
GTA:	Greater Toronto Area
HILs:	Housing Income Limits
HNS:	Housing Nova Scotia
MLA:	Member of the Legislative Assembly
MMAH:	Ministry of Municipal Affairs and Housing, Government of Ontario
MS:	multiple sclerosis
NHS:	National Housing Strategy
NS:	Nova Scotia
OAS:	Old Age Security
ON:	Ontario
PPE:	Personal Protective Equipment
SHC:	Saskatchewan Housing Corporation
SK:	Saskatchewan




Understanding Affordability Challenges for Homeowners in Core Housing Need in Canada

Introduction:

The project Understanding Affordability Challenges is intended to extend the understanding of homeowners in Core Housing Need (CHN) by examining the intersection of housing affordability challenges with those of adequacy and suitability, as well as the barriers to homeowners accessing alternative affordable housing in their communities. The intent of the research is to address a gap in the knowledge base with respect to affordability, adequacy and suitability challenges for homeowners – as opposed to renters – and opportunities for CMHC to address them. The CMHC has indicated potential room under the National Housing Strategy to support homeowners in core need, as well as potentially through the National Housing Co-investment Fund and the Federal Lands Initiative. Expanding the understanding and definition of affordable homeownership within the CMHC may assist in the development of programmatic responses to support affordable homeownership.

Core Housing Need:

“Core housing need” is a concept used to identify households that face challenges with their housing or may need help with their housing. It is a ‘two-stage indicator’ that helps identify who needs housing assistance (CMHC 2019). A household is said to be in core housing need if its housing falls below at least one of the *adequacy, affordability or suitability* standards and the household would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that meets these standards (Stats Can 2017).

-  *Adequate* housing is reported by their residents as not requiring any major repairs.
-  *Affordable* housing has shelter costs less than 30% of total before-tax household income.
-  *Suitable* housing has enough bedrooms for the size and composition of the resident household.

Significant numbers of Canadian households experience core housing need. Data from the 2016 Census reveals that 1.7 million – or about 13% – of Canadian households are in core need, of which at least 573,865 own their home (CMHC 2019-b, CMHC 2020). These numbers have been rising since at least 2001, and most of the challenge with CHN is with affordability – especially for renters (CMHC 2019-b, CMHC 2020). Of course, core need is not spread evenly across households. Renters experience much higher incidences of core need (26.8% in 2016) than do owners (6.3%); and overall, renters have represented about 2/3rds of all households in core need consistently since 2001 (CMHC 2020).

There are also significant regional, and demographic differences to core housing need. The percentage of households in CHN is very high in the territories – especially for those without a mortgage (MacAdam 2019). This indicates more challenges with suitability (number of bedrooms), and adequacy (in need of major repair). In Atlantic Canada and Saskatchewan, CHN is concentrated in rural areas. Whereas, in Manitoba, Alberta, British Columbia, Quebec and Ontario, CHN is concentrated in the largest cities (MacAdam 2019).

The cost of real estate also impacts CHN because it affects the affordability of homes. Cities with the most expensive real estate tend to have the largest amount, and the highest incidence of CHN – here Toronto, Vancouver and Montreal stand out (MacAdam 2019).

Aboriginal households, female-led households, lone-parent households, immigrant-led and refugee-led households, and persons with disabilities, all experience core housing need at much higher rates than the general population (CMHC 2019-b). But it is the seniors demographic that faces the greatest challenges with core housing need. Seniors are an aging population, and that population is getting larger. Most seniors are on fixed incomes – often at a level set many years in the past, but are competing in a current housing market of quickly increasing prices (Ngoundjou 2019). Seniors are more likely to be in CHN than non-seniors – 14% vs. 12.2% (Cho 2019), and for seniors the incidence of CHN increases with their age (MacAdam 2019). Senior households account for 28.2% of all households in core housing need, the number of senior households in core need is increasing at a faster rate than non-senior households (21% vs. 5.1% between 2011 and 2016), and seniors living alone represent three-quarters of all senior households in core need (Cho 2019, Ngoundjou 2019). Affordability is the primary challenge for senior households except in the Northwest Territories and Nunavut where suitability and adequacy place a larger role (Ngoundjou 2019); and for seniors carrying a mortgage nearly a third are in core housing need (MacAdam 2019). Considering these numbers, seniors are a key vulnerable demographic for addressing the challenge of core housing need.

Many of these differences in CHN are touched on in the current research, and these numbers are substantiated by the stories shared by homeowners of their lived experiences of core housing need.

Key Questions:

To broaden the understanding of affordable homeownership, the needs of homeowners, and the barriers to accessing alternative affordable housing, the project seeks to answer the following research questions:

- What are the underlying issues that homeowners in core housing need face that impact affordability? How are these issues related to adequacy and suitability?
- Have past program and policy decisions, by provincial, territorial or municipal orders of government, placed some homeowners in precarious housing situations? If so, how?
- What is the nature and magnitude of these affordability, adequacy and suitability challenges for homeowners in core housing need? What additional measures to support homeowners in need through the NHS can be developed in the future?

Method:

There were two primary components to the research:

1. Housing program, policy and decision database:
 - Project Researchers created a database of programs implemented by various institutions and orders of government, with a view towards impacts on precarious housing situations for homeowners. Project Researchers also sought to identify the most relevant decisions, programs and policies in this database through feedback from provincial housing professionals.
2. Interviews, with Housing Professionals and Homeowners:
 - Selection criteria for provincial and territorial housing professionals: those with knowledge of homeowners in core housing need in their province; or knowledge of programs/policy that impact homeowners in core housing need.
 - Criteria for Homeowners are those that have identified as being in core housing need – by accessing a provincial housing assistance program. The CMHC has requested the sample include homeowners both with and without mortgages in each province.

Housing professionals: Between December 2020 and February 2021, eight interviews were completed with housing professionals in Nova Scotia, and three in Saskatchewan. One interview was also conducted with housing professionals in each of Ontario and BC. The single interview from Ontario was informative, and some information from that interview has been included where reporting substantiated information from SK and NS. However, this single Ontario interview should not be construed as representing the entirety of the Ontario housing experience, nor the policies of its government. The interview with a housing professional in BC was not informative, and no information from it is included (see Appendix 4: Limitations).

Homeowners in Core Housing Need: The project used a purposive recruitment method targeting Homeowners in Core Need. To obtain interviews with homeowners in Core Housing Need, the IUS asked provincial housing offices in Nova Scotia and Saskatchewan to mail 'Invitation to Participate' letters to their clients in multiple tranches. Letters were targeted to homeowners who had used provincial housing assistance programs. In the first deliveries, letters went primarily to clients of Emergency Home Repair programs, as well as Accessibility programs.¹ In NS, the later tranche strategically targeted homeowners who have used programs other than repair programs.² There are a limited number of these programs and participants, but the expectation was that by widening the sample population and oversampling these other program users, a broader set of interview responses would be collected. This strategy was partially successful with a few younger and employed homeowners responding, as well as more homeowners who had used Accessibility programs. The research was also able to interview one person who had used a Down-Payment program. In Saskatchewan, three tranches of letters were

¹ For a breakdown of programs used, see *Programs Accessed* below.

² In Saskatchewan, the provincial housing department did not have access to participants of programs outside their office. Invitation Letters went out only to clients who had used Emergency Repair and Accessibility programs.

sent, each of three dozen, for a total of 108 invitations. In Nova Scotia, approximately 100 invitations were sent out in tranches of ~40 and ~60. There were eleven responses from homeowners in Saskatchewan, and thirteen from Nova Scotia with interviews conducted between February and May 2021. The response rate was fair to the Invitation Letters (about 10% response from SK homeowners and 13% response from NS).

In total, 24 interviews were conducted with homeowners in NS and SK; and 13 with provincial housing professionals. Total number of interviews completed = 37.

Interviews with Housing Professionals:

Thinking Critically about Core Housing Need:

Several of the housing-professionals interviewed raised interesting critical points on CHN and its application. Due to the limited number of interviews conducted with housing professionals, these comments have been further anonymized by removing references to provinces and locations.

One housing professional argued that comparing the CHN of renters to homeowners is a false comparison as people *choose* to enter homeownership, whereas people renting and in CHN may be in this situation not of their own choice, or have no other choice:

“People chose to move from rental to homeownership. If ownership is an affordable option, people take it on. If ownership isn’t affordable, people stay in rental. As soon as it becomes affordable, people move to ownership and take on what they can afford.”

It was suggested by several housing professionals that people who chose to move into homeownership beyond their means and end up in CHN, should return to rental options. This was expected to be relatively rare occurrence – especially with enhanced qualification measures brought in over the last five years. These include the ‘stress-test’ using the 5-year posted rate (qualification rate) which came into effect October 17, 2016 for insured loans, and Jan. 1, 2018 for uninsured loans; the elimination of mortgages with amortization periods over 25 years (Nov. 30, 2016); and as of June 1st of 2021, higher minimum qualifying rate for insured and uninsured mortgages (a floor rate of 5.25%).³ These professionals argued that if a person can afford a house, they shouldn’t be in CHN, and shouldn’t be assisted in stabilizing their situation.

The corollary to this, is there will be other homeowners who ‘fall’ into CHN – through no fault of their own. Seniors on fixed incomes, who can no longer afford to maintain their home is the prime example, but also homeowners who have lost income – perhaps through loss of employment during the current pandemic. The argument presented sets up a problematic ‘two classes’ of homeowners: ‘new homeowners’ who shouldn’t be in CHN and therefore shouldn’t be assisted, and long-term homeowners who have ‘fallen’ into CHN and may be helped to keep them in their home. No resolution of these two classes was offered by these housing professionals beyond the

³ There have been many other changes to mortgage rules over the last 20 years. One list of changes can be found at, <https://www.ratespy.com/history-of-mortgage-rule-changes-03255560>

idea that homeowners who are in core need, should move to rental. Nor did the argument consider the lack of affordable housing options.

A few professionals also argued that the numbers of homeowners in CHN haven't changed significantly over time. Rather, they argued the data suggests that people stay in rental longer, to save for purchasing their first house. Several professionals noted that for new homeowners, the primary challenge is saving for a down-payment, while concurrently paying rent. The interview conducted with a homeowner who had used a Down-payment Program confirmed this view. This respondent argued that with housing costs so high, it was impossible to both pay rent and save a down payment for a first home. The respondent also argued that the lack of affordable housing – rented or owned – had made it very challenging to buy save for a down-payment, and when asked, related that about 70% of her friends in her age-group (mid-30s) were not homeowners.

One housing professional argued that it is difficult for governments to justify providing deep subsidies to homeowners... especially when many renters spend far more than 30% on their housing. The professional asked, "Why should a homeowner be provided a deep subsidy?" This argument was carried further: "The greatest need is in rental housing, that's where we focus our attention." Another professional noted that "until the pandemic we weren't see a lot [of homeowners in CHN], but what we are seeing now is mortgage arrears creeping up. Which is a good indication of more difficulty in the market. Though this might be smoothed out as people make different housing choices or get out from under."

It was also argued that the majority of seniors own their home with no mortgage, and as a result this group experiences very low rates of CHN. Further, seniors have income supports, resulting in a floor to their income, so there are few in deep need (e.g. spending more than 50% of income on housing). This professional argued that with these low costs and good income supports, "If they can't afford their house, then they are not going to keep their home."⁴ There is evidence to support this. MacAdam (2019) shows that incidences of CHN are significantly lower for those without a mortgage, and for seniors, owning a home outright keeps them out of CHN. However, seniors also have significantly higher incidences of CHN than younger people, and the incidence increases with age –because of fixed incomes and housing costs.

The Market Problems:

"Prices are just skyrocketing." (Housing Nova Scotia)

Market problems appear to be a significant contributing factor to CHN. Housing Nova Scotia (HNS) reports the housing market is tight, with little availability and that the quantity of homes

⁴ We emphasize that this comment was made without consideration of the availability (or lack) of affordable housing, that for many seniors owning is less costly than renting, and that most seniors prefer to age in place – in their own home – a strategy that is also less burdensome for governments.

needed is exceeded by the number of people in need – identifying a supply problem – especially for affordable homes. This is producing a situation where people don't have options – especially homeowners looking to downsize. HNS stated there is also an urgent need for affordable rentals to reduce the CHN number.

The problem is worse in rural communities, where there is a lack of rental properties, social housing, and seniors homes.⁵ The lack of housing in these communities also affects immigration and the economy of communities – there is demand for migrant workers, but these workers need housing to stay as permanent residents. The lack of housing is a challenge for employers who now bus workers from larger to smaller communities each day. This finding ties housing to economic development and may present an important opportunity for the NHS.

One driver of this market problem is the recent demand for high-end homes, which has increased demand for land and resulted in affordable properties being demolished for new condo/apartment builds. Older housing is being cleared to make way for higher end housing. Many of these new high-end apartments and houses are being built in ex-urban areas. HNS identified new residents to the province as driving the demand – and that these new residents have significantly higher incomes than locals.

