



WATERLOO REGION'S
VitalSigns.

2022
APPENDIX

AFFORDABLE HOUSING THROUGH THE LENS OF FAMILIES



Do More Good. Forever. Together.

Appendix to the 2021 Waterloo
Region Vital Signs Report focused
on Affordable Housing

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Funding provided by:



About this presentation



Full report

The 2021 [Waterloo Region Vital Signs Report](#) focused on affordable housing and spanned 60 pages, more than 100 endnotes, and dozens of interviews

About this presentation

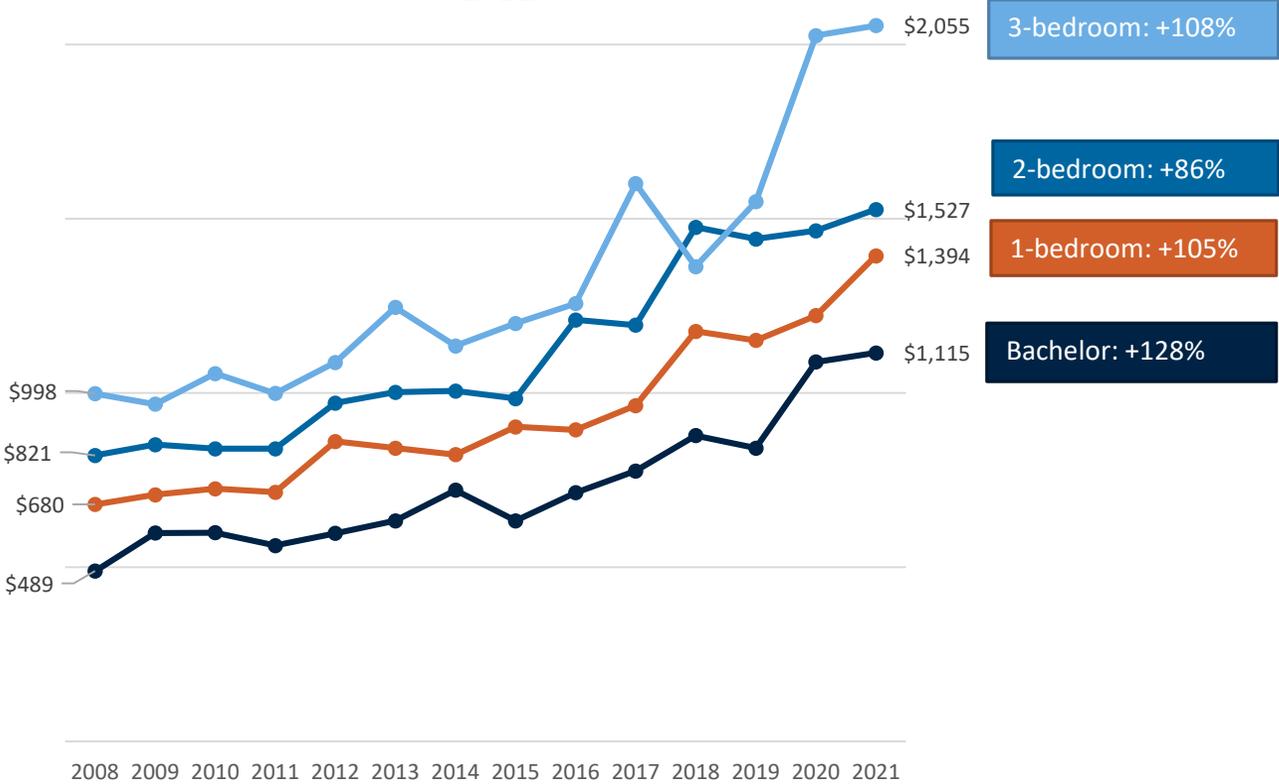
This supplementary presentation has been created to shine a spotlight on how the housing crisis is impacting families



Rent of new and vacant apartments (excluding condos) has surged at staggering levels in recent years, but growth slowed slightly for larger units in 2021

