

Navigating Socioeconomic Obstacles: Impact on the Well-being of Canadian Youth

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At over 7.3 million people in 2022, nearly one-fifth (19%) of Canada's population is made up of youth and young adults aged 15-29. Between disruptions related to the COVID-19 pandemic, as well as high inflation and interest rates, this group has faced disproportionate challenges to their quality of life compared with other age groups. Recent surveys of Canadian youth indicate that they are less satisfied and less hopeful about the future. The rising cost of living is forcing some to make major sacrifices; for example, in 2022, 32% of youth said that they wanted to buy a home or move to a new rental but decided not to because of price concerns. While economic, social, and environmental challenges are influencing major life decisions and the morale of young adults, these issues are also complex and nuanced.

Statistics Canada's [Quality of Life framework](#) collects data on various determinants of well-being and combines economic and social perspectives. This framework brings together data on 85 indicators focused on prosperity, health, society, the environment, good governance, life satisfaction, and meaning and purpose to measure the quality of life and well-being of Canadians.

Youth have shown resilience despite facing economic challenges

The onset of the pandemic severely impacted education and employment for those aged 15 to 29, but Canadian youth persevered through these social and economic disruptions. While the proportion of youth not in employment, education or training reached the highest rate recorded in 20 years in [April 2020 at 24%](#), there was a [return to pre-pandemic levels \(11%\) by 2022](#). Despite the sudden changes brought on by the pandemic, many students demonstrated adaptability as they continued their education online, [with education participation rates returning to pre-pandemic levels by 2020/2021 and slightly increasing in 2021/2022](#).

Although youth demonstrated resiliency in overcoming the obstacles, this age group still faces [disproportionately high levels of poverty](#), in part because employment for this age group is concentrated in industries with the lowest average wages, such as food and accommodation, with many graduates remaining overqualified for their job.

Young adults are struggling to afford housing as they spend more of their income on shelter than older age groups

[Youth are far more likely to rent their dwelling](#). As of the 2021 Census, among household maintainers, 63% of those aged 15 to 29 rented their home, compared with the national average of 33%. This can leave this group more vulnerable to abrupt changes in the housing and rental markets.

Canadians aged 15 to 24 not living with a parent had a [shelter cost to income ratio](#) of 23%, compared with 16% across all age groups—meaning that youth spent 23% of their gross income on shelter costs nationally. This trend was exacerbated in large urban centres. For example, in Toronto, the shelter cost to income ratio was 31% for those aged 15 to 24, compared with 20% for all age groups. Given that the median income for Canadians aged 15 to 29 was \$25,000 in 2021 compared with \$41,200 for all Canadians (aged 16 and older), youth generally had less income available to spend on housing.

Youth are also particularly affected by the lack of affordable housing. According to the Canadian Social Survey (CSS) collected in late 2022, youth were more likely (60%) than those aged 40 and older (37%) to report being very concerned about their ability to afford housing or rent. These concerns have led to changes in behaviour. Over the six months preceding the CSS, 32% of youth said that they wanted to buy a home or move to a new rental but decided not to because of price concerns, compared with 20% of the overall population. Youth are especially affected by lower mobility, the inability to move because alternative housing costs are unaffordable. Affordability concerns can also lead to them being displaced further away from urban and employment centres, in search of more affordable municipalities.



Another consequence of less affordable housing options in major cities is the increasing likelihood that today's younger adults live with roommates or with parents. In 2021, 18% of young adults aged 20 to 29 were living with other people outside the census family; within this age group, roommates are one of the fastest growing household types. Meanwhile, 43% of young adults aged 20 to 29 continued to live with at least one of their parents.

Whether it is because of high costs, inadequate space, roommates, or other reasons, when asked to rate dwelling satisfaction, a smaller percentage of Canadian youth (55%) reported high levels of satisfaction compared with middle-aged adults (aged 30 to 54; 60%) and older adults (55 years and older; 74%).