The high number of students in Nova Scotia was also identified as a driver of housing challenges, as students utilize all one-bedroom and rooming house units. This creates competition between students and local people looking for these units. Local people are forced to pay the same rental rates as foreign students which they can't afford.⁶ HNS also noted that newcomers from other countries have impacted housing markets, and that many newcomers need larger sized units for larger families. This increases demand for affordable family units, of which there are few, and even fewer being developed – HNS states that developers are focused on building smaller condo and rental units, rather than family sized housing – possibly because of higher profit margins. HNS has identified the need for affordable housing (both who needs it and where it is needed) but states that no developer is willing to build such housing – HNS has identified a mis-match between housing needs and what the market is willing to provide. This suggests another potential role for the NHS.

The costs associated with construction when trying to develop affordable housing was reported as very challenging in Nova Scotia. These costs have been rising, especially during the pandemic, and Housing Nova Scotia stated that contractors raise prices on government contracts. This problem of inflated pricing was noted by other housing professionals, as well as by some homeowners.

⁵ This view is also supported by the South Shore Housing Action Coalition which recently presented on the rural affordable housing crisis to the Provincial Standing Legislative Committee on Natural Resources and Economic Development. See:
<https://sshac.files.wordpress.com/2021/02/south-shore-housing-action-coalition-written-submission-nred-1.pdf>

⁶ Study Nova Scotia estimates that 18% of students come from outside of Canada – higher than the Canadian average.

Generally, interviews with housing professionals in Nova Scotia emphasized that market forces are driving the costs of housing, reducing the availability of affordable housing, and in turn impacting CHN.

Professionals at the Saskatchewan Housing Corporation (SHC) also noted some market drivers of CHN. There, professionals argued that the housing market is correlated to oil prices. As oil prices increased in the early 2000s, housing demand increased significantly and increased the housing price. But as oil prices fluctuated, housing prices remained high. They have seen a doubling in house prices making homeownership unattainable for low-income households. SHC suggests that over time fewer people are going to be able to become homeowners – that the proportion of population in rental is going to increase – arguing that as prices rise faster than incomes, it squeezes more people out of the market. This argument was also made in Ontario.

SHC spoke at length about challenges in rural and northern housing markets. In rural areas, population dynamics are playing a role. People have increasingly moved from rural to urban areas (or rural service centers), resulting in some rural property values declining. This impacts others living in rural areas because as property values decline, it is difficult to refinance a home, or to sell a property (and recover equity for retirement). This can drive CHN.

“A lot of rural municipalities don’t have populations. Farms are huge now, people live in towns and commute, partly because they have land spread all over.” (SHC)

SHC noted that it is difficult for the provincial government to continue supporting areas that have a small population, or areas where the population is trending down. This limit to services can also impact the housing market and in turn, CHN.

Challenges in northern Saskatchewan are different – and might be best described as a lack of any housing market at all, combined with other structural problems including lack of employment opportunities, and lack of financial services. In this environment, SHC noted the difficulty of refinancing homes to do repairs, the challenges of attaining a mortgage, the lack of a resale market to recover equity for retirement, and the lack of affordable options to downsize into.

It is worth noting that ON also reflected on the geographic difference in drivers to CHN, suggesting that in northern Ontario challenges are more about ongoing costs (energy and repairs), and less about market drivers. The challenges in the north produce greater vulnerabilities for homeowners because there isn’t housing price growth – critical to successful homeownership when carrying a mortgage.

ON noted complex market forces in the GTA. Extremely high housing prices are well-documented and of course impact affordability. ON also noted the impact of pressures from world markets, and foreign buyers from outside of communities. A counter force is people moving from the GTA into neighbouring markets to find affordability, in turn affecting those communities:

“The expanding bubble around Toronto already reaches to Hamilton, Waterloo, and far to the east – all along the 401 Corridor. “Drive to Qualify” is very much alive.”

In Toronto, people are forced to choose the place they can afford, and put as many incomes (people) into it as they can, until they can afford it. The result is *suitability* problems, but rather than straight overcrowding, the overcrowding is tied directly to affordability and the overall market. There is also a lack of larger units, as condos dominate the market, so a larger family may be forced to stay in rental longer than they would intend. ON reported they expect to see a disproportionately higher *un-suitability* component of CHN.

ON argued that there exists a political culture of not increasing property taxes in line with increasing house values, which results in homeowners being deeply insulated from rising housing costs. This “unrealistic shielding from costs”, contributes to lower mobility in the market (long-term owners don’t want to move), increasing costs for those who want to enter homeownership because there is less housing supply. People aren’t moving because they are incentivized to stay in their homes.

The Housing Challenges:

Housing Nova Scotia (HNS) reports a confluence of factors that drive homeowner challenges – many of them not directly measured by ‘affordability, suitability, and adequacy’, but driven by demographic changes, social conditions, and market forces.

Housing maintenance costs and utility costs (energy poverty) are the two major challenges for Nova Scotia homeowners in CHN. High property taxes were also noted as a contributing challenge for homeowners. Repair costs were described as related to an aging stock as Nova Scotia has some of the oldest in Canada. HNS suggested this old stock is poorly insulated, at end of service-life, therefore requiring more repairs and have higher energy costs. Most of the homes requiring repairs are concentrated in rural areas, and that creates the additional problem of distance from repair services and contractors. Interviews with homeowners confirm the challenge of finding repair services in rural areas. Many homeowners interviewed complained of the difficulty of finding qualified contractors – especially when repair programs require three competing bids – as well as poor quality workmanship, and unlicensed contractors. HNS also noted that funding going into housing through the NHS has attracted contractors to large new developments – further increasing the challenge of finding qualified contractors to do repair / renovation work on older homes in distant rural areas.

There is very little rental or other options available in Nova Scotia, particularly in small towns and rural areas. An outcome of this is a higher use of mobile homes compared to other areas of Canada. HNS notes these homes tend to be lower quality, and often in need of repair. HNS reports about 20% of applicants for repair programs are for mobile homes, and that these homes are often beyond service-life.

Contributing to the problem of older housing stock and CHN is the aging population. Atlantic Canada has the oldest population in Canada and Nova Scotia is no exception.⁷ Many seniors are living in rural areas in the oldest housing that does not meet the needs of those seniors. There is

⁷ <https://www.statista.com/statistics/444816/canada-median-age-of-resident-population-by-province/>

also very high homeownership rates in rural areas – corresponding to a lack of other options. HNS reports that CHN challenges are concentrated in these rural areas (see also McAdam 2020). HNS does report a few seniors “stuck in older homes” that cannot be sold because of the house size, quality, or utility costs. However, there is no data to substantiate this and interviews with homeowners did not uncover this situation.

There is also a lack of accessible housing for seniors, including public housing, and this is especially problematic in rural areas. As well, few private rental units are accessible, and the vacancy rate for those units is less than half-a-percent (0.5%), there are few options for senior homeowners who wish to leave their single-family home. NS identified this issue as key need that is not being served.

HNS suggests that this elderly rural population also has higher poverty rates and disability rates, the higher disability rate being related to the age of the population. Average rural senior household income was reported to be approximately \$19,000. Interview with homeowners confirm the elder, rural CHN challenge, and the low-income levels of these seniors. (See Homeowner Interviews below.)

HNS advised that senior homeowners are extremely resistant to move from their homes and wish to stay in their homes as long as possible. Even if seniors wanted to move, there are few options, especially affordable options, in rural areas. The housing professionals we spoke with emphasized that seniors refuse to leave their home, regardless of condition, and many wanted to be buried with the house – “They stay until they have no other option.” Interviews with senior homeowners confirm this strong desire to keep their homes as long as possible.

An interesting detail emerged about the housing landscape in Nova Scotia. A significant number of houses are passed down within families, but this housing is often older and poor quality, and the receiving family may not have the income to renovate or maintain it. In these cases, generational wealth is being transferred, but it can also lead to the recipient being ‘trapped’ in a home and CHN – effectively transferring CHN to a new generation. Interviews with homeowners uncovered two households where this intergenerational transfer was a factor in the senior homeowner wanting to stay in the home.

NS: Suitability:

Suitability (appropriate number of rooms) was not reported as an issue by HNS, and this was confirmed in the homeowner interviews. Many homeowners interviewed were seniors with more rooms than they needed, but when asked about moving they stated they would never consider moving unless they had no other option. Most would consider ‘downsizing’ to an apartment to be a significant reduction in life-quality even if affordable options were available – and there are not. But there is an additional problem with the measure ‘suitability’. Not only were homeowners unwilling to move, and no other options available, many commented on other benefits of owning their home that ‘suitability’ simply does not capture. The idea of suitability assumes that housing is easily tradable – that a person can or would trade their current housing for other options more appropriately sized. But size is not why people keep their homes. People repeatedly commented on how much they loved their homes, and their communities. Most had lived in their home for decades – and their home was an important component of “who they are”. Homeowners reported

strong positive relationships with neighbours and their communities. There is also research that that emphasizes the maintenance of a home and possessions as being important for seniors' health, mental health, memory, and ability to age in place.⁸ When asked about downsizing, most were dismissive of the idea.

In general, Housing Nova Scotia professionals identified CHN being associated with senior homeowners living in rural areas on low incomes in poor quality housing; but importantly in a context of no other affordable options.

In Saskatchewan, professionals also report maintenance costs, utility costs and high property taxes as driving CHN challenges. Saskatchewan Housing Corporation (SHC) estimates that core need is a 40% urban -- 60% rural/northern issue, but the drivers differ, with utilities and repairs the primary challenge in rural and northern areas. SHC also reported that seniors represent 37% of all those in core need, and that the majority of people accessing repair programs are seniors and mostly in rural areas.⁹

"The repair issue is rampant." (SHC)

In the northern part of the province utility costs are extremely high as homeowners are forced to rely on fuel-oil or electric heating. This has resulted in a high incidence of energy-poverty. SHC is a substantial housing provider in the north and has worked to keep utility costs down by shifting heating in their units to electric baseboard heating. However, electricity costs have increased to be on par with fuel-oil, so the energy poverty and CHN challenge remains.¹⁰ Interestingly, there was no mention of more energy efficient solutions such as air-source heat pumps, as were mentioned in multiple interviews in Nova Scotia. Increasing municipal costs are also driving up property taxes, increasing burdens on homeowners and impacting CHN. This point was also raised by Ontario.

SHC identified three other drivers of Core Housing Need:

- Construction costs are very high in the north – increasing the price of homeownership and further squeezing people out of the market.
- Many northern homes are not insured, because homeowners cannot afford the additional expense. Interviews with homeowners did confirm this problem in one instance.
- Poor quality condos pose a potential future challenge. Repair costs on these units will increase over time, and contingency funds are deemed insufficient.

⁸ See for instance: Coleman, Tara and Janine Wiles (2018) Being With Objects of Meaning: Cherished Possessions and Opportunities to Maintain Aging in Place, *Gerontologist*, 2020, Vol. 60, No. 1, 41–49, doi:10.1093/geront/gny142

⁹ Only one homeowner in rural Saskatchewan contacted this research project for an interview. All other interviews conducted in Saskatchewan were with homeowners in larger communities.

¹⁰ An additional challenge identified is the power infrastructure in the North, which was not built to accommodate mass housing that relies on electric heat in the winter. SHC is now limited in its ability to convert units to electric heat.

SHC identifies the challenge for homeowners as cumulative high costs:

“By the time a homeowner pays their operating costs [mortgage and utilities], they don’t have any money to do repairs. They can’t refinance because they are at their financial limit, or all the equity is already absorbed.”

SK: Suitability vs. Accessibility

SHC reported that in northern parts of the province suitability is a challenge. Many houses are too small for the size of families (and extended families). This was deemed to be due to lack of supply (especially affordable) and construction costs in the north.

Everywhere else in Saskatchewan, size is not an issue. Rather, the issue is accessibility. SHC states they see many cases where there are seniors living in a two-storey home, but require one floor living. Current accessibility programs will not accommodate this kind of reconfiguration. Their current accessibility program is limited to \$20,000, which can do exterior ramps, and minor interior changes only. Interviews with Saskatchewan homeowners also found multiple examples of seniors stuck in homes that were difficult for them to manage or move through comfortably.

The Social Challenges:

Core Housing Need is primarily about affordability – and affordability is deeply related to income. It is no surprise then that social challenges affecting CHN were discussed by both housing professionals and homeowners.

HNS reports high levels of unemployment in the province, especially in rural areas, and getting worse. This impacts homeowners ability to afford and maintain housing; as well as the overall stability of communities. Rural homelessness is also a challenge in Nova Scotia. The low-vacancy rate, and lack of any affordable rental space was cited as driving this issue. It is mostly hidden homelessness in rural areas, with a few cases “sleeping rough” and communities resorting to giving people a bus ticket to Halifax where they can access services.

HNS reports the income shelter rate is \$535/month, which is insufficient for any housing.¹¹ All interviews with professionals and homeowners suggest typical rental rates for a one-bedroom apartment to be closer to \$1000/month – even in rural areas.








In Saskatchewan, SHC reports seeing many moderate-income households that are on the cusp of being in CHN:

“There is a band of households in the moderate-income range that just barely make it into homeownership... barely able to make the stress test and mortgage. They still would be challenged in the costs. Its not just an issue for seniors, I think it could be that low to moderate income band”.