Rent of vacant units surging in recent years

Average rent of a vacant apartment, Kitchener-Waterloo-Cambridge, 2008 to 2021

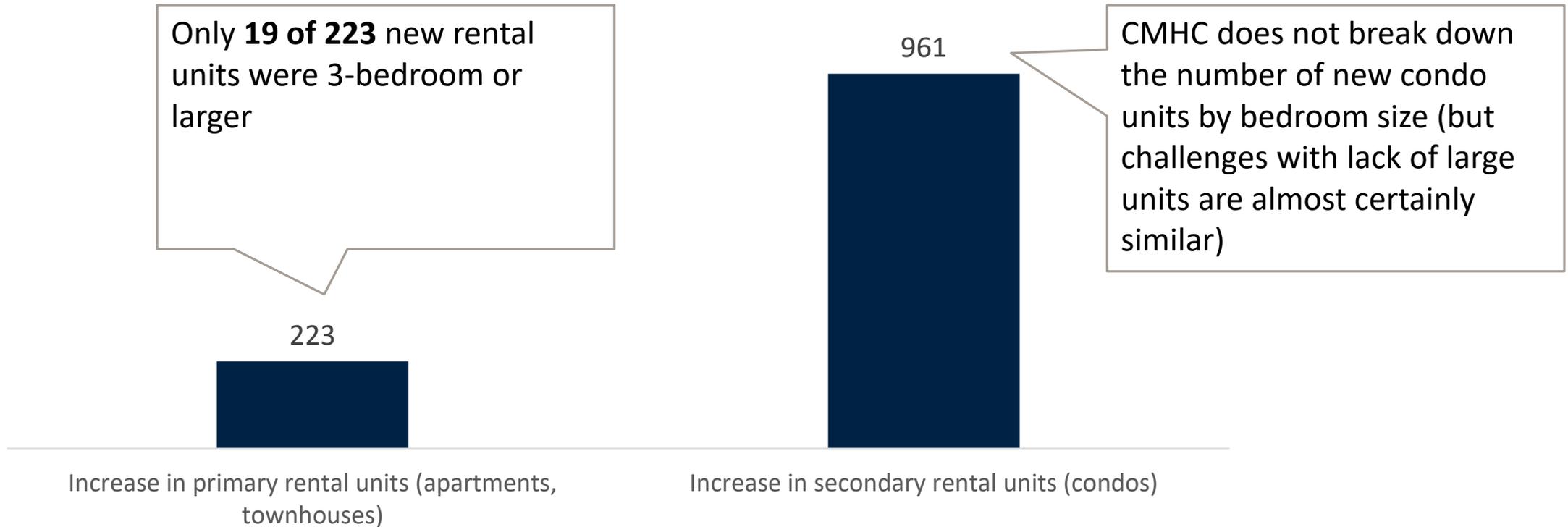


Source: Canada Mortgage and Housing Corporation (CMHC) Rental Market Surveys. Analysis by author and based on some data provided directly by CMHC staff. Note: Data is from October of each year. The CMHC survey does not reflect all rental units. This dataset does not cover condos, basements, and whole-home rentals, among other important sources of rental units on the market.

The vast majority of new rental units are condominiums, making the rental prices of 3-bedrooms apartments less relevant to newcomers and movers in Waterloo Region

Very few primary rental units being built

Number of new units, rental apartments versus condos, 2021 versus 2020, Kitchener Cambridge Waterloo CMA (KWC CMA)



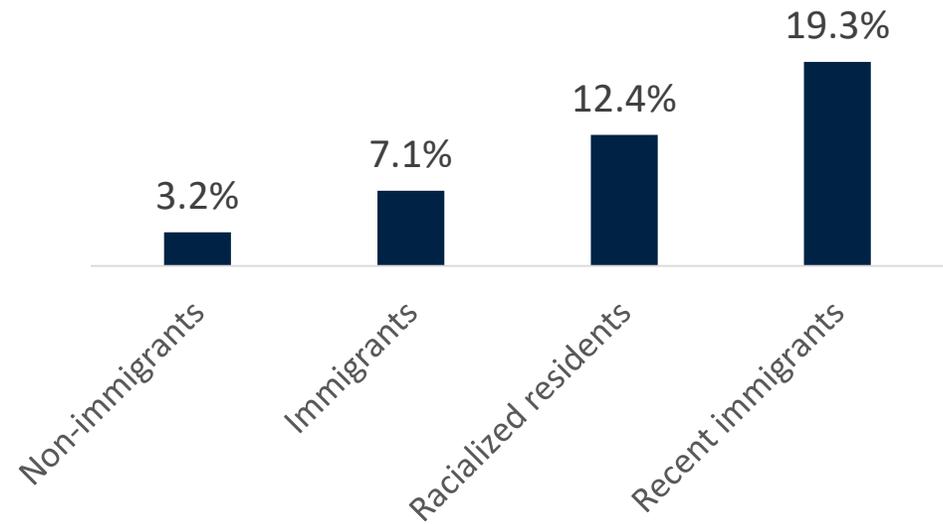
The 2016 Census shows that newcomers were already living in increasingly overcrowded conditions, and this will almost certainly quickly get much worse as unit sizes and household sizes mismatched

New units are not matching household sizes

- 51% of respondents to the 2019 Waterloo Region Immigration Matters Survey said their household had four or more people
- Only 8% of rental units created between 2018 and 2020 had three or more bedrooms
 - One in five (19%) immigrants in the 2021 Immigration Matters Survey reported facing housing discrimination
 - The same survey found that 84% of immigrants to the region had a first language other than English and 45% were having difficulty making ends meet

