

NEWSROOM

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ONTARIO DESPERATELY SEEKING AFFORDABLE APARTMENTS*

Toronto – There are not enough apartments to rent in Ontario and those that are available are unaffordable for the average worker.

These are the findings of “Where’s Home? 2006: A Picture of Housing Need in Ontario.” The report is produced by the Ontario Non-Profit Housing Association (ONPHA) and the Cooperative Housing Federation of Canada (CHF).

“It’s a volatile and disturbing situation,” says ONPHA President Deborah Schlichter. “The people who drive this province’s economy can’t afford to live here now, even if they can find an apartment. And we have not built for the future.”

The report shows that between 1995 and 2005, there has been a net loss of 13,000 rental housing units in Ontario. This is in part due to the demolition of rental housing, as well as the conversion of many units to condominiums. It also reflects the lack of new rental housing.

“Housing policy in Ontario has been woefully short-sighted. It has failed to prepare us for the lean years during the fat ones,” says Joseph Zebrowski, President of the Ontario Council, Cooperative Housing Federation of Canada. “During the powerful economic surge of the past few years, it has failed to develop sufficient rental housing for our current needs, let alone for future needs.”

The report showed that vacancy rates for private apartments dropped in 64% of 22 markets surveyed across the province. The report was based on data from the Canadian Mortgage and Housing Federation’s Rental Market Survey, conducted in October, 2005. Overall Ontario’s vacancy rate fell from 4.1% in 2004 to 3.8% in 2005. Recently released data shows it fell to 3.4% in 2006.

The survey also highlighted the high cost of renting in four sample markets (Toronto, Ottawa, Hamilton and Sudbury). Based on the average income of nine different job types (elementary teachers, carpenters, secretaries, labourers, data entry clerks, retail salespeople, cooks, food servers and cashiers) the report determined that most workers who are employed in the service industry or unskilled manufacturing cannot afford the average rent in their community.

For example, a retail salesperson in Ottawa earned approximately \$17,500 in 2005 and could therefore afford to pay rent of \$439 per month. However, the average one-bedroom apartment in Ottawa rents for \$762, which means a single sales clerk would spend 52% of his or her income on rent.

“And social housing can’t fill this gap. These people can’t wait for five to ten years,” says Schlichter, noting that there are nearly a quarter of a million people (122,426 households) on the province’s waiting list.

In Toronto, registrants must wait for 8.5 years for a home; in Peel Region, it is a seven to ten year wait. The vast majority (80%) of households who apply for social housing have annual household incomes of less than \$20,000.

The report also shows that Canada continues to lag behind other developed nations in terms of its percentage of social housing. An estimated 5% of Canada’s housing stock is social or non-market rental housing owned and operated by a public, non-profit or cooperative organization. Only two nations have a smaller proportion of social housing stock: New Zealand at 4.5% and the United States at 2%. Netherlands has the highest proportion at 35% followed by Sweden and the United Kingdom at 22% each.

“ONPHA and CHF Canada members house a wide spectrum of people who contribute enormously to this province,” says Zebrowski. “We cannot continue to neglect the housing needs of our society.”

“Affordable housing builds healthy communities,” adds Schlichter. “Rectifying this rental housing shortage is the foundation for a healthy future.

“Where’s Home?” can be found on www.onpha.on.ca or www.chfc.ca.

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