¹¹ Nova Scotia’s provincial government website lists their Standard Household Rate as \$686 for a single person renting. <https://novascotia.ca/coms/employment/basic-needs-assistance/#rent>

SHC also discussed Indigenous homeowners stating that for the most part Indigenous people are not owners, except in northern areas. “Just based on their poverty rate, the majority are not homeowners; or homes they live in are on reserves and federal.” The one Ontario housing professional interview provided an expanded analysis – they noted that CHN is high for Indigenous households, with a large discrepancy in core need between Indigenous and non-Indigenous households. They stated the challenge is driven by lack of income but is also related to the lack of generational wealth. The long-term impact of absent generational wealth appears in the dearth of down-payments for housing by Indigenous households. This professional argued that the carrying costs of a home are similar to rental, but Indigenous households can’t get into homeownership because of this lack of initial down-payment.

SHC also reported that many housing challenges in northern parts of the province are related to socio-economic problems, stating:

-  Many people don’t have employment.
-  Many in the communities rely on government programs.
-  Many have marginal income. What employment exists is seasonal work – fire suppression and forestry.
-  Many communities don’t have access to banking, most people cash cheques at the Northern Store.
-  There are challenges in getting a mortgage for a home, “how does a northerner who has never owned a home get a mortgage?”
-  It is more difficult to save for a down-payment when utilities costs are so high.
-  There is a challenge of families being on assistance for multiple-generations. Causes deeply entrenched intergenerational poverty and associated social problems, which results in situations where “it is difficult for people to get off assistance... You can also get into the health issues, addictions, alcohol abuse. Families have trouble getting out of that cycle, its devastating, families can’t get out of those problems.”

None of these socio-economic challenges are surprising, but this reporting does emphasize the complex challenges facing northern residents who are, or want to be, homeowners. SHC implied that these challenges will become worse, as “social assistance programs are tightening up and have changed” from social-assistance to income-support, with concurrent policy restrictions. Programs offer more money to a few family compositions and offer less to many others.

Interviews with SHC professionals suggested that housing affordability is an issue for 50-60% of households in the north. Where affordability for homeowners is less problematic across the rest of the province, partly because of natural gas availability which significantly reduces heating costs.

Generally, SHC identified housing affordability challenges as two-sided: significantly higher housing and utility costs in the north, combined with the structural problems of a lack of employment and a poorly developed economy.

Lastly, interviews with homeowners in Nova Scotia and Saskatchewan strongly suggest that CPP / OAS / GIS are insufficient for seniors who rely on these plans as their only retirement incomes. All interviews reported low incomes, with housing costs utilizing the majority of this income. This is a strong theme in the homeowner interviews below.

Program Responses and Challenges:

Housing Nova Scotia indicated several challenges to their housing programs. The primary one being the waiting list for the emergency repair program that keeps people in their homes. That list is now a 2-3 year wait. HNS also identified a significant ‘out-of-scope’ problem, where repairs needed for many homes could not be accommodated under the program. This was especially the case for Accessibility modifications to a home, and for repairs to trailer-homes which often required extensive upgrades to make them livable. The wait list also contributes to the out-of-scope problem (repair needs become greater as people wait, to the point where it is no longer worth repairing the home). HNS emphasized repeatedly the importance of the repair and accessibility programs for helping people:

“Home repair programs are essential for keeping people in their homes. We see the value; we deliver the programs. Please emphasize this.” (HNS)

Generally, HNS doesn’t have nearly enough funding for the repair program demand. The program is run through five regional offices and some offices are seeing four times the applicants as there is funding for.

HNS also noted that there is enough rural homelessness to require a programming response, but the *Reaching Home* program is only available in Halifax and Cape Breton Regional Municipality (CBRM).

Much discussion with HNS centered around the Housing Income Limits (HILs) used for program criteria but that are often a barrier. HNS argues these HILs are set too low considering rapidly increasing housing prices, questions the data on housing costs used to set the HILs, and notes “odd scenarios” in their application – such as where one area has a much higher HIL than a neighbouring area, resulting in different HILs for each side of a street. This causes significant confusion for homeowners and problems for HNS.

“We have a situation where under HILs a one-bedroom is \$25,500 and a senior couple don’t qualify. When their spouse dies, they become eligible... If you have a single senior making less than \$26G, or a couple making just over \$26G they are rejected. The HILs don’t make sense. Senior couples have considered separating to be eligible.” (HNS)

On the positive side, HNS noted that their ‘Down payment assistant program’ has moved many people into housing. They deemed this program useful as it helps keep people in communities and keeps those communities viable. The current research was able to interview one homeowner who had used this program, and confirmed they would not have been able to achieve homeownership (in any reasonable amount of time) without the program. The interview with this homeowner revealed their housing expenses would have been just over 30% of income when they qualified for the program. The respondent estimated it would have taken 5-10 years for them to save enough for a down-payment without the program. In this case, it seems likely that the homeowner was ‘advanced’ into homeownership sooner than otherwise would have been possible – exactly as argued by some professionals (see Program Design, below).

Lastly, HNS noted their coordination with other programs. Any homeowner who uses a HNS program gets referred to Efficiency Nova Scotia, who follow-up with a full assessment on the home and try to find energy saving for the homeowner. Popular programs include insulation provision, and air-source heat pumps, which can cut electric heating costs in half. These programs were mentioned in several interviews with NS Homeowners.

Saskatchewan Housing Corporation believes there has been a shift in government programming for homeowners, with a greater focus on renters from both federal and provincial governments. This has resulted in an eroding of programming infrastructure that support low-income homeowners. Repair programs have been reduced from what they were a decade ago, and the focus has shifted to emergency repairs only (usually roofs/heating), rather than more general support.

Program Design and Decisions:

Housing professionals identified many policy and program-design learnings from their experiences. These may be useful in future program design for homeowners in core housing need.

Both SHC and Ontario argued that homeownership programs work best in areas where property values are stable or appreciating. SHC observed that a previous program that provided partially forgivable grants to purchase a home in northern communities, created challenges when the housing failed to appreciate: “the household didn't get the equity that they had thought they would get over the amortization period and the intent was that they would refinance that house in order to pay their loan back. The value of the house wasn't there.” SHC argued that homeowners caught on the wrong side of a housing bubble tend to lose equity on their homes. Importantly, SHC argued that their greatest program successes all occurred when launched at the being of a rising housing market – implying that market growth was a stronger factor in program success than program design.

SHC and Ontario both argued that homeownership programs that are marketed to people who are lower income, “should target people at the higher-end of low-income. Their income trajectory should also be going up as well. [Interest] rates are low now. As rates go up, your costs go up as well. If income is flat, you are in trouble from the beginning.” SHC furthered the argument: “If you create programming to help people who don't have enough income become homeowners, then their situation becomes worse than if they were a renter.” SHC cited challenges with programs in the north that moved people into homeownership – but who in the end, didn't have the income to be successful homeowners.

Ontario echoed these arguments and linked the challenge of homeownership programs to impacts on the housing market and resulting losses for homeowners: “programs only advance people into the market sooner [than they would otherwise]. If they were doing that naturally – they would eventually become homeowners without the incentive program. If you advance them into the market sooner, you create a peak which escalates market values, then there's the trough and it declines the values. You got to be careful with what you do. It's the law of supply and demand. If there is lots of need, prices goes up, and if you advanced it [people entering market], then

there's no need any more because the grant program ends, all the people that benefited from the program are going to take the hit because their properties are not worth as much."

Interviews with housing professionals suggest that Ontario has taken a slightly different stance to CHN and the lack of affordable housing – pursuing a policy of increasing supply:

"The general thrust of our government strategy is the issue is supply. Development is too expensive, too much red tape, and it takes too long. Adds to costs. Therefore, through our housing-action plans, the way to address affordability is incentives, reducing costs, and lowering development charges and the amount of administration for the development of housing. That's true for either ownership or rental markets."

Interestingly, this housing professional argued that addressing supply is more effective than programs that attempt to move lower-income renters into homeownership in order to free up affordable rentals. Two reasons were offered. The first is that down-payment programs are expensive, and to move significant numbers of people into homeownership would "take a vast amount of money". The second, is the recognition that many of these lower-income (new) homeowners will likely struggle with the monthly carrying costs of their home. The argument again is that all the program has achieved is moving demand forward, rather than creating real new supply, and potentially placing some new homeowners in more difficult circumstances. This housing professional however did acknowledge that a supply policy "assumes developers will lower prices, because they have lower costs, rather than charge what the market will bear." This seems unlikely in the current market.

The interview with a homeowner who had used a down-payment program both confirm and push back against the above arguments. This homeowner acknowledged that the programs allowed them to enter the market 5-10 years before they would have been able to by simply saving for a down-payment. However, they also noted that in the current rental market, the monthly carrying costs of their new home was very similar to the costs of renting (in discussion, the homeowners included the property taxes, maintenance, and utilities). The only problem they had in entering homeownership was the down-payment.

SHC strongly emphasized that in the north, it is community leaders who need to be involved in program development. This was seen as critical for building trust, empowering communities, and ensuring good communication.

On a more operational level, SHC noted two of their programs that did not have good uptake, but are ongoing: the Seniors Education Property Tax Deferral Program, and Life Lease Units (converted from social housing). These programs were thought to be under-utilized because they relied on tax deferrals rather than grants. HSC noted this kind of program design is particularly ineffective when targeting lower-income households, who have lower taxes to offset.

Program Awareness and Data:

Data

Housing professionals in all three provinces reported they relied primarily on CMHC data – but also noted challenges with the data. All professionals also reported gathering limited data (usually anecdotal) from other local sources including non-profit housing providers, housing coalitions, community leaders in First Nations and Metis nations, contractors, and developers:

“We work with non-profits, CFH Canada, and individual organizations.... We work with community organizations for data that is not available from Stats Can and to get regional/local data. That’s not same kind of data, it’s got limited uses... We have a lot of housing coalitions. They have done in-depth needs assessments. They have lots of data and can say how many people are in core need, but there is no follow up on that need. There are no responsive programs.”

Two primary data challenges stand out for provincial housing professionals. The first is that CMHC data is not high enough resolution in non-urban areas, to understand the rental or homeowner market. One outcome of this is challenges with the Housing Income Limits discussed above. Additionally, HNS noted that smaller provinces like themselves struggle to collect data on their own, as they do not have the capacity or resources. HNS has developed a tool under the National Housing Strategy called the *Community Housing Assessment Tool* to assess community housing organizations’ capacity and needs. The tool is being used to develop baseline data of social housing to be maintained and prioritizes funding to organizations providing that housing. It is also used to assess funding organizations that have potential to expand. The tool locates organizations on a spectrum, giving HNS a “big snapshot of the sector”. HNS is using a strategy of trading funding for data.

HNS also notes that their targeted Housing Benefit, also under the National Housing Strategy has had slow prescription – but they believe this is not a lack of demand, but a lack of awareness, and have begun promoting the program.

Clients’ Awareness of Programs:

“A lot of it is word of mouth.” (SHC)

In both Saskatchewan and Nova Scotia, housing professionals suggested that most homeowners accessing programs are ‘self-referrals’ and that most homeowners find out about programs by ‘word-of-mouth’ from friends and family. Homeowner interviews confirmed this. In NS, some clients also are referred by their MLA’s – who tend to be closely connected to their communities and a regular source of assistance for constituents. HNS noted that with demand for programs so high, they don’t advertise the programs – because they would have to turn away even more people.

SHC suggested that most people search for programs on the internet. However, interviews with homeowners contradicted this. Almost all homeowners became aware of programs through word of mouth. As well, most homeowners interviewed did not have access to a computer (and some did not have access to a cell phone either). Most people accessing these programs are seniors – sometimes less comfortable with computers – and in CHN, so they often cannot afford the technology. Few of the homeowners interviewed would have been able to access a support program through on-line access. Several suggestions for improving the awareness of programs were offered by housing professionals and homeowners:

- Programs that assist with repairs/accessibility should be advertised in senior’s centers.
- Programs that are targeted to seniors should also be advertised through the mail. Many seniors do not have computers or are uncomfortable with the technology, but still access mail regularly.
- If a program is to be advertised online – create a Facebook profile for the department running it. This will give it much greater traction and exposure, and can be accessed by seniors with cell phones.
- Programs that help people with down-payments should be ‘advertised’ through lenders, realtors, and developers. “They are eager to sell, so they promote it.”

Covid-19: Impacts and Challenges

COVID impacting the housing market

Ontario identified two important impacts of covid on the housing market. The first is rising rates of mortgage arrears, which may be a leading indicator that some homeowners are struggling. Housing Nova Scotia also noted this impact from the pandemic, including some homeowners living on modest wages forced into selling their home (due to loss of income).

Ontario laid out the inequity of the impacts of the pandemic in the GTA: For homeowners in higher income brackets, employment has not been affected to the same degree as those with modest incomes. This higher income demographic has maintained their employment, and their expenses have gone down as they have shifted to working from home and are spending less on commuting and leisure. This group has also had the opportunity to refinance mortgages and take advantage of historic low interest rates. For those in this demographic who wish to move from their current owned-housing, they can outcompete new-homeowners for previously affordable homes in outlying areas, which they also have greater access to because they can work from home in their professional jobs. These factors work together and reinforce the differences in privilege and access to affordable housing – potentially excluding some new-homeowners from the market.