Contributing to overcrowding for recent immigrants

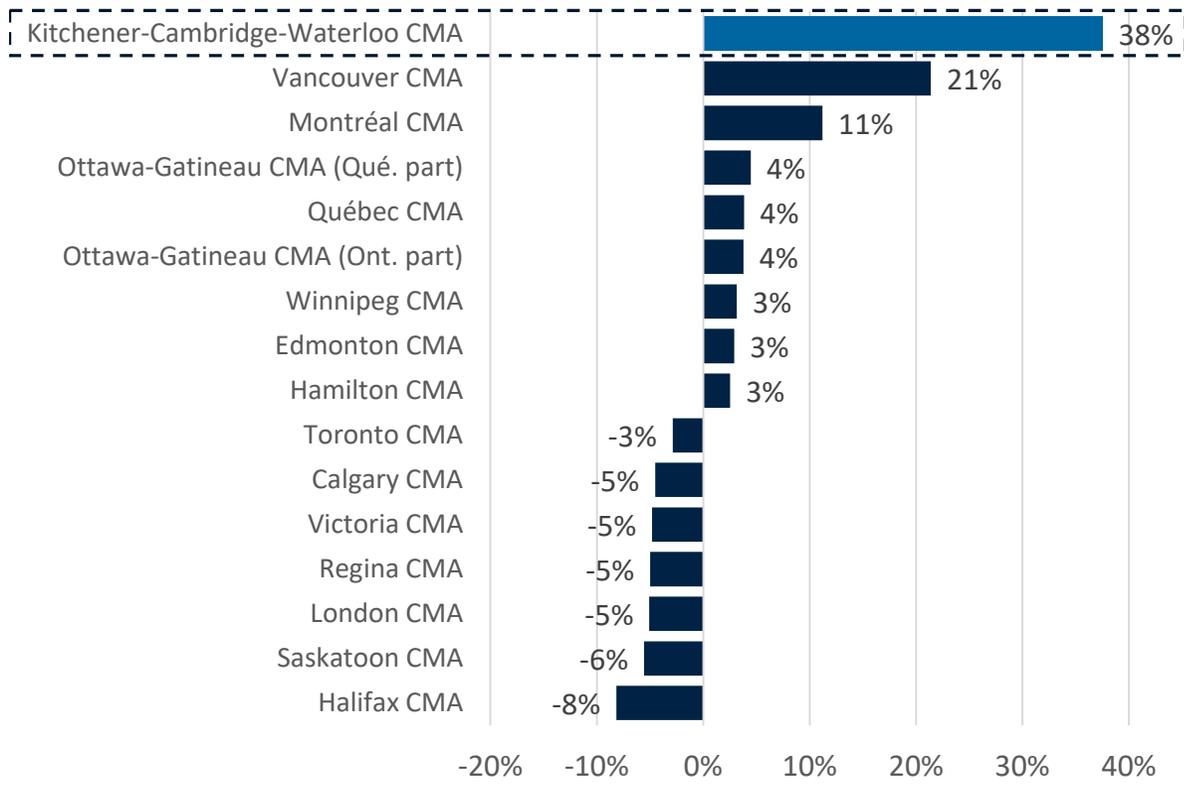
Percentage living in overcrowded environments, KWC CMA, 2016 Census



Condo rental prices are also increasing at crisis levels in Waterloo Region

Highest increases in condo rental rates in the country

Change in average rent for 2-bedroom condos, 2021 vs 2020

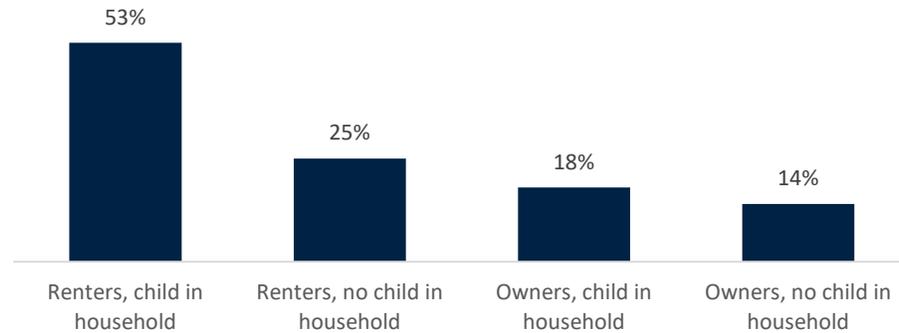


- The average rent of a 2-bedroom condo increased from \$1,418 in October 2020 to \$1,950 in October 2021
- In 2020, condos rentals for 2-bedroom apartments in Waterloo Region were 42% cheaper than Toronto CMA. By 2021, they were 18% cheaper
- In 2020, 2-bedroom condos were renting for 27% less than in Hamilton. By 2021, they were 2% cheaper

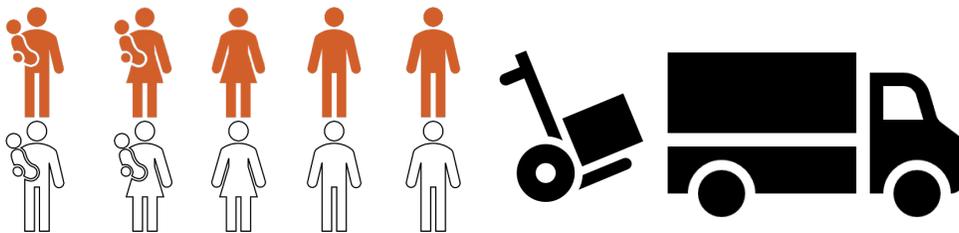
Housing affordability is part of a growing
affordability crisis for young families

Renters with children are struggling, while many youth are looking to leave the province

Percentage reporting financial difficulty
Kitchener-Cambridge-Waterloo, 2018¹



More than half (53%) of renters with children reported financial difficulty in 2018 in Waterloo Region, compared to 14% of owners with no children in the household¹



45% of those aged 18 to 29 across Ontario considered moving out of the province in the previous year, according to a 2021 poll²

Consider a common scenario for a young family in Waterloo Region



- A young family moving to the region or moving out from their current home:
 - Parents are both 25 to 34
 - Is more likely to be below the poverty line than the general public
 - Renting or buying at current rates
 - With children in need of childcare
 - Looking to pursue advanced education to improve job opportunities
 - Reliant on public transit

