

Housing affordability in Canada, 2022

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The share of households spending 30% or more of their income on shelter costs returns to pre-pandemic levels

The share of households living in unaffordable housing—defined as spending 30% or more of their income on shelter costs—was 22.0% in 2022, virtually the same as it was in 2018 (21.5%), before the COVID-19 pandemic. In 2022, renters (33.0%) were more than twice as likely to spend 30% or more of their income on shelter costs than owners (16.1%), a gap that has persisted over time.

In 2022, households living in social and affordable housing were less likely to be living in unaffordable housing compared with 2018. The average monthly rent paid by households living in social and affordable housing was \$695 in 2022, a 12.4% increase from 2018. This smaller rise in rent compared with income growth (+15.3%) allowed more households living in social and affordable housing to keep their spending on housing under 30% of their income. In 2022, 25.4% of households living in social and affordable housing spent 30% or more of their income on housing, down 4.0 percentage points from 2018 (29.4%).

Table 1
Share of households that spend 30% or more of their household income on shelter costs, Canada, 2018, 2021 and 2022

	2018	2021	2022
	% of households		
All households	21.5	19.5	22.0
Owner-occupied	16.2	14.3	16.1
With a mortgage	23.5	20.9	23.6
Without a mortgage	5.9	5.2	5.5
Renter	32.9	30.3	33.0
Living in social and affordable housing	29.4	22.2	25.4
Living in market rental housing	33.4	31.4	34.0

Source(s): Canadian Housing Survey, 2018, 2021 and 2022 ([5269](#)).

Housing affordability had previously improved in 2021, as a result of the temporary income boost provided by pandemic-related government benefits.

These results come from the 2022 cycle of the Canadian Housing Survey, undertaken as a collaboration between Statistics Canada and the Canada Mortgage and Housing Corporation. This survey, the results of which are released today, was conducted from November 2022 to March 2023.

Growing dissatisfaction with housing affordability

From 2018 to 2022, shelter costs increased nationally by 20.6%. Against this backdrop, a larger share of Canadians were dissatisfied with the affordability of their housing in 2022 than in 2018.

In 2022, 14.5% of households were dissatisfied with the affordability of their housing, marking a 3.4 percentage-point increase from 2018 (11.1%). Renters (20.8%) were more likely to be dissatisfied with the affordability of their housing than owners (11.2%) in 2022, but the rates of both groups grew by more than 3.0 percentage points since 2018.

Meanwhile, a smaller proportion of renter households living in social and affordable housing (10.0%) were dissatisfied with the affordability of their housing in 2022.



Table 2
Share of households dissatisfied with housing affordability, Canada, 2018, 2021 and 2022

	2018	2021	2022
	% of households		
All households	11.1	11.5	14.5
Owner-occupied	8.2	8.6	11.2
With a mortgage	10.5	11.3	14.9
Without a mortgage	4.9	4.8	6.0
Renter	17.6	17.7	20.8
Living in social and affordable housing	9.2	7.8	10.0
Living in market rental housing	18.9	19.1	22.2

Source(s): Canadian Housing Survey, 2018, 2021 and 2022 (5269).

Housing is part of larger affordability challenges

Households felt the pressure on their overall household budget in 2022, because of an overall rise in shelter costs, as well as [price increases for other items that make up the Consumer Price Index](#), such as gasoline (+34.0% since 2018) and food (+22.7% since 2018).

In 2022, close to one-third (30.9%) of households found it difficult to make ends meet, up from just over one-fifth (21.9%) in 2018. The relative increase was higher among owners with a mortgage (+10.8 percentage points), who may have been affected by higher interest rates. At the same time, close to half (48.3%) of renters living in social and affordable housing reported having difficulties meeting their financial obligations in 2022.

Table 3
Share of households reporting having difficulty making ends meet, Canada, 2018, 2021 and 2022

	2018	2021	2022
	% of households		
All households	21.9	20.4	30.9
Owner-occupied	18.0	16.4	26.4
With a mortgage	23.0	21.3	33.8
Without a mortgage	11.0	9.6	16.3
Renter	30.5	28.8	39.4
Living in social and affordable housing	42.4	39.6	48.3
Living in market rental housing	28.8	27.3	38.2

Source(s): Canadian Housing Survey, 2018, 2021 and 2022 (5269).

Some households can wait years for social and affordable housing

Households living in social and affordable housing may receive support in different ways—for instance, receiving housing subsidies or paying rent geared-to-income. In 2022, approximately 245,900 households reported being on a waitlist for subsidized housing, close to two-thirds (153,800) of whom had been waiting for two years or longer. Households waiting for subsidized housing (41.7%) were more likely to be in unaffordable housing in 2022 compared with renters and owners, and close to two-thirds (64.5%) found it difficult to make ends meet.

Table 4
Households waiting for subsidized housing, Canada, 2018 and 2022

	2018	2022
	% of households	
Share of households that spend more than 30% of household income on shelter costs	44.9	41.7
Share of households dissatisfied with housing affordability	32.0	30.7
Share of households reporting having difficulty making ends meet	55.5	64.5

Source(s): Canadian Housing Survey, 2018 and 2022 (5269).

While respondents living in social and affordable housing pay a lower rent compared with those in market rental housing, a larger share of social and affordable housing needed major repairs in 2022 (11.4%) compared with 2018 (9.8%).