Housing Nova Scotia has noted increased migration to the province because of COVID, resulting in significant upward pressure on housing prices. HNS believed this to be condo-owners from major Canadian metropolitan areas, moving to ex-urban and rural Nova Scotia areas, to buy affordable housing. The worry at HNS is that increasing housing prices will “drive affordability out of reach for working class people”.

Interviews in all three provinces noted the impact of increased costs in construction materials, on housing prices. Saskatchewan stated that construction material costs had doubled, likely attributable to disruptions of milling in BC, as well as supply chain breakdowns across North America. These problems translate into additional costs for homeowners. These increased costs have also been noted by recent media reporting.¹² Interestingly, several homeowners also commented on the increased costs of construction materials. As homeowners are typically required to get multiple estimates (bids) for an emergency repair, and many have owned their homes and undertaken repairs for decades, they are aware of price shifts and market effects.

*“A sheet of plywood went from \$14 to \$65... a 2x4 used to be \$2.99, now its \$10.99”.
(Nova Scotia Homeowner on the costs of repairs.)*

Ontario also outlined some long-term consequence of the current COVID pandemic. They argued that the work-from-home movement will be long-lasting, and work-from-home will continue as companies realize the cost savings from not providing office space. People are beginning to embrace moving out of expensive city cores: “People are less interested in trading space and costs, for amenities and proximity to employment.”

Program Impacts:

The pandemic has also significantly impacted the delivery of housing programs. Housing Nova Scotia stated that demand for repair programs had increased as people were ‘stuck at home and have more time’ to call and apply. Repair programs have been delayed. Housing-inspection staff have had to use PPE, and offer PPE to homeowners during assessments/costing for repairs. “A lot of homeowners weren’t comfortable of having [inspectors] come inside, and some inspectors were not excited about going into homes”. This has slowed down program delivery significantly, and HNS indicated that some homeowners had to live with problems unaddressed, as contractors couldn’t go into homes. Interviews in Saskatchewan revealed similar challenges with reports of “contractors afraid to go into units”. Interviews with homeowners in Saskatchewan and Nova Scotia found confirming reports detailing difficulties finding contractors willing to work during the pandemic.

Saskatchewan noted that the pandemic has curtailed communications, with travel to communities eliminated (especially in the north) for protection of those communities and provincial staff. Many northern communities had lockdowns or road blocks. SHC also launched the Canada Housing Benefit at the start of the pandemic and that “limited the ability to go out and meet with the private

¹² <https://www.cbc.ca/news/business/lumber-prices-covid-19-cost-of-housing-1.5973416>
<https://www.cbc.ca/news/canada/british-columbia/lumber-prices-bc-1.5957406>

<https://www.theatlantic.com/science/archive/2021/04/climate-origins-massive-lumber-shortage/618727/>

rental market and housing providers”. (This is for rental units, but shows the challenge of implementing programs during a pandemic).

But programs have adapted to these challenges. Nova Scotia has had homeowners take pictures of areas needing repair with cell-phones, and is having contractors estimating costs based on photos, and using photos at completion for assessment. This is both challenging and less accurate, and has also caused delays and increased costs. But repair programs are functioning.

Saskatchewan Housing Corporation stated that the pandemic has forced them to communicate differently, “Which isn’t a bad thing. We had to keep our presence. We had to provide our service, but in a different way.” The pandemic has forced a shift to internet communications including virtual meeting platforms. The challenge of course, is the poor level of internet connectivity in rural and northern areas. Lastly, basic office operations in both SK and NS has also been affected with many provincial staff working from home which limits capacity and causes further delays.

Saskatchewan has noted the intersection of ‘suitability’ with impacts from the pandemic – again, primarily in the north. Here, the lack of housing generally, and the common problem of overcrowding, creates conditions conducive to the spread of COVID. As the largest housing supplier in the north, SHC has seen increased demand for housing during the pandemic, as well as their emergency social services have requested isolation units. “[Households] with eight people in a house need isolation spaces.”

Suitability, overcrowding, culture, and affordability are all impacting housing as it intersects with the pandemic in northern Saskatchewan. SHC reported that traditional large gatherings for funerals and wakes have become super-spreader events. As well, “There is lots of homelessness in the north, lots of couch surfing. [These factors result in] 70% of cases in SK are in the north” (Note that this claim is not supported by Government of Saskatchewan data. See: <https://dashboard.saskatchewan.ca/health-wellness/covid-19/cases#total-by-region-tab>).

Unintended consequences of policy:

Housing professionals noted many unintended consequences of policies and programs, both at federal and provincial levels. Beginning with federal programs, HNS commented that the National Housing Strategy is “pouring money into housing”, and that is affecting the market. It has creating shortages of materials and contractors, resulting in costs being driven up. This combines with cost increases due to the pandemic (discussed above).

The *Rapid Housing Initiative* was also discussed, questioning why the emphasis in Nova Scotia was on Halifax, when rural and small towns have much higher need.¹³ (It is recognized that RHI Major Cities Stream allocated funding based on the severity of housing need in local markets.) The questioning of funding allocations may point to a need for clearer communication on decision-

¹³ See also, South Shore Housing Action Coalition (2021).

making, but also recognizes that National Housing Strategy funding emphasizes urban areas over rural, and rental over homeowner – an observation that came up repeatedly in interviews.

“The national housing strategy has a number of targets and priorities, but homeowners are not one of them. You’d have to target the lower income homeowners in CHN. A lot of our homeowners in CHN are worse off than some renters because of the maintenance costs.”

Ontario made a similar observation about provincial priorities,

“Because of limited resources, provinces are forced to make decisions of where they are investing those limited resources. Targeting tends to focus on rental instead of home-ownership.”

Another common complaint was the challenge of meeting affordable rent numbers to qualify for federal funding programs – many stating that it was impossible to meet the requirements. The affordable rent levels required were impossible for developers to meet and still develop housing.

“Big drawback of the policies – where the affordable rent level is. If I was a developer, I’d look at the guidelines and say, “Not doing it”” (HNS)

Affordable rent numbers are based on the Rental Market Report for Nova Scotia. HNS felt these numbers were often incorrect, and data for rural areas is not fine-grained enough. Rental rates have increased dramatically, even in rural areas, and especially in ex-urban areas close to large communities. It was felt that CMHC data has not captured these increases.

Saskatchewan Housing Corporation noted that the federal stress test has had a negative impact on potential new homeowners, but that this was likely both necessary and balanced,

“I would say that if you were on the cusp [of affordability] then it would have excluded you potentially. That said, I think that carrying costs of a house are a big challenge. So I see the balance in policy. I guess it excludes some households, but you know there is a need for risk mitigation in terms of home ownership.” (SHC)

Ontario expanded on this assessment, noting that the stress test only excludes a small slice of homeowners – the new marginal homeowners. Existing homeowners are insulated from costs.

SHC made several comments on the cancelation of the *Residential Repair Assistance Program* (RRAP). They felt it was an effective program as it stacked well with provincial Emergency Repair Programs, but was directed more towards long-term outcomes and ensuring that affordable housing supply was maintained. Its loss was felt as a major impact.

“The program recognized that the existing supply was the most affordable supply”.

SHC also commented on federal / provincial agreements. It was felt that the 2011 move to Provincial Priorities was less prescriptive than previous agreements. SHC appreciated the flexibility of that funding to pursue areas that made the most sense for the province, but noted that the unintended consequence was lower funding for housing maintenance programs. Provincial commitments to housing maintenance programs could not be maintained at the level that federal funding provided, and the programs eventually eroded.

At a provincial level, SHC acknowledged that introducing asset testing into their portfolio in 2012 had a significant impact. This was done at the same time as increasing their maximum rents. The result was higher income renters saw substantial increase in rent, and the rental rate in rural communities increased beyond what a comparable unit would be in the private market.

Shifts in provincial tax policy has also impacted Saskatchewan. The provincial government started applying Provincial Sales Tax to construction materials. That had a significant effect on new housing starts as it increased the price of basic materials.

Even small program cancellations can have significant impact. SHC noted that cancelling their program to encourage development of secondary suites for new developments impacted developers – as the program minimized the cost of developing these suites, and developers had used the program as a tool to attract new purchasers. Ending the program ended the development of the suites, which then impacted homeowners who had used the suites to defray costs (by renting the suites), and also reduced affordable housing. Everybody lost with the ending of the program.

Homeowners Exiting Core Housing Need:

Most housing professionals emphasized that for homeowners, getting out of CHN is an *affordable supply* problem. People don't want to leave their homes when better options are not available.

“The pressure on homeowners is problematic, we have a very low vacancy rate. Less than 1%. Where would they go? There are no options. If they are seniors, there is no bed for them. It forces them to stay in their home.” (HNS)

And from Saskatchewan: “In the north there are not any options. They just don't have other options due to the lack of housing available.” For those who own a home in the north and are in CHN, they would not be able to sell and move to something affordable due to the absent housing market:

“The issue will be that they can't sell. If you sell it, you're not going to get very much money for it. They are not going to get a lot of equity for it. If they are not going to get a lot of equity from it, they're not going to have enough to move to a higher market. That becomes a challenge. They go from homeowner to rental. They don't have the equity or income to support a mortgage.”

Ontario again echoed these sentiments:

“It is far cheaper to stay in an existing home, whether a rental because of rent-control, or an owned home because of low property taxes. If you bought 20 years ago, you got housing at a fraction of the current costs. For someone leaving their home [today], then their current home may be worth more, but all nearby housing is worth more as well. Even on the condo market. We used to see people in high values moving out to low values, but now we are starting to see that disappear. Pressure has increased the value of affordable housing, so that gap has disappeared.”

Ontario advanced this argument by suggesting that the bottom end of the housing market is completely disappearing – at least in the GTA. They suggest that all affordable options, whether regional, or smaller housing, or condos, has disappeared. Ontario emphasized that there is no longer any advantage to moving from one ownership situation to another, because a person can no longer realize savings. “Staying put is the more affordable option.” As well, seniors can no longer move out of homes into accessible rental options because rents have increased to the point that they are equivalent to purchasing. Ontario argued that there simple isn’t enough rental stock, and very little rental construction.

On a positive note, Ontario did suggest that the housing market is beginning to shift in the GTA possibly due to the pandemic. The work-from-home movement is shifting demand, and on the supply side, there has been a shift back to purpose-built rental from condos. The GTA is now seeing record supply year on year.

Housing Professionals – Conclusions:

Housing professionals provided a litany of drivers of core housing need. Overall, professionals spoke of a tight housing market with low inventory – especially affordable housing, and high demand driven by a confluence of factors: market forces, social problems, and housing challenges. HNS professionals identified CHN being associated with senior homeowners living in rural areas on low incomes in poor quality housing in a context of no other affordable options. SHC identifies the challenge for homeowners as two-sided: cumulative high costs for housing, construction, and utilities, combined with the structural problems of lack of employment and a poorly developed economy in the north. Professionals also identified that there are many moderate-income households that are on the cusp of being in CHN.

Professionals noted a need for increased funding for repair programs which are considered highly effective and well utilized. Some felt that government policies have focused on renters rather than homeowners and this has eroded repair programs over the last decade or more. Homeowners typically find out about programs through friends and family, so there is an opportunity to expand the reach of programs, but they would need to be resourced sufficiently for greater uptake. There are data challenges for provincial housing professionals, particularly the low resolution of data in non-urban areas, and a lack of capacity and resources to collect data on their own.

The COVID pandemic has had significant impacts on programs causing delays, labour shortages, and communication challenges, but programs have adapted and responded as best they could, and continue to function. The pandemic has also driven the housing market, with more migration to affordable areas, potentially squeezing some new-homeowners out of the market. The pandemic has significantly increased construction costs, further driving up the price of housing.

Federal policies and programs including the National Housing Strategy and the Rapid Housing Initiative were seen as “pouring money into housing” which has the unintended consequence of driving up costs and prices of housing, and creating differences in access to funding between rural and urban areas.

Most housing professionals felt that the challenge for a homeowner to get out of core housing need is lack of affordable housing supply – and professionals and homeowners were unanimous in stating that there simply isn’t enough affordable housing.

Interviews with Homeowners in Saskatchewan and Nova Scotia

To obtain interviews with homeowners in Core Housing Need, the IUS asked provincial housing offices in Nova Scotia and Saskatchewan to mail 'Invitation to Participate' letters to their clients in multiple tranches. Letters were targeted to homeowners who had used provincial housing assistance programs. In the first deliveries, these were primarily to clients of Home Repair programs. Later tranches targeted strategy homeowners who have used programs other than repair programs. There are a limited number of these programs and participants, but the expectation was that by widening the sample population and oversampling these other program users, a broader set of interview responses would be collected. This strategy was partially successful with a few younger and employed homeowners responding, as well as homeowners who had used Accessibility and Down-payment programs. In Saskatchewan, three tranches of letters were sent, each of three dozen, for a total of 108 invitations. In Nova Scotia, approximately 100 invitations were sent out. There were eleven responses from homeowners in Saskatchewan, and thirteen from Nova Scotia.