The five biggest costs for a family in this scenario



Housing



Childcare



Food



Public transportation

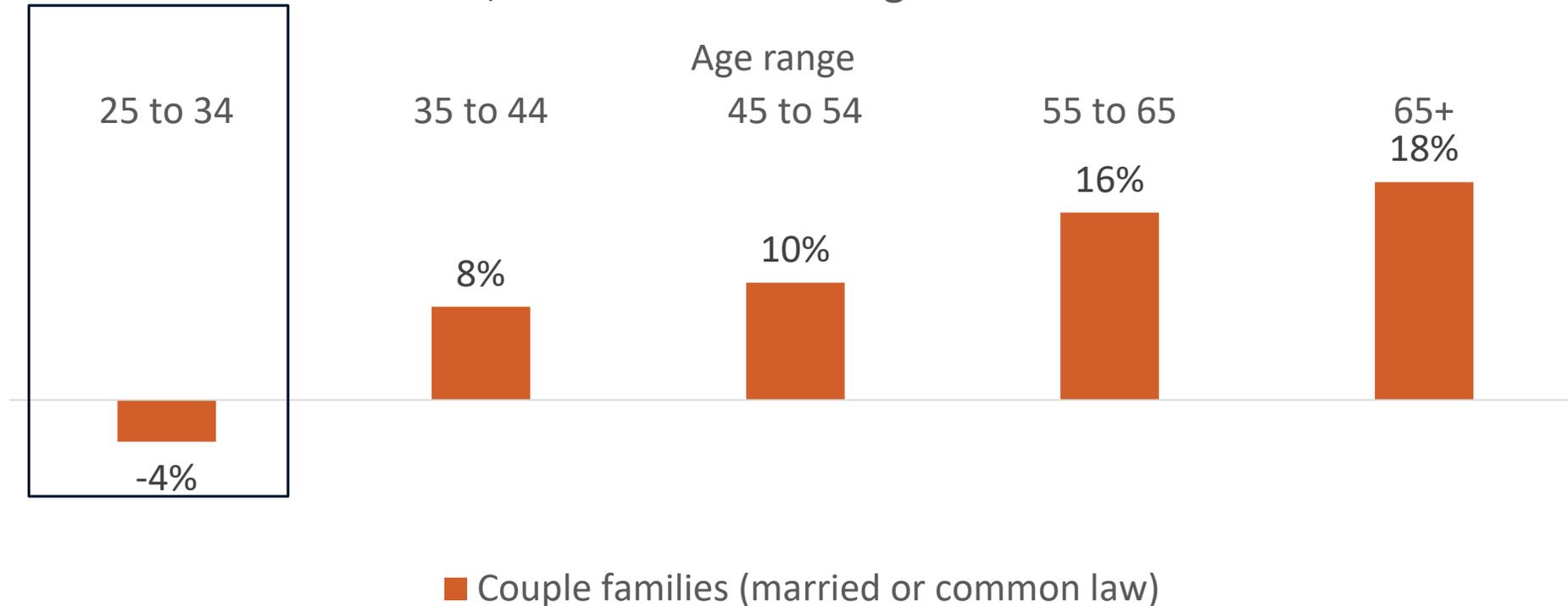


Tuition

Inflation-adjusted income has declined for those 25 to 34 in Waterloo Region, while increasing for everyone else

Inflation adjusted income declining for young adults

Percentage change in income from 2005 to 2019, 2019 constant dollars, Kitchener-Cambridge-Waterloo CMA



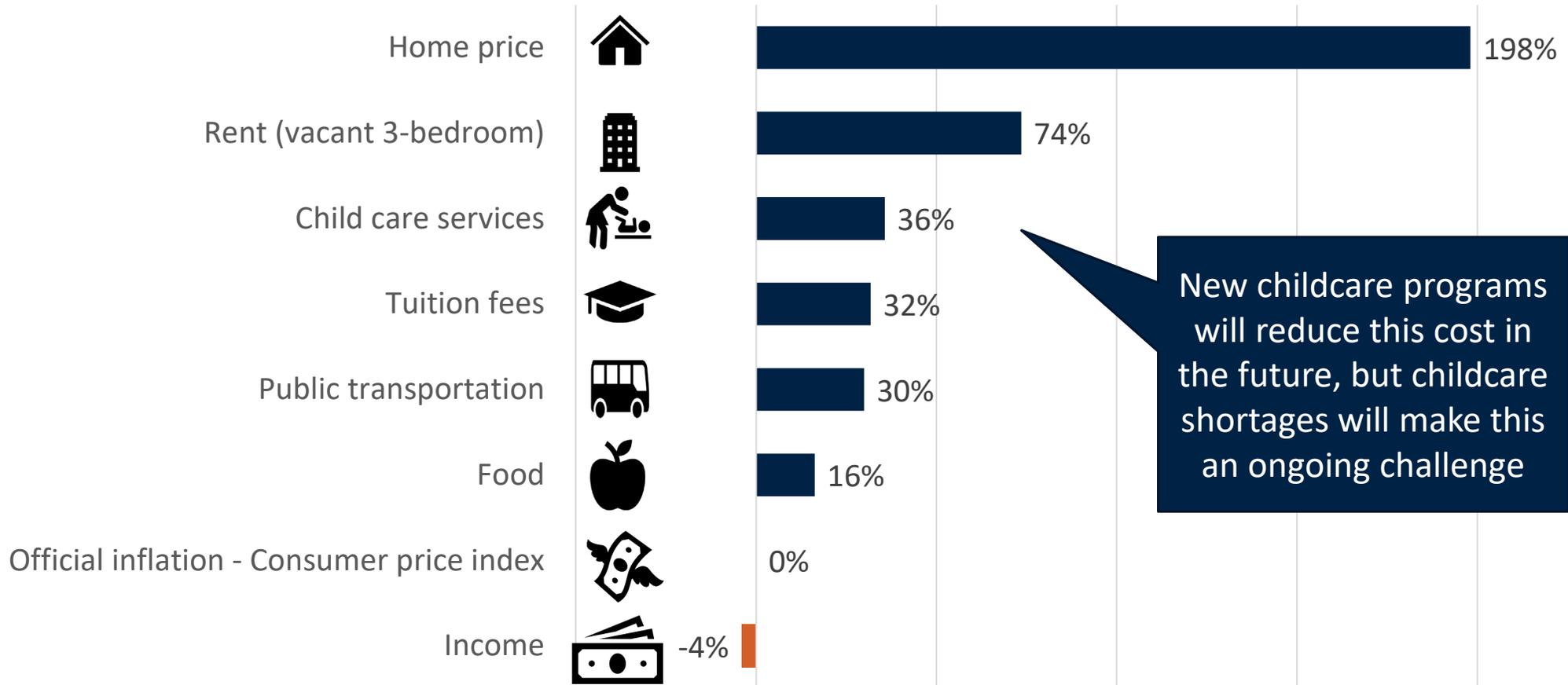
The average age of women when they have their first child is **29.2** in Canada (2016)