Table 5
Share of households living in housing in need of major repairs, Canada, 2018, 2021 and 2022

	2018	2021	2022
	% of households		
All households	7.0	7.4	7.3
Owner-occupied	6.4	6.5	6.6
With a mortgage	6.8	7.1	7.0
Without a mortgage	5.8	5.6	6.0
Renter	8.5	9.3	8.6
Living in social and affordable housing	9.8	10.8	11.4
Living in market rental housing	8.3	9.1	8.3

Source(s): Canadian Housing Survey, 2018, 2021 and 2022 (5269).

New renters face tighter rental market

A tighter rental market across Canada, combined with lease agreements and, in some cases, rent controls, led to a situation in 2022 in which rent for new units and for units with a new tenant was sometimes higher than that for units with no changeover. In 2022, new renters who had moved into their dwelling during the previous two years paid an average monthly rent of \$1,590, which is 27.0% more than that of existing tenant households that did not move during that time.

These new renters (34.3%) were more likely to be dissatisfied with the affordability of their housing compared with all renters (20.8%) in 2022. By comparison, the share of new renters who were dissatisfied with their housing affordability in 2022 was 11.3 percentage points higher compared with new renters in 2018 (23.0%), who moved during the period from 2016 to 2018.

Reasons for moving varied. Close to one-third (30.8%) of new renters in 2022 moved for school, for a job or to start their own household, while some moved to improve their housing and neighbourhood conditions (24.1%), and others moved to reduce shelter costs (9.1%).

Table 6
Share of new renter households dissatisfied with housing affordability, Canada, 2018 and 2022

	2018	2022
	% of households	
New renter households	23.0	34.3
Living in social and affordable housing	10.4	11.9
Living in market rental housing	24.0	35.9

Source(s): Canadian Housing Survey, 2018 and 2022 (5269).

First-time homebuyers are taking on larger mortgages and are more dissatisfied with housing affordability

About 1.3 million households, or 8.6% of all households, bought their first home from 2018 to 2022. This period was marked by changing home prices and fluctuating interest rates, both of which put pressure on housing markets and homebuyers. However, the share of households that bought their first home from 2014 to 2018 (8.7%) was virtually the same as that recorded from 2018 to 2022.

While many households in 2022 were able to own their home for the first time, the perceived affordability of homeownership changed between cohorts. A larger share of first-time homebuyer households (21.3%) were dissatisfied with housing affordability in 2022, 7.9 percentage points higher than that of their counterparts in 2018 (13.4%).

This change in dissatisfaction with housing affordability between the 2018 and 2022 first-time homebuyer cohorts occurred as the median income of first-time homebuyer households increased by 5.1% from \$109,350 in 2018 to \$114,950 in 2022. Meanwhile, the median outstanding mortgage amount increased by 12.3% from \$249,350 to \$280,000 over this period.

Table 7
First-time homebuyer income, outstanding mortgage and affordability, Canada, 2018 and 2022

	2018	2022
	2022 constant dollars	
Median household income	109,350	114,950
Median outstanding mortgage	249,350	280,000
	% of households	
Share of households that spend more than 30% of household income on shelter costs	24.9	24.4
Share of households dissatisfied with housing affordability	13.4	21.3

Source(s): Canadian Housing Survey, 2018 and 2022 (5269).

Looking ahead

Since early 2022, [households renegotiating their mortgages have done so at higher rates. An estimated 2.2 million households will be renewing their mortgage in 2024 or 2025](#), accounting for 45.0% of all outstanding mortgages.

This increase in mortgage costs will squeeze households' budgets and savings further, particularly for those that took on large amounts of mortgage debt when the cost of borrowing was low.

In the coming weeks, data from the 2023 Survey of Financial Security will provide a comprehensive picture of the net worth of Canadians by characteristics such as age, family structure and housing tenure, as well as the evolving trends in their asset and debt holdings.

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Note to readers

Today, Statistics Canada is releasing results from the third cycle of the Canadian Housing Survey (CHS) for reference year 2022. Collection for the 2022 CHS took place from October 31, 2022, to March 31, 2023, in the 10 provinces. This release reflects the housing situation in the provinces only.

The next cycle of the CHS, for reference year 2024, will begin on October 28, 2024.

Social and affordable housing refers to "non-market rental housing" (i.e., where housing allocation and rent-setting mechanisms are not entirely dictated by the law of supply and demand).

The CHS measures dwelling and neighbourhood satisfaction based on the opinion of the respondent, which may differ from the opinions of other members of the household. The respondent is the person who completed the CHS questionnaire for the household. The CHS asks that the person responsible for housing decisions in the household complete the questionnaire.

Being **dissatisfied with housing affordability** refers to households responding that they were very dissatisfied or dissatisfied when asked, "How satisfied are you with the following aspects of your dwelling? Being affordable."

Housing affordability is derived using the shelter-cost-to-income ratio, which refers to the proportion of total before-tax income households spend on shelter costs. A household is said to have affordable housing if it spends less than 30% of its total before-tax income on shelter costs.

Having **difficulty making ends meet** refers to households responding that it was very difficult or difficult when asked, "In the past 12 months, how difficult or easy was it for your household to meet its financial needs in terms of transportation, housing, food, clothing and other necessary expenses?"

First-time homebuyer households are those where the respondent or their spouse or partner purchased a home in the last five years, not having owned one during that time before the purchase.

Waitlist status refers to whether a person in the household is on a waitlist for social and affordable housing.

Available tables: [46-10-0058-01](#), [46-10-0061-01](#), [46-10-0067-01](#), [46-10-0068-01](#) and [46-10-0081-01](#) to [46-10-0086-01](#) .

Definitions, data sources and methods: survey number [5269](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (statcan.mediahotline-ligneinfomedias.statcan@statcan.gc.ca).