A Profile of Homeowners in Core Housing Need:

"I call myself the working poor." (~40 y/o, single mother, NS)

*"We've been low-income seniors for years. My husband didn't make much money.
The pension is quite small." (82 y/o, recent widow, NS)*

"[Pension] is ridiculously low -- \$18,500." (72 y/o, single, NS)

Note that although efforts were made to reach a wide cross-section of homeowners in Core Housing Need; the recruitment strategy focused on homeowners who had accessed a Nova Scotia or Saskatchewan housing program – and these programs were usually Repair or Accessibility programs – so homeowners can only comment on those programs. Additionally, homeowners had to qualify for those programs – had to have an income below the threshold placing them core housing need. This is important because it excludes homeowners who did not meet the criteria of the programs (usually because income is too high) but who may be close to core housing need, or otherwise in housing distress.

Geography:

Participating homeowners from Nova Scotia were primarily from small communities, rural, and remote areas of the province including: Yarmouth, Dartmouth, West Arichat, Noel, New Glasgow, East Uniacke, East Preston, Clark's Harbour, rural Sydney, and rural Anicamish. In Saskatchewan, participating homeowners mostly came from the larger communities of Regina, Saskatoon, Prince Albert, and Moosejaw; with a single interview from the rural village of Landis. This geographic difference of the users is the primary difference between the two groups, and might be attributed

to Housing Nova Scotia's structure – with programs run out of five regional offices with a focus on preserving housing in small communities. Saskatchewan Housing Corporation (SHC) runs a more centralized office of programs, though they did emphasize that SHC manages social housing in 300 communities across the province.

Program Accessed:

In Saskatchewan, eleven homeowner responded to the invitation. Of these, one had used an Accessibility program, nine had used an Emergency Repair program, and one had used both programs.

In Nova Scotia, thirteen homeowners responded to the invitation. Of these, one had used an Accessibility program, eight had used an Emergency Repair program, three had used both Accessibility and Emergency Repair, and one had used a Down-Payment program.

These numbers though, should be considered estimates. Many homeowners spoke of having used, or needing, both Accessibility and Emergency Repair programs. Discussions with housing professionals who operate the programs also suggest there is some cross-over or cross-funding between the programs, and that programs are flexible enough to assist homeowners.

Age, Gender, Education, Income, and Income Sources:

Of the 24 respondents 18 were retired seniors ranging from age 57 to 90, and six were younger persons. Respondents were mostly female (18), possibly attributable to the overall high age of the sample as women tend to live longer than men. Both single parents who responded were women in their 30s. By and large, most respondents lived alone (17 out of 24 respondents). Of the remaining 7 household families: one was a very elderly senior caretaking for a daughter and granddaughter both with disabilities; two were the single parents noted above; one a married parent household with two children; and three were married or common-law senior couples.

Retired seniors all collected CPP and OAS, and a few also received the GIS. One disclosed they received a Caregiver Allowance of \$400/month, one received 70% of a husband's pension, one had "a bit of savings" invested in a Retirement Income Fund (RIF), and a couple of seniors disclosed renting out rooms to "make ends meet". Incomes for these retired seniors were typically low – most survived on between \$13,000 and \$29,000 a year with two outliers of \$35,000-\$40,000 a year. Note that except for the one senior with the small RIF, no others had any other retirement income beyond the CPP/OAS/GIS. None had pensions from their previous employment.

For the younger respondents, two were on disability and unable to work (incomes of less than \$10,000, and \$13,900 a year), two were employed single parents on low income (both with incomes under \$40,000), and one was an unemployed parent of a family of four (EI benefits of \$20,400). The last respondent under age 65, presented a very different profile than all others. This young person had used a Down-Payment program, was higher income, and had a larger mortgage.

One theme emergent from the interviews that may help explain the generally low incomes, is level of education. Of 24 interviews, fully half of respondents had high-school or less, two had college degrees, and five had a university degree. The advanced age and rural locations of many of these

respondents might suggest that many had less access to higher education, and/or perhaps grew up in an era when a high-school education was sufficient for well-paying “blue collar” jobs.¹⁴ The current project did not investigate life-histories, or how they contribute to core housing need. But considering that 50% of people interviewed had lower levels of education, and a few respondents related stories suggesting a lifetime of low-income, research into the link between peoples’ histories and core housing need is warranted. Indeed, recent research by the CMHC suggests that a quarter of people experiencing core housing need “faced persistent housing challenges”, that is, continued in core need between censuses (Li, Mingxin and Rachel Shan, 2021).

Disabilities:

Disabilities and their impacts are a significant theme running through the data collected and confirms remarks from the provincial housing departments. Respondents experiencing disabilities numbered 14, a high proportion of the total. Disabilities ranged widely from minor physical challenges related to age, to severe challenges including MS, diabetes, amputations, severe osteoarthritis, wheelchair dependence, debilitating injuries, and chronic obstructive pulmonary disease (COPD). With the overall low income reported across all respondents, and the differing levels of disability reported, it is difficult to correlate disabilities to low incomes. However, all respondents reporting less than \$21,000/yr income also reported a disability of some type.

The Homes:

Homes and Communities:

*“My family go back to the original settlers in the area. We've been here a long time.
The home has been in the family for a long time.” (78y/o. NS)*

Respondents loved their homes. Almost all had lived in their home for more than 15 years, with 20-40 years most common. One respondent is approaching 70 years(!) of living in the same home, and another lives in a home that has been in the family for generations. People also loved their communities, with only one reporting a decline in conditions and increase in crime.

*“We're surrounded by hay fields and good people. Its very pleasant here.
I absolutely love living here.” (72 y/o, married, NS)*

Condition:

There was wide discrepancy in reporting on the condition of homes – from excellent condition to poor. Most common was average condition and needing some ongoing repairs. A common theme when responding to questions about the home was the age of the house – many respondents

¹⁴ For comparison, Stats Can reports than in 2016, 54% of working aged Canadians had college or university qualifications. <https://www150.statcan.gc.ca/n1/daily-quotidien/171129/dq171129a-eng.htm>

volunteered that their home was old, and that older homes need constant ongoing maintenance. The survey questions did not ask for age of home (unfortunately), but from the context of the interviews we surmise that many were built pre-WWII, and at least two were more than 100 years old. Additionally, several respondents from Atlantic Canada spoke of living in trailer homes. These homes were built in the 1970s-1980s. Interviewees reported problems with poor windows, poor insulation, leaking roofs and walls, and cosmetic problems that suggest these homes are nearing the end of their useful lifecycle. Overall, the interviews with homeowners support the conclusions of provincial housing departments – that older homes can be part of the problem, but as we shall see below, there are few other options available.

Mortgages:

One goal of the recruitment strategy was to interview homeowners both with and without mortgages. In Saskatchewan, this split was achieved: six with and five without. In Nova Scotia, nine respondents had a mortgage, while four did not. Though we did not ask respondents for the amount of their mortgages, a few volunteered this information and mortgages held by these respondents tending to be small – less than \$80,000.¹⁵ This low number may possibly be attributable to the holders being seniors who had been paying off the mortgage for many years. Across the entire sample, mortgage payments ranged from \$300 to \$1000 a month with one outlier of \$1500/month (this datapoint seems unlikely as total income of this respondent was reported as less than \$20,000). Considering the age of respondents, and their low incomes, mortgages are a significant burden to these homeowners, concurring with CMHC data that across Canada, almost one third of all seniors cannot afford their homes if they have a mortgage (MacAdam 2019). What we heard from homeowners is that no single cost – such as the mortgage – is the challenge, rather it is low incomes combined with the multiple costs associated with owning housing as well as aging. This is discussed below.

Costs of Owning a Home:

Respondents were asked to estimate their total housing costs and total utility costs. Reporting was very inconsistent, but based on the numbers received, about one-third of the sample was paying 30% of their income on housing with the remaining 2/3rds spending substantially more than 30%. Most of these were paying 40-70 percent of their income on housing, but two reporting spending close to 100% of their income on housing. Both of these reported disabilities and living on extremely low incomes – one less than \$10,000/yr.

*“I can't afford to fix it because I don't have the money.
I barely have enough money to do the things I need to do.”
(84 y/o, widow, NS)*

Homeowners in CHN reported a variety of costs that were affecting their ability to afford their homes. Mentioned were mortgages, taxes, utilities, repairs, medical expenses, food, internet/phone, and maintenance costs. Repairs to a home were singled out as substantial

¹⁵ This does not include the one respondent who used a down-payment program. This respondent is a younger, new homeowner with a larger mortgage.

challenges because of the high costs. Most common repairs were emergency repairs to roofs, furnace/hot-water tank replacements, and window replacements. These typically cost in the \$4000-\$10,000 range – even small repairs were discussed as costing many thousands when most respondents were “just breaking even” each month. Repairs such as these were simple beyond the ability of respondents to pay without the provincial repair programs.

Utility costs were also much discussed – particularly in Nova Scotia, where using either electricity or fuel-oil for heating can be extremely expensive – often reported as \$300/month – for a homeowner on a fixed low income. Again, homeowners confirm reports from provincial housing departments.

Medical Costs Impact Housing:

“I have medical challenges. Diabetic... have to pay for insulin.” (over 65 y/o, widow, SK)

“Medical costs are killing us... Senior pharma-care only covers approved drugs, but I’m allergic to everything.” (72 y/o, married, NS)

Medical expenses also emerged as a contributing factor to the challenge of affording housing. Seniors primarily discussed the challenge of affording drugs, but also noted the costs of medical equipment and how mobility/accessibility needs affect homeownership. Most respondents’ homes were older, and not *accessible* or *visitable* by today’s standards. Common was the need for grab-bars, accessible tap and door handles, ramps, and stair-lifts. Ramps and stair-lifts were reported to be extremely expensive and beyond the ability of senior homeowners to address without provincial programming. Senior homeowners also expressed a need for more significant changes including reconfigured bathrooms (changing a half-bath to full-bath on the main floor), moving laundry from basements to main floors, or adding a room to accommodate one-floor, reduced-mobility living. But these more substantial accessibility issues are typically not addressed by provincial programs. This is partly because of the expense involved, and may point to an opportunity for federal funding for these types of modifications that allow seniors to continue to live in their homes.

Transportation and Housing:

Though this project did not investigate the impact of owning a vehicle on homeowners in CHN – it did emerge as a minor theme in the interviews with homeowners. Owning a car was an additional, but necessary burden for many of the homeowners we spoke to. In Nova Scotia, most respondents lived in rural areas/small communities and a vehicle was required to get necessities. Typically, these respondents stated that they only drove occasionally, or cut back on fuel to save the expense. Most respondents from Saskatchewan lived in larger communities, and all except one made do without a vehicle. The one respondent from a rural village required a vehicle to access services and basics (such as food) and the cost of a vehicle was challenging. For all rural respondents with a vehicle in both SK and NS, there was an unacknowledged trade-off occurring:

housing that was more affordable because of its location, also required the greater expense of owning a vehicle. No homeowner commented on this dilemma.

Affordability:

*"I can do it if I'm careful. I can't fool around. Sometimes it's hard. In winter, it's hard."
(63 y/o widow, NS)*

"Not really [affordable], but now I'm just barring down. Every time I get my pension, I pay [back taxes] until I get it caught up." (70+ y/o, disabled, SK)

As the above discussion illustrates, homeowners living in core housing need are typically faced with the dual challenges of low income and multiple, cumulative expenses – not all of them related to housing. When asked whether their housing was affordable, homeowners expressed the complicated challenges and grim trade-offs involved in keeping their homes. Even in this small sample size, several seniors spoke of cutting back on food to keep their homes. Their stories and challenges are worthy their own words:

"Barely affordable for me... it's a struggle because there is not much left over. I need to have a vehicle because I live out in the boonies. There are other things that come up. It's a struggle. It's making me house poor. Also, this house was a fixer upper... there's not much left over to live. I had to cut back... honest to god it had to come off my food and gas. There is nothing left over. I'm living off the government cheque to cheque. And my mortgage isn't big, but its plenty big for me." (75 y/o, divorced female, NS)

*"[Its] more difficult now with increased expenses - food and utilities."
(82 y/o, widowed caregiver to disabled daughter and granddaughter, SK)*

"Was [affordable] when my husband was alive. I have to juggle because of repairs. I'm borrowing for repairs. I'm just creaking under the wire." (78 y/o, widow, SK)

"We're using the food bank. We don't have the money to go out to restaurants or anything." (72 y/o, married female, NS)




*"I'm hanging on by a thread. I can't afford home insurance, that's the scariest part."
(57 y/o, disabled single male, SK)*

"Its kind of tough right now. I always make sure my bill money is there... If I need food, I go to the food bank... I'd rather go without food, than let my bills go unpaid. It is tough, especially when you are all alone." (84y/o, widow, NS)

The Lack of Options:

“It’s an emotional thing I think, and that’s what stops me from doing it. As long as I can be here [in my home], I want to be here.” (78 y/o, disabled single female, NS)

Even in the face of the above hardships, homeowners interviewed were extremely reluctant to consider moving to housing that would require fewer repairs, be in better condition, be more accessible, or be closer to services. Three reasons for this were commonly cited:

-  people love their homes and communities, and are extremely resistant to moving from the places they call home;
-  they recognize that moving would be a step down in housing quality or size (many remarked on the loss of yards and gardens);
-  and importantly, all knew that there is **simply no affordable housing** available in their communities.