Income and inflation by category of goods

(Note: this is not updated beyond 2020 though inflation has surged in recent months)

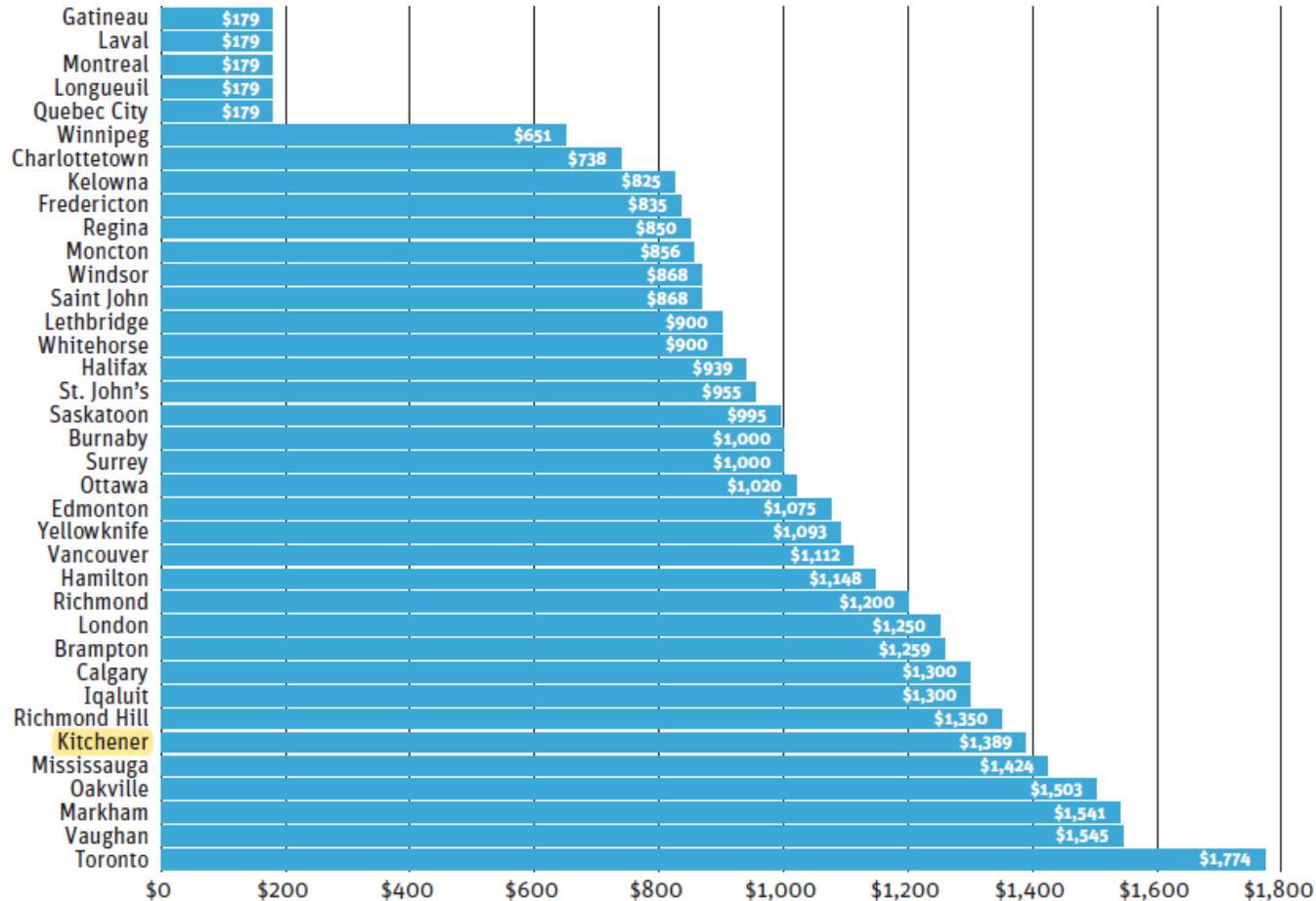
While costs are growing faster than inflation