For these homeowners, owning a house – even including mortgages – was far less than rent or supported-housing costs. There simply is no affordable alternative for these homeowners, and homeowners were well-aware of this. These findings closely mirror the evaluation of housing professionals interviewed.

“No there is no place. A one-bedroom apartment is almost a thousand. Everything is so expensive. Even with a mortgage, my home is far cheaper.” (84 y/o, widow, NS)

“If I sold this and went into... the closest town, I couldn't afford to rent a place. The rent is crazy. I could never afford it. My mortgage is way less than rent. [Rent] would be close to a thousand, if not more. And we're not talking about comparable housing, and no outside (yard). I'm a gardener, an outside person. To be confined... I would surely miss a back yard. To go into housing of some sort... I don't want neighbours on the other side of the wall. I've always had my own house.” (75 y/o, female, NS)

Seniors also knew that options for seniors’ homes or supported housing was limited:

*“There's a big waiting list. A couple of hundred waiting to get in.”
(90 y/o, single male, NS)*

*“There is a seniors’ home in [redacted], but it’s usually pretty crowded and people on the [waiting] list. Twenty minutes away there is [retirement] homes, but again there is so many people waiting for those, who really can't live on their own.”
(78 y/o, disabled single female, NS)*

Respondents were also well aware of changes in the housing market – of increasing development in ex-urban areas and the potential of renovictions for those who don’t own their own home.

Seniors seemed particularly attuned to this threat, and saw their housing as the most stable, affordable option that allowed the greatest independence.

"That's what they're doing here. They are making people move out, renovating apartments, and then it [costs] \$2000/month. And most of them are seniors. There is nothing half-way decent for seniors like myself." (82 y/o widow, NS)

"I hear of apartments where the owner puts [the tenants] out, and puts it up for sale. I would never go to an apartment. No way." (63 y/o widow, NS)

The Experience of Core Housing Need:

By definition, homeowners in CHN are spending more than 30% of their incomes on housing. For all the homeowners interviewed who had used an emergency repair program or accessibility program, incomes were low – 18 of 24 interviews reported incomes of less than \$29,000/yr.¹⁶ The challenge for these homeowners was the cumulative costs of maintaining their households – they simply didn't have enough income. When asked about underlying causes for the challenges they faced with their home, versions of 'lack of income' and 'costs' were the most common responses. Many respondents were making grim choices about food, medicines, heating oil, or vehicle fuel to continue living in their home.

But the homeowners interviewed also displayed resilience, forbearance, and determination to keep their home regardless of the challenges. Many suggested a preference to die in their home – not because of the lack of options (of which there are few), but primarily because they valued their independence, loved their homes and communities, and wanted to stay.

"Hopefully, I'll die here, drop dead. If I don't, hopefully [my next move] will be when they put me in a wheelchair, put me in a nursing home. I'm independent, so as long as I can, I'll stay here." (75 y/o, divorced female, NS)

"I hope they take me out of here in a body-bag." (82 y/o widow, NS)

One potential difficulty to understanding homeowners in core housing need, is the fact that these people *own* their home – so it may *appear* that they have significant wealth tied up in the home. This does not seem to be the case though with those homeowners interviewed. For these homeowners, the only retirement investment they had was the home itself, and many still had mortgages. Many of the homes were older, small, and presumably not worth a substantial amount. The homeowners interviewed understood that selling and moving into (non-existent) affordable housing was not a viable option:

"This [home] has been appraised for \$250,000. I owe \$65,000 on it. [If sold,] \$200,000 isn't a lot of money these days. A nursing home is \$2000 a month, \$24,000 a year." (75 y/o, divorced female, NS)

¹⁶ One interview was conducted with a homeowner who had used a down-payment program. The respondent was younger, higher income, achieving their first home, and had a higher mortgage.

In the final analysis, most of the homeowners interviewed have no other option than to stay in their home as long as possible. And the experience of these homeowners in CHN is one of borderline poverty and difficult trade-offs.

Homeowner Conclusions:

Homeowners interviewed were mostly from rural areas in Nova Scotia and larger cities in Saskatchewan, and were mostly seniors and female. Incomes were generally very low, except for one younger person who had used a down-payment program. Half of respondents only had high-school education or less, and this may be a driver of the low-incomes of the sample, and of core housing need. More than half of respondents were experiencing disabilities, many serious, and this was also a driver of low-incomes.

But homeowners *loved* their homes, and most had been in their homes for decades. This also meant that many homes were older and in need of repair. Slightly more than half of respondents still had a mortgage on their home, even though most were retired. Though these mortgages tended to be small – they were a significant burden on homeowners. Homeowners stated that no single cost – such as the mortgage – is the challenge, rather it is low incomes (usually pensions) combined with the multiple costs associated with aging and owning a home. Costs of repairs are significant, with even small repairs costing many thousands. Utility costs are also problematic for many, especially in rural and northern areas – closely matching the reporting of housing professionals. Medical costs and transportation costs also emerged as burdens for homeowners.

Homeowners living in core housing need are typically faced with the dual challenges of low income and multiple, cumulative expenses – not all of them related to housing. This is the problem. Many were making grim choices to cut back on food or medicine to afford their homes. All knew that there was simply no affordable housing available in their communities for them to move to, and no other options either.

But again, homeowners loved their homes and communities and wanted to stay in their homes as long as possible. The respondents interviewed displayed resilience and determination to keep their home regardless of the challenges. When asked about what governments or organizations could do to help them, most could not provide answers, but a few asked for only ‘a little help’.

Conclusions:

Potential Roles for the NHS:

“Maintaining homes is the most affordable way to provide safe, affordable, adequate housing. That’s what we’re doing. It’s crucial to keep as many people in their homes as possible.” (HNS, and echoed in similar statements by SHC and Ontario)

Housing professionals in Saskatchewan, Ontario, and Nova Scotia were asked what governments could do to support homeowners in core housing needs, as well as potential roles for the National Housing Strategy. Many ideas were brought forward, and are presented below with no ranking:

Funding:

- “We would like more money, so we can help more people.” (HNS)
 - NS is seeing very high subscription to their programs with long waiting lists.

Repairs Under the NHS:

There is high need for a federally funded dedicated home repair program:

- Repairs and accessibility adaptations are *not* considered affordability supports under the National Housing Strategy. Housing professionals suggest that is a mistake: “To support low-income homeowners as part of that larger goal of reducing households in core-housing need, we need to broaden the concept of what that means beyond an income subsidy or rental subsidy.”
- “There is a focus in the NHS on building *new* affordable housing. But we have a focus on maintaining and keeping this stock here. The NHS is focused on new housing, on reducing homelessness, creating new affordable housing, reducing wait lists of housing authorities. But they haven’t recognized that in some areas of the country, the housing stock isn’t going anywhere and needs upkeep.” (HNS, reiterated by SHC)
- Raise the repair funding allowable per unit. Address older housing stock. Do major repairs and reconfigurations to allow seniors to stay in their homes.
- An expanded repair program achieves additional aims: “There’s a lot to be said about keeping people in their communities that are tight knit... It helps communities stay vital and relevant. If they move, [there’s a] lose of sense of communities. Schools, businesses, and churches rely on these communities. If people move, these houses deteriorate and are eventually torn down.” (HNS)
- In areas where affordable housing options are not available, repair programs should be more flexibility, and be willing to do more to keep people in their homes. It is still cheaper to spend \$50K reconfiguring a senior’s home so they can age in place, than building new housing.
- Repair program acceptance should be tied to the availability of affordable housing in an area. If affordable housing is not available, then people have no other option than to stay in their home – so a repair program should do more to help them.

Portable Housing Benefit:

Encourage provinces to use the Portable Housing Benefit for homeowners as well as renters:

- The program has the flexibility to support homeowners in need.
- Other streams of funding cannot be directed toward homeowners.
- “we can’t tackle that large number in CHN without directing supports to homeowners (because of a small rental sector).” (HNS)

Homeowner Education:

- Both SHC and HNS noted the challenge of people entering homeownership unprepared for the costs or challenges. Both indicated a need for a homeownership education program as a requirement for funding that assists with entering homeownership.

Strategize Affordable Housing:

- The lack of affordable housing in some rural and northern areas is restricting economic development. This may point to a worker-housing opportunity for the NHS.
- HNS has identified a mis-match between housing needs and what the market is willing to provide (especially an emphasis on small condos). This mis-match was also identified by SK and ON and suggests a potential role for the NHS.
 - Additionally, there is a need for affordable rental units to reduce the CHN number for both renters, and homeowners that wish to downsize. This may also help free up the affordable end of the ownership market.
- Housing professionals emphasized that housing challenges are worse in rural and northern communities, where there is a lack of rental properties, social housing, and seniors homes.
- HNS suggested forming cross-governmental commissions to develop recommendations to create more access to affordable housing. (Note that the NHS Solutions Labs are one such effort.)
- “There is an opportunity to leverage trade-training in the north” (teach communities to build houses). (SHC)
- “There are opportunities in modular and tiny home aspects of home ownership.” (SHC)
- “The biggest bottle neck [in the north] is transitioning from rental housing to homeownership. Everyone is in social housing in the north. There is a gap transitioning between social housing and affordable housing. There is no private market... What is missing is that homeowner continuum, that ‘missing middle’ housing.” (SHC)
- Support municipalities in the north around development. Many are low-capacity. There were previous programs that provided this kind of support that could be revived. (SHC)
- Support aging in place initiatives including: home repairs/maintenance, accessibility enhancements, in-home care, and services such as food-delivery and senior transportation options.
- Support subsidized energy costs in the north.

Data:

- Increase the resolution of housing data in rural and northern areas.

- Rental rates have increased dramatically across the country, and especially in ex-urban areas. Professionals emphasize that CMHC data has not captured these increases.
- Address the problems created by using HILs.

Recommendations:

Housing professionals have identified a host of factors contributing to core housing need. Many of these are social or market challenges beyond the power of individual homeowners to address. Yet a few clear potential roles are available to the NHS to address. Most prominent is a need for expanded federal funding to repair and maintain housing for homeowners in core housing need. This should be dedicated funding – outside of Provincial Priority funding. Any funding for a repair program should look to expand the scope and scale, not only of the number of housing units addressed, but of the repairs to each unit. Interviews with housing professionals in all three provinces (and even a few homeowner interviews), repeatedly made the point that, **“Maintaining homes is the most affordable way to provide safe, affordable, adequate housing. That’s what we’re doing. It’s crucial to keep as many people in their homes as possible.”**

The large number of challenges identified in Nova Scotia and Saskatchewan also suggest a broader need for holistic responses to homeowner and community challenges with housing. Many homeowners in CHN require not simply a repair to their home, but also an energy audit (such as is done in NS), homecare or assistance to age-in-place, and support services such as senior shuttles for groceries, mobile meal programs, and seniors home-cleaning services. Additionally, many homeowners in core need commented that what they needed was help with small repairs for their homes. In many jurisdictions, programming for these many ‘small services’ exists, but is woefully underfunded. This is an opportunity to build on existing supports.

More substantially, CHN is about a lack of income combined with the lack of affordable housing options across the country. Interviews suggest many, many homeowners in core need are living on extremely small pensions or disability benefits, that are insufficient for an adequate standard of living. The Canadian Federal Budget 2021 announced a one-time payment of \$500, with a 10% increase in OAS for pensioners 75 and older that will no-doubt be welcomed by the pensioners this research project interviewed. It remains to be seen though whether this increase will be sufficient to ensure the housing and lives of homeowners with the lowest incomes. This research heard two additional challenges with CPP/OAS/GIS: many seniors have been on fixed incomes for many years, often decades. This research heard repeatedly that increases in CPP/OAS/GIS has not keep up with inflation, never mind rapidly increasing housing costs. These increases in costs have effectively eroded the incomes of seniors. There is need to make up this lost income. This research is also aware of seniors who have had to leave the priciest housing markets as they can no longer afford to live there – leaving communities they have lived in, and contributed to, for decades. This suggests there it may be worth considering regional indexing of pensions to address this challenge.

Affordable housing options are increasingly rare, even in large metropolitan areas. In rural and northern areas, such affordable options are typically unavailable at all. The NHS is focused on creating affordable housing – but much of that focus is directed to urban areas – that typically have the capacity to access (and advocate for) programs and funding. This points to an opportunity for the NHS to redirect more of its energy to smaller communities and rural areas and assist them in the development and preservation of affordable housing.

The CMHC has indicated there is potential room under the NHS to support homeowners in core need, as well as potentially through the National Housing Co-investment Fund and the Federal Lands Initiative. The needs are high with 1.7 million Canadians in core need, of which at least 573,865 own their home (CMHC 2020). The CMHC estimates that for “those who struggle with affordability, the median earning shortfall to escape affordability issues was about \$2,500 in 2016” CMHC (2019-b). This aligns with what this research heard from both housing professionals and homeowners; for those in core housing need, all that is required is ‘a little help’.

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Appendix 2: Further Research:

This research was partially stymied by challenges with accessing and understanding the provincial government departments that create policy and programming on housing. This project was provided contacts to only one department in each province – but housing intersects with many policy areas, and housing policy is typically formed across multiple departments in each province. Future efforts would be strengthened through a better understanding of the structure of provincial government departments involved in housing policy/programs, as well as greater access. Examples:

- In Nova Scotia *Housing Services* manages a set of programs including *Emergency Repair Program* and *Home Adaptations for Senior's Independence*, while the *Housing Authority* administers rent supplements and the *Targeted Housing Benefit*.
- In SK, most programs are run through SHC, but others such as the *Low-Income Tax Credit* program is administered by another department in association with the Canada Revenue Agency. SHC did not have immediate access to this program for interviews.
- BC Housing primarily deals with social housing and homelessness. The department has no programs for, or knowledge of homeowners. The few programs that target homeowners are run by the Ministry of Finance, as tax incentives. The one interview with BC Housing could not speak to homeowner challenges and was not able to provide a contact at the Ministry of Finance.
- In Ontario, the project conducted one excellent interview with a professional of the Ministry of Municipal Affairs and Housing. This professional recommended we speak with the Provincial Plan Policy Branch regarding the planning act and incentivizing the supply of housing, as well as The Ontario Growth Secretariat which deals with the Growth Plan; the Local Government and Planning Offices, and the Municipal Service Offices which actually run and manage programs, interact with homeowners, and understand the needs.

Housing intersects with many different areas of government. Many different departments are involved, especially in larger provinces which have more resources and capacity. It may help to *map housing services and programs* across provincial governments, to get a clearer picture of who is doing what, and to whom a further research project should be speaking with.

This speaks to the need for extending this research within provinces, but that need also exists across the country in provinces and territories where this project was not able to conduct interviews. The current research showed significant differences amongst urban, rural, and northern areas; between large agglomerations like the GTA, and smaller cities; as well as between younger and older adults in core need; and the impacts external costs such as health-care and transportation have on housing and core need. The current research also revealed a rapidly changing housing landscape, partially driven by the COVID pandemic and work-from-home movement, and exacerbated by market, demographic, and social forces. Each of these deserve further research attention.

Further research is needed on populations (such as seniors) that 'fall' into core housing need, and why they do so; and specifically, on whether – and how much – the COVID pandemic is a driver of core housing need.

Both Housing Nova Scotia and the Saskatchewan Housing Corporation also identified a 'band' of moderate-income homeowners who are 'marginal' in affording their home, and at higher risk of falling into CHN. There appears to be a large number of homeowners near to being in CHN that are currently invisible to the core housing need measure. Developing a view to these homeowners may be useful, especially as a **leading indicator** of potential increases in core need.

One challenge with the concept of core housing need is it tends to be a point-in-time measure. But the current research revealed that homeowners in core need tended to have histories including lower levels of education and hinting at long-term low-income. This points to a link between peoples' life-histories and core need, and addresses the question of 'why' people end up in core housing need. Further research in this area is warranted.

In addition, the definition of CHN seems to presume people would or could move into more affordable, suitable, or adequate housing if available. This research suggests that homeowners are extremely reluctant to move and will bear extraordinary costs to keep their homes. As well, homeowners interviewed do not make the choice to leave their home simply because it has one or two bedrooms not in use. For the homeowners we interviewed, their homes were not fungible. For these reasons, it may be worth reviewing the definition of CHN to ensure fit for purpose.

Appendix 3: Limitations and Pandemic Challenges

Limitations:

For the interviews conducted with homeowners, there is sample bias inherent where a survey and interview is based on self-selection – and is a common challenge with this kind of recruitment. The interviews have **not** been with Homeowners in CHN generally, but rather with the narrower set of Homeowners in CHN who had knowledge of, and have successfully accessed, provincial programming. Additionally, provincial programming is primarily home-repair or accessibility programs, and most often utilized by seniors. Therefore, the info collected from the homeowner interviews expresses only the viewpoint of these homeowners, and may not capture the experiences of other homeowners in need (such as a younger, able-bodied homeowner in CHN). For instance, of the interviews completed with homeowners, just three employed people were interviewed: two being single parents raising children in poor quality housing and the younger homeowner who had utilized a Down-Payment program to buy their first home; as well as one unemployed but working-age parent of a family. All others were either retired, or on disability.

Housing Nova Scotia indicates they “have boxes of applications” that did not receive funding because they were not eligible – usually because the applicants were marginally above the income level cut-off. SHC also indicated they recognize a ‘band’ of moderate-income homeowners who are ‘marginal’ in affording their home, and at higher risk of falling into CHN. Both of these examples demonstrate that there is a large number of homeowners at or near to being in CHN that this project has not been able to access due to limitations in the recruitment strategy. This cohort may be of interest to the CMHC in future research if an appropriate recruitment strategy can be devised to reach them (see Further Research, above).

Pandemic Challenges:

The ongoing COVID-19 pandemic created significant delays to this project, and resulting in a curtailed scope – reducing the number of provinces and territories originally intended to be investigated. Additionally, interviews with homeowners were significantly delayed from the original intention of the project. In Nova Scotia, invitations to homeowners were delayed due to the provincial election, and subsequent reorganization of the Housing Nova Scotia department. Invitation letters to homeowners in Saskatchewan proceeded relatively smoothly for the first two tranches, but were delayed for the third due to prep-work for the opening of the Legislative Assembly in early April 2021.

Appendix 4: Interview Guide – Housing Professionals

Project:

“Understanding Affordability Challenges of Homeowners in Canada:

Preliminary Assessment and Potential Role for the National Housing Strategy”

You are being asked to participate in an interview on ‘core housing need’ (CHN) in Canada. This research project seeks to clarify the understanding of ‘core housing need’ for homeowners. Core housing need is a concept used to identify households that may need help with their housing. It is a ‘two-stage indicator’ that helps to identify who needs housing assistance (CMHC 2019). A household is said to be in ‘core housing need’ if its housing falls below at least one of the *adequacy*, *affordability* or *suitability* standards and it would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that meets these standards (Stats Can 2017).

- Adequate housing is reported by their residents as not requiring any major repairs.
- Affordable housing has shelter costs less than 30% of total before-tax household income.
- Suitable housing has enough bedrooms for the size and composition of resident households.

The intent of this project is to develop a more nuanced understanding of core housing need, as well as more effective responses and supports for homeowners in core housing need. This research will be used to inform the development of supports for homeowners in core housing need. This research is paid for by the CMHC.

Part I: What PTs know about homeowners in CHN with and without mortgages.

We understand that province/territories are becoming aware that CHN is an issue for homeowners and not just renters. Can you say a few words about what you know of this issue for homeowners – with and without mortgages - in your province/territory?

Housing Affordability Challenges

1. What are the primary affordability challenges faced by homeowners in core housing need (in your province/territory)?
 - a. In your estimation, what are some of the underlying drivers of these challenges? (*probe for systemic problems*)
2. How have these challenges changed over time? (*Why & How?*)
 - a. How have the *type/nature* of the challenges shifted?
 - b. How have the *magnitude/scale* of the challenges shifted – how widespread are these challenges?

- If it has increased, what do you attribute those increases to?
 - If it has decreased, can you tell us about what programs or policies that have led to this decrease?
- c. What do you think contributed to those changes? (*Changes to policy/programs?*)
3. How do these challenges vary across certain demographics/sub-populations as well as those with and without mortgages? (*esp. seniors, but also new immigrants, Indigenous, and low-income households*) *Who is helped and who is not helped by existing programming?*
 4. How do housing affordability challenges vary geographically? (*e.g., rural vs urban vs northern/remote*)
 5. From your experience, how would you say the COVID pandemic has impacted homeowners, and their ability to afford their housing?

Affordability Relationship to Housing Suitability and Adequacy

Challenges related to housing affordability may also be related to housing suitability or adequacy:

6. How do you see housing affordability challenges intersecting with issues related to housing adequacy, (housing conditions, repair or maintenance)? (*e.g., staying in a home that is in need of major repair, because they cannot access other more affordable/adequate options, paying for repairs but struggling to afford housing as result*)
 - a. In your experience, how prevalent do you think this is? (*give examples*) Is this problem growing?
7. How do you see housing affordability challenges intersecting with issues related to housing suitability? (*e.g., homeowners staying in housing that does not meet their current needs (size, accessibility needs), because cannot afford/access other suitable options*)
 - a. In your experience, how prevalent do you think this is? (*give examples*) Is this problem growing?
8. Homeowners may stay in their home even when facing affordability problems, because they cannot access other more affordable options. In your experience, how prevalent do you think this is? Is this a contributing factor to homeowners in CHN in your province? (*give examples*) Is this problem growing? (*How do they know this – who are they hearing from? What data do they have and collect?*) What prevents homeowners from getting out of the problem?

Part II: Programs/policies related to CHN for Homeowners

(*Focus on the pre-COVID situation.*)

9. In your province/territory, what policies or programs are currently in place to help support homeowners? *Please describe these policies/programs and how they specifically address an affordability challenge*
 - a. *Government – federal, provincial, municipal (also energy, accessibility, etc.)*
 - b. Does your province fund any municipal housing support programs?

- c. *Probe: Do you know of policies or programs specifically intended to address housing suitability or adequacy?*
 - d. *Probe: Can you think of any programs or services outside of government (e.g., community-based or offered by the private sector) that help homeowners address affordability, suitability, or adequacy?*
 - e. *Who are the intended targets for these programs? (specific sub-populations?) Are there specific interventions for these particular sub-populations? (e.g. families, income groups, age groups – youth, older adults, Indigenous, newcomers)*
10. Have there been changes to policies/programs intended to assist homeowners over time? And if so, with what impacts? *(cancellations, reductions, changes)*
- a. *Have you seen any new or recent programs or measures to address affordability challenges? (if not already answered)*
 - b. *Have you seen any COVID related programs, or changes to programs/policies caused by COVID?*
11. Are there any programs or policies that might have contributed to CHN for homeowners? *[unintended consequences] If so, which ones and how?*
12. What currently works best? *Are there some programs/policies that are more or less beneficial (and how so)? Are specific groups/types of homeowners for whom existing programs work or don't work?*
13. We have created a list of programs and policies in your province that we think are relevant, can you comment on them? *(If unable to answer due to lack of knowledge or a different area/dept., ask to be connected with someone who could speak to the policy/programming.)*
- a. *Have we overlooked others that have contributed to changes in CHN? (Probe for contributing factors, not just programs that support homeowners.)*
 - b. *Have these programs been implemented? Are results be tracked?*

**Part III: Knowledge of Homeowner Affordability Challenges and Problems
(data collected, relationships and contacts)**

14. How do homeowners become aware of government-offered programs or supports intended to address affordability challenges? (What efforts are made to reach homeowners?)
- a. *Do you have any recommendations for improving awareness of programs offered?*
 - b. *Why might homeowners who are aware of programs not access them?*
15. How are you getting information about homeowners in CHN in your province/territory?
- a. *Does your department collect data on CHN? If so, what kind, how regularly, etc.?*

16. Are there other channels that you receive information from on CHN for homeowners? If so, what are those channels or connections?
- Do associations of homeowners connect with your department on issues of CHN? Or non-profit housing associations?*
 - Are you able to connect us with those organizations who have passed this information on to you?*
 - Do you ever hear directly from homeowners on these issues? How do they reach out to you and what information are they sharing?*
17. Has your knowledge of homeowners in CHN changed at all since COVID-19? How has homeowners in CHN changed under the pandemic?

Part IV Potential Role for the National Housing Strategy

18. Reflecting on the previous discussion, are there **any policy or program gaps** to support homeowners in CHN (with or without mortgages) that cannot be met by your province?
19. What **role could the National Housing Strategy have** in potentially helping homeowners in CHN? Could you give some examples tied to the issues we discussed earlier? *(Get specifics tied to particular problems, geographies, demographics, etc; more than general or vague suggestions)*
- What role could other governments have in this regard to support homeowners in CHN in ways that would complement what your province is doing?
20. Finally, do you have any recommendations for how organizations or the government could better serve homeowners facing affordability challenges?
- What additional measures to support homeowners do you think would be helpful?*

Final thoughts:

21. Are there other housing professionals in your department / government / community that we should be speaking with? Can you connect us to them?
22. Is there anything else you would like to share?

Thank you for taking the time to respond to all these questions! The information you have provided will go toward informing policy and helping improve the programs available to homeowners.

Appendix 5: Homeowner Survey

Understanding Affordability Challenges of Homeowners in Canada

1 This survey is part of a research project on **Housing Affordability Challenges** in Canada. The goal of this research is to expand the understanding of 'core housing need' for homeowners. Core housing need is a concept used to identify households that need help with their housing; including challenges with affordability (too costly), challenges with housing adequacy (needing major repairs), and challenges with suitability (not enough bedrooms). The intent is to develop a better understanding of the challenges that homeowners face, as well as more effective responses and supports for homeowners.

Please complete the following brief questionnaire. It takes about 10 minutes to complete. You can leave the survey and return to it up to six days later. We are asking these questions about your background because we know that some groups of homeowners have trouble finding and keeping good housing because of discrimination or other factors. We want to understand how these affect homeowners' ability to keep their homes. The questionnaire is intended to cover some basic background information.