Inflation-adjusted cost growth by category, Ontario and Kitchener-Waterloo-Cambridge CMA, 2005 to 2020



Waterloo Region has some of the highest child care fees in the country, especially for infants

Median monthly infant fees (median) in 2019



Kitchener childcare costs are among the highest in the country at \$1,389 per month for infants

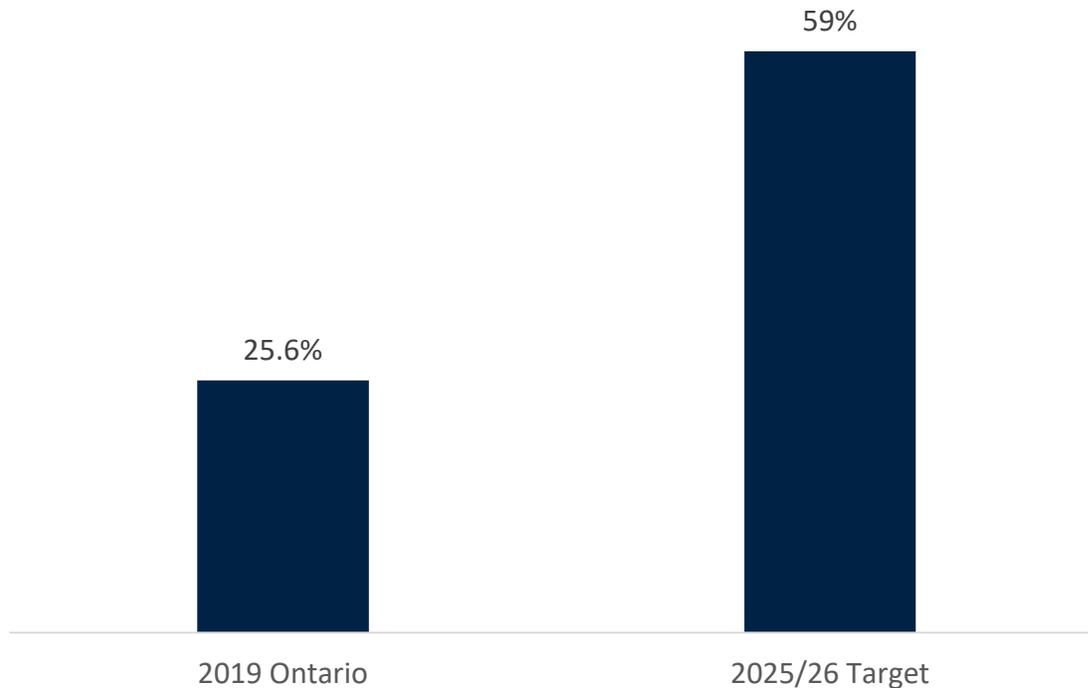
While data was not available for the rest of Waterloo Region, the data is almost certainly similar

The new federal childcare deal in Ontario is reducing the cost of licensed childcare by up to 25% immediately and up to 50% by the end of the year

The 50% reduction in costs will save families in registered spaces about \$6,000 to \$8,000 per year

The new childcare program will have huge benefits, but Ontario will have trouble meeting the demand for licensed child care spaces

Percentage of children age 6 and under with access to a licensed daycare spot (2019)



Source: Jim Stanford via Globe and Mail¹

Note: The numbers in the chart for Ontario do not include full day kindergarten numbers

Supply and demand²

Ontario's childcare deal includes a promise to create **71,000** entirely new spaces

Gordon Cleveland, a child-care policy expert and associate professor emeritus at the University of Toronto, said when fees are cut in half at the end of this year, **he expects the province will need an additional 200,000 spaces to meet the additional demand.**

The issue of space availability will disproportionately affect those with low-income

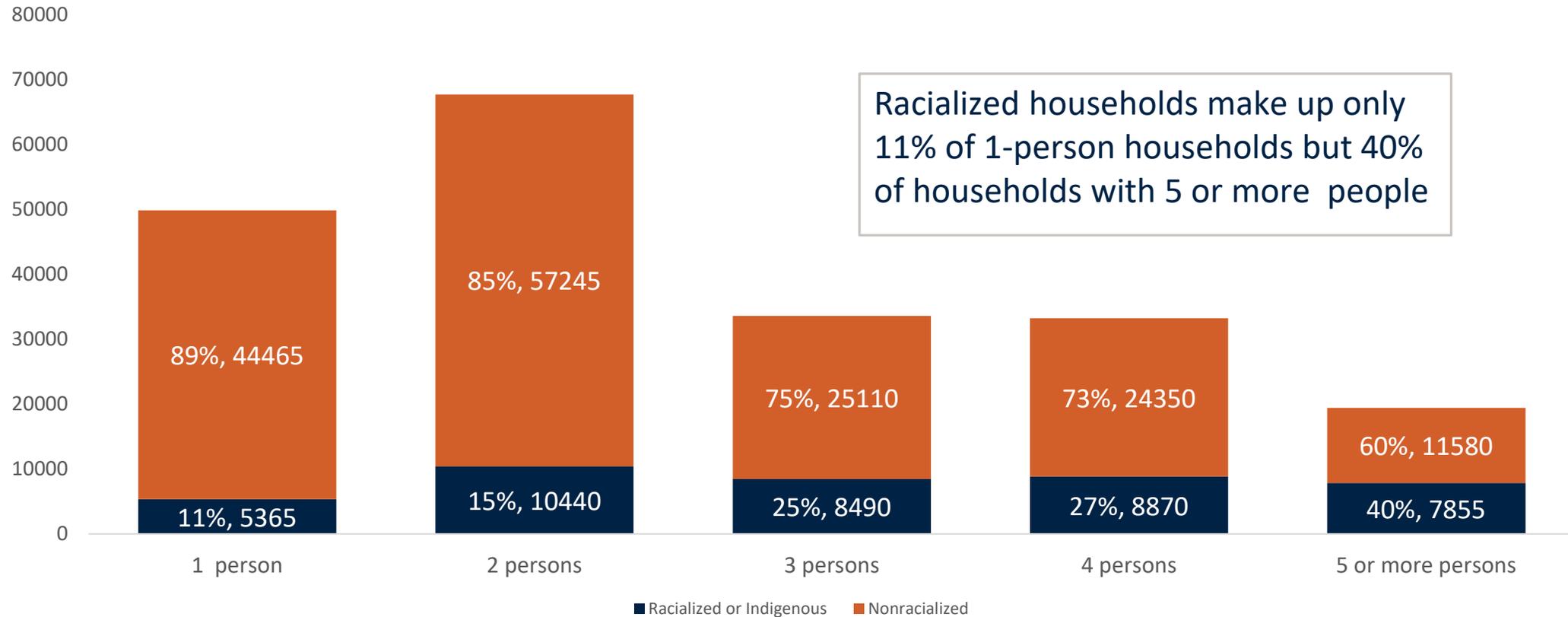
1. [Globe and Mail, Minority of parents will reap benefits of Liberals' child-care plans](#)

2. [Ontario needs over 86,000 child-care spaces to meet demand with lower fees: advocates | CTV News](#)

The challenges are worse for racialized families and newcomers

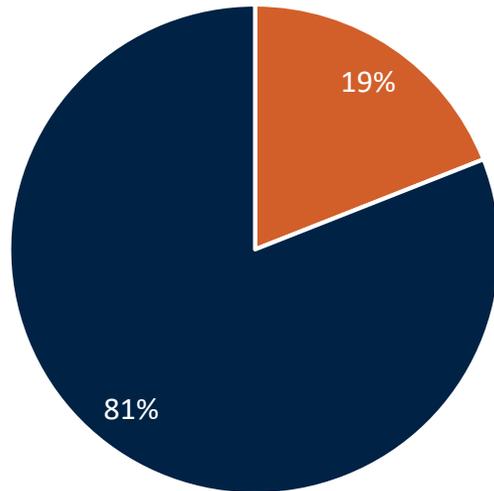
Large households are disproportionately racialized while smaller households are disproportionately non racialized

Household size and race, 2016 Census of Housing, Waterloo Region

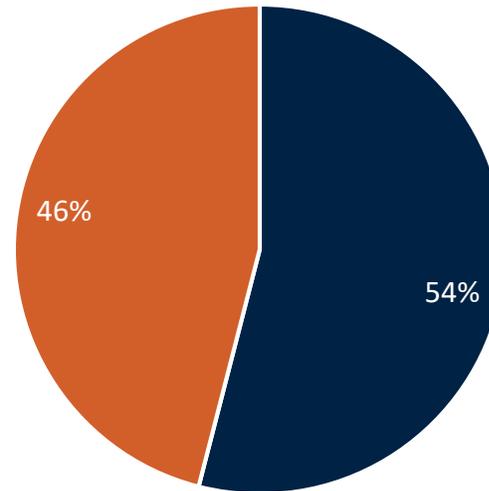


Large household sizes results in racialized residents making up just under half of those living in overcrowded conditions despite making up less than one in five of the population

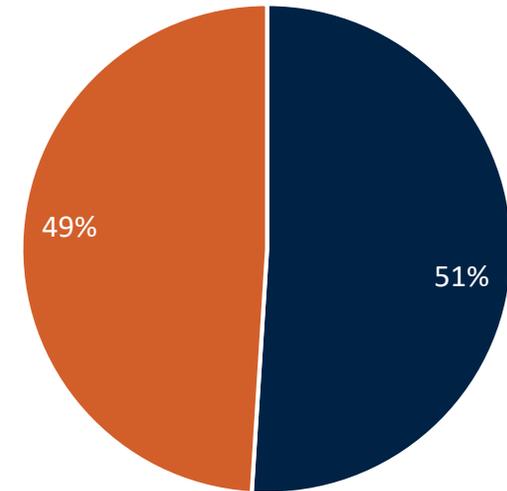
In Kitchener-Cambridge-Waterloo CMA in 2015...