The information you provide will remain confidential, your name will not be linked to any of the information, and all data will be stored in a locked computer or office. Your participation in this study is entirely voluntary and you may refuse to participate or withdraw from the study at any time until submission of the final report for publication layout. If at any time you would like additional information about this project, please contact Scott McCullough (the Researcher) at [redacted] or [redacted].

By clicking the 'I consent' button below, you have given informed consent to participate in this study.

2 Do you consent to participate in this study?

- I consent to participate (21)
- No, I do not want to participate (22)

Skip To: End of Survey If Do you consent to participate in this study? = No, I do not want to participate

Skip To: 3 If Do you consent to participate in this study? = I consent to participate

3 You were given a CODE by the researchers at the University of Winnipeg. Please enter it below:

4 Do you own your home? (whether you have a mortgage or not)

- Yes (1)
- No (2)

5 Do you have a mortgage on your house?

- Yes (1)
- No (2)

6 Are you the person or one of the people who pays the mortgage, taxes, and bills for the home?
(Are you the primary household maintainer?)

- Yes (1)
- No (2)

7 How old are you?

- Under 18 (1)
- 18 - 24 (2)
- 25 - 34 (3)
- 35 - 44 (4)
- 45 - 54 (5)
- 55 - 64 (6)
- 65 - 74 (7)
- 75 - 84 (8)
- 85 or older (9)

8 What gender do you identify as?

- Male (1)
- Female (2)
- Non-binary / other (3)
- Prefer not to say (4)

9 What is your marital status? (*choose one*)

- Married (1)
- Common-Law Marriage (co-habitation) (6)
- Widowed (2)
- Divorced (3)
- Separated (4)
- Never married (5)
- Other (7)

10 Including yourself, how many people live in your household? (How many are living together in your house right now. *Choose one.*)

- 1, just yourself (1)
- 2, including yourself (2)
- 3, including yourself (3)
- 4, including yourself (4)
- 5, including yourself (5)
- 6 or more (6)

11 Please describe your household by age: (*enter a number for each box*)

- How many adults? (including yourself) (1)

- How many under the age of 18? (2)

12 Please describe your household by family relationship: (enter a number for each box)

- How many are family members? (1) _____
- How many are not family members? (such as room-mates, or another family living with you) (2) _____

13 Has the total number of people in your household changed in the last 3 years?

- Yes (1)
- No (2)

Display This Question:

If Has the total number of people in your household changed in the last 3 years? = Yes

14 If yes, please indicate the amount of change:

- More People than in the past, enter the number: (1) _____
- Fewer People than in the past, enter the number: (2) _____

15 Does anyone in your household have a physical or mental disability or require special housing accommodation? (This includes accommodations for seniors such as grab bars.)

- Yes (1)
- No (2)
- Prefer not to say (3)
- Not sure (4)

Display This Question:

If Does anyone in your household have a physical or mental disability or require special housing accomodation = Yes

16 If yes, please explain in a few words (eg: "One person uses a walker or a wheelchair."):

17 Do you identify as Indigenous?

- Yes (1)
- No (2)
- Prefer not to say (3)

18 Do you identify as a visible minority?

- Yes (1)
- No (2)
- Prefer not to say (3)

19 Are you a newcomer or immigrant to Canada?

- Yes (1)
- No (2)
- Prefer not to say (3)
- Not sure (4)

Display This Question:

If Are you a newcomer or immigrant to Canada? = Yes

20 If yes, approximately how many years have you been living in Canada?

- less than 2 years (2)
- 2-5 years (3)
- 5-10 years (4)
- more than 10 years (5)

21 What is your level of education? (*choose one*)

- Less than high school (1)
- High school graduate (2)
- Trades Certificate or Diploma (3)
- Some Post Secondary Education: with no degree (4)
- Post Secondary Degree (college or university degree) (5)
- Post-graduate or Professional degree (6)

22 What is your current employment status? (*choose one that best describes you*)

- Employed for pay, full time (1)
- Employed for pay, part time (2)
- Unemployed (3)
- Homemaker (4)
- Retired (5)
- Student (6)
- Other, please describe in a few words (7) _____

23 What is your current primary source of household income? (*please select all that apply to your household*)

- Employment (1)
- Social security / pension / retirement plan (2)
- Disability or EIA (3)
- Alimony (4)
- Child Support (5)
- Financial support from family or close friend (6)
- Investment income (stocks, bonds, real estate sale) (7)
- Other: please describe in a few words (8) _____

24 Has your source of income changed over the last three years?

- Yes (1)
- No (2)

25 If Yes, please describe in a few words below (eg: "I got a new better paying job" or "I lost employment due to pandemic"): _____

26 What is your current estimated (before-tax) annual household income?

- Less than \$10,000 (1)
- \$10,000 - \$19,999 (2)
- \$20,000 - \$29,999 (3)
- \$30,000 - \$39,999 (4)
- \$40,000 - \$49,999 (5)
- \$50,000 - \$59,999 (6)
- \$60,000 - \$69,999 (7)
- \$70,000 - \$79,999 (8)
- \$80,000 - \$89,999 (9)
- \$90,000 - \$99,999 (10)
- \$100,000 - \$149,999 (11)
- More than \$150,000 (12)
- Prefer not to answer (13)

27 Approximately how much does your household spend on housing each month? (Include any mortgage payments, condominium fees, and property taxes, but not utilities. Estimates are fine.)

28 Approximately how much does your household spend on utilities each month? (This includes electricity, water, heating, and garbage. An estimate is fine.)

- 0 - \$200 / month (6)
- \$201 - \$400 / month (7)
- \$401 - \$600 / month (8)
- \$601 - \$800 / month (9)
- \$801 - \$1000 / month (10)
- More than \$1000 / month (11)

29 How *affordable* would you say your current housing is?

- Very Affordable (1)
- Somewhat Affordable (2)
- Average (3)
- Somewhat Un-affordable (4)
- Very Un-affordable (5)

30 How would you rate the *condition* of your housing (is it in need of major repairs, maintenance, is it clean, etc.)?

- Excellent Condition (1)
- Good Condition (2)
- Average Condition (3)
- Poor Condition (4)
- Terrible Condition (5)

31 How *suitable* is your current housing (is it an appropriate size, how well does it meet your needs, etc.)?

- Very Suitable (1)
- Somewhat Suitable (2)
- Average (3)
- Partially Not Suitable (4)
- Not Suitable at all (5)

End of Block: Default Question Block

Appendix 6: Interview Guide – Homeowners

Project:

“Understanding Affordability Challenges of Homeowners in Canada:

Preliminary Assessment and Potential Role for the National Housing Strategy”

You are being asked to participate in this interview as part of research on housing affordability challenges in Canada. The goal of this research is to expand the understanding of ‘core housing need’ for homeowners. Core housing need is a concept used to identify households that need help with their housing; including challenges with affordability (too costly), challenges with housing adequacy (needing major repairs), and challenges with suitability (not enough bedrooms). The intent is to develop a better understanding of the challenges that homeowners face, as well as more effective responses and supports for homeowners. This research will be used to inform the development of supports for homeowners. This research is paid for by the CMHC.

The information you provide in this interview will remain confidential, your name will not be linked to any of the information, and all data will be stored in a locked computer or office.

Remember that participation is voluntary. You may choose to skip any question or decide to stop at any time. Your participation in this study will not affect services you access or receive in any way. Refusing to participate or withdrawing from this research project at a later point will not affect your right to receive service from a provider, and your participation will not be known by the CMHC or any service provider.

If, during the interview, you feel distress about your housing situation, you may stop the interview, and we can provide a list of contacts for services (e.g. - services related to income assistance, housing assistance, legal assistance, or other relevant social or mental health supports).

Interview Questions: Housing and Housing-Related Challenges

These questions are related to your housing and experiences of keeping and maintaining your home.

1. Please tell us a bit about your housing experiences prior to owning your home.
 - a. Where were you living previously? Did you rent or own?
 - b. What prompted the decision to move, how you decide on your current home?
 - c. Have you faced challenges affording your housing in the past?

2. How long have you owned your home?
 - d. Is this the first home you've owned?
 - e. Can you tell us how large the home is? (*sq. ft. & bedrooms*) And the type of home it is? (*bungalow, 1.5 storeys, 2 storeys, condo, etc.*)
 - f. Do you like the neighbourhood your home is in?
 - i. Is your home close to services or community amenities (*groceries/shopping, schools, transit, community centre/library, medical clinics, etc.*)?
 - ii. What would you change about your neighbourhood if you could?
 - iii. How has your neighbourhood changed over time?

Affordability

3. Please share with us any challenges related to *affordability* that you are experiencing with your home.
 - a. Approximately how much do you spend on housing each month? (*indicate if this is personal or total for household*)
 - b. It would help us to have a more detailed understanding of your monthly housing costs, including mortgage, insurance, and utilities. Can you tell us about these costs? (*estimates are fine*)
 - i. *mortgage payment* _____
 - ii. *maintenance* _____
 - iii. *property taxes* _____
 - iv. *insurance* _____
 - v. *repairs* _____
 - vi. *energy (hydro, other electricity, heating, fuel oil)* _____
 - vii. *accessibility modifications* _____
 - viii. *other household expenses, etc.* _____
 - c. Do you feel these costs, or any one of these costs, affect the affordability of your home? Why and how?
 - d. Have you had any unexpected costs related to homeownership?
 - e. Are you facing new or relatively recent costs to owning your home?
4. What steps have you taken to try to address the problem your facing with affordability?
 - a. Have you been able to resolve the situation? Are you able to stay in your home without further challenges? Or are challenges ongoing?

- b. Have you tried to sell and move to a more affordable home/apartment?
5. Thinking about the affordability challenges we've discussed; do you think there are underlying reasons for them? Can you describe the causes? (e.g., job loss, retirement, change in policy or supports)

Suitability (fit of people to bedrooms)

6. From the survey you completed we see there are XX number of people in your house. (Or confirm the number or ask again about the number of adults and children.)
- a. Are there enough bedrooms for the people in your house?
 - b. Are any bedrooms in your house being used for other purposes? (pls explain)
 - c. Has there been any recent change in the number of people in your home (more or less) than means you need more or less bedrooms? (pls explain)
 - d. Would a home that better fits your household needs, help make it more affordable?
 - e. Has the COVID pandemic affected the 'fit' of your home? (eg. More people working/living at home, children moving home, or self-isolated, or needing space)
7. What steps have you taken to try to address the problem the size of your home? (number of bedrooms)
- a. Have you tried to sell and move to a larger home/apartment?
 - b. Have you considered renovations? Basement development, etc.?
 - c. Are challenges ongoing?

Adequacy (not requiring significant repair)

8. Is your house in need of significant repairs? (Defined as: Major repairs include those to defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings)
- a. If yes:
 - i. Do you know how much it would cost to repair? (probe for specifics)
 - ii. Do you need help affording these repairs?
 - iii. Has the COVID pandemic affected your ability to afford or do repairs? (such as through job-loss)
 - iv. Do you anticipate any future required modifications to your home? (such as aging in place, or accessibility adaptations)
9. Thinking about the challenges of repairs to your house, do you think there are underlying reasons for them? Can you describe the causes? (e.g., poor quality housing, intersection of poverty, lack of skills/knowledge, etc.)

General Questions

10. Have you thought about moving to another house? Why or why not? (*also probe for when, and how intersects with other life events etc.*)
 - a. If so, is there anything that has prevented you from doing so?
 - b. Are there other or better housing options available in your area? Are they affordable?

Part III: Housing-Related Supports

The next set of questions is related to programs or supports to assist homeowners.

11. Are you aware of programs offered by your municipal or provincial governments to find out about any supports or funding they may offer?
 - a. Did you contact your municipal or provincial governments to find out about any supports or funding they may offer?
 - b. Do you have any recommendations for improving *awareness* of programs offered by governments?
 - c. Were you aware of a program or support but did not use it? If so, why?
12. If you accessed any programs or services in your community to help with your housing, please tell us about them. (*Probe: Provincial, municipal, energy, accessibility, repair programs. Relate knowledge of local programs if we know of them.*)
 - a. If so, what service or funding was provided? How did it help you?
 - b. How did you learn about the program/service you accessed – and when? Did any help you received come in time to keep you in your housing?
 - c. In your opinion, are there any weaknesses of the program/service? How could it be improved?
 - d. Do you have any suggestions for improvements to existing programs? What additional measures to support you do you think would have been helpful?

Final Thoughts

13. Finally, do you have any recommendations for how *organizations* or the *government* could better serve homeowners facing challenges with affordability (too costly), challenges with housing adequacy (needing major repairs), or challenges with suitability (not enough bedrooms)?
14. Do you know anyone else in your community that is having challenges with their housing that you think we should speak with? Can you connect us with them?
15. Is there anything else you would like to share?

Thank you for taking the time to respond to all of these questions! The information you have provided will go toward informing policy and helping improve the programs available to homeowners.

If you feel distress about your housing situation, and we can provide a list of contacts for services (e.g. - services related to income assistance, housing assistance, legal assistance, or other relevant social or mental health supports).