19% of the population is racialized



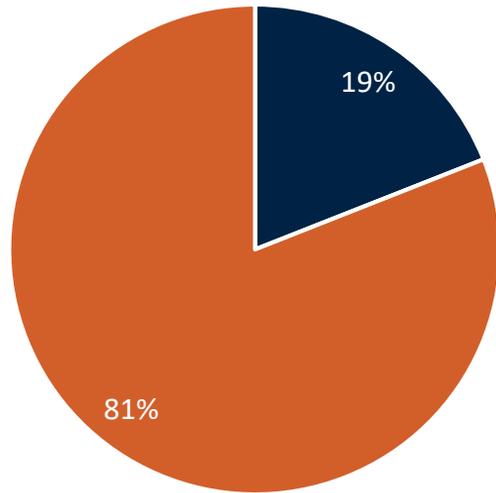
But make up 46% of those in overcrowded housing



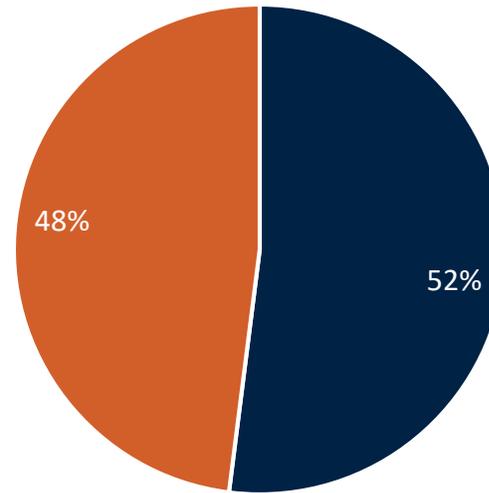
And 51% of children in overcrowded housing

Age, race, and immigration – A substantial majority of first-generation newcomers to the region are racialized; younger newcomers are even more likely to be racialized and these new residents are bearing the brunt of the consequences of the housing crisis

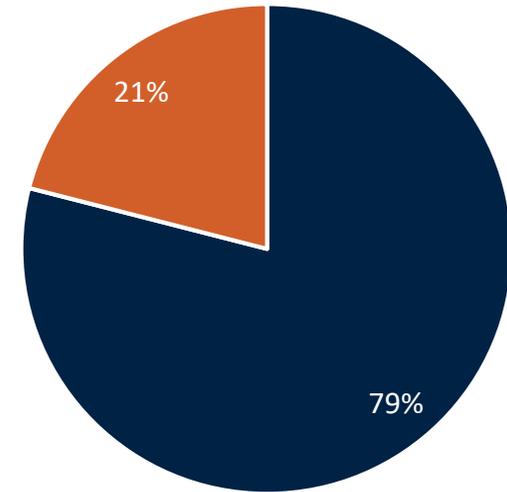
In Kitchener-Cambridge-Waterloo CMA in 2015...



19% of the population is racialized



52% of first-generation immigrants are racialized



79% of first-generation residents aged 15 to 24 are racialized

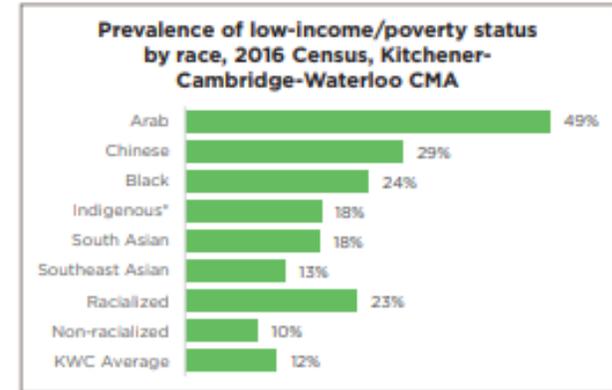
High poverty rates exacerbate issues with large family sizes to make challenges particularly significant

Poverty rates* were more than twice as high for racialized individuals versus non-racialized individuals (23% vs 10%) as of the 2016 Census

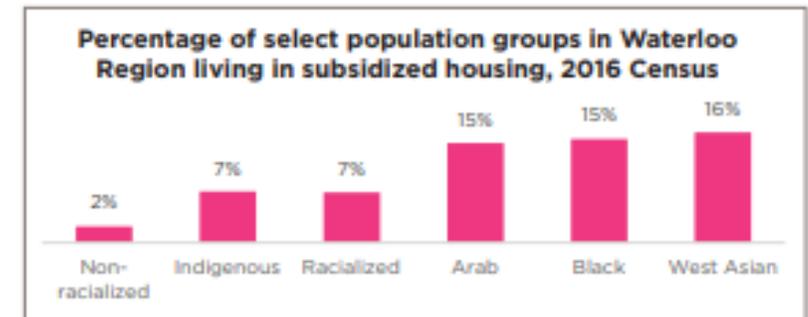
- People who identified their background as Arab (49%), Chinese (29%), Black (24%), and Indigenous (18%) had high rates of poverty

Racialized individuals were also 3.5 times as likely to rely on **subsidized housing** (7% of racialized individuals lived in subsidized housing versus 2% of non-racialized residents in 2016)

- Black, Arab, and West Asian residents were most likely to receive support from subsidized housing (15%), with many Indigenous respondents also living in subsidized housing (7%)
- Average wait times for community housing in Waterloo Region was 7.9 years for a 1-bedroom non-senior apartment in 2017, up more than 100% from 2011



Source: Statistics Canada - 2016 Census, Catalogue Number 98-400-X2016211. Note: This chart uses the Low Income Measure After Tax (LIM-AT) measure of poverty. *Indigenous refers to those labeled as "Aboriginal Identity" in the Census.



Source: Statistics Canada, 2016 Census of Population. Target group profile of population in subsidized housing. Accessed via Community Data Program.