A higher percentage of young adults are choosing not to have children for financial reasons compared with older adults

Fertility rates are decreasing across all age groups, following a trend that began a few decades ago. However, affordability concerns and lack of access to suitable housing were more recently cited as factors influencing the fertility intentions of Canadians, in particular among those aged 20 to 29.

In 2022, 38% of young adults (aged 20 to 29) did not believe they could afford to have a child in the next three years, while 32% did not believe they would have access to suitable housing to start a family in that time frame. Adults aged 20 to 29 were more likely to believe that financial capacity and adequate housing would act as barriers to them having a child compared with adults aged 30 to 49.

The affordability concerns facing youth are influencing the choices young adults are making, such as where to live, and whether to have children, in ways that are expected to influence Canada's long-term demographic and geographic composition.

Youth are less satisfied and less hopeful about the future than in previous years

The high cost of housing and of everyday necessities is not only reducing the ability of young adults to meet important financial goals or being able to afford to have children—it is also leaving young adults with less money left over for leisure activities. Income continues to play a role in youth mental health, with [those living in the poorest households less likely to report excellent or very good mental health](#) (59% of males; 50% of females). As a result, it is not surprising that we have observed lower levels of hopefulness and life satisfaction among this group.

For example, [hopefulness declined among young Canadians aged 15 to 29 by about 15 percentage points](#) from 2016 to 2021/2022. There was also a notable decline in young adults reporting high levels of life satisfaction, from 48% in the fourth quarter of 2021 to 40% in the fourth quarter of the following year.

In addition to well-being decreasing over time, youth are also tracking poorly on quality-of-life indicators compared with other age cohorts. For example, fewer Canadians aged 15 to 29 have reported a very strong or somewhat strong sense of belonging to their local community compared with those over the age of 45. Meanwhile, youth aged 15 to 29 have consistently reported feeling lonely more often than those in older age groups.

These challenges do not disappear once youth turn 30. Rather, these challenges are ongoing and may permanently hinder their access to a standard of living in adulthood that they may have expected while growing up.

Affordability is just one of the challenges impacting the well-being of Canadian youth

The self-perceived mental health of Canadian youth saw a sharp decrease at the onset of the pandemic, with [40% reporting excellent or very good mental health in late March and early April of 2020](#). This represents a 20% decline compared with 2019. However, the mental health of young Canadians has been slowly declining since 2003, which could be attributed to a range of factors. In addition to affordability and housing, youth have also demonstrated concern regarding climate change, health care, and discrimination, among other issues that impact satisfaction and well-being.

Although many youth continue to struggle with mental health challenges, 81% of Canadian youth reported always or often having people to depend on when they need it. Having a strong support system is valuable during formative years, but it is especially valuable for today's youth in light of these challenges. Going forward, Statistics Canada will continue to collect quality of life data and monitor trends related to the well-being of young adults through difficult economic times.

Note to readers

Data sources

This release used data from a variety of Statistics Canada sources, including the 2021 Census of Population.

Note: the denominator used in the calculation to determine the proportion of household maintainers who are renting includes dwellings provided by the local government, First Nation or Indian band.

This release also used mental health data from the 2019 Canadian Community Health Survey, as well as the 2020 Canadian Perspectives Survey Series.

This release also used data from the 2021 Canadian Housing Survey (CHS) which measures dwelling satisfaction based on the opinion of the respondent, which may not represent the satisfaction levels of other members within the same household. The CHS asks that the person responsible for housing decisions in the household complete the questionnaire.

This release also includes data from the following waves of the Canadian Social Survey:

- Well-being, Activities and Perception of Time (collected from August 6 to September 18, 2021);
- Well-being, Unpaid work, and Family Time (collected from October 26 to December 7, 2021);
- Well-being and Family Relationships (collected from January 28 to March 13, 2022); and
- Quality of Life and Cost of Living (collected from October 21 to December 4, 2022).

Comparisons are made with the 2016 General Social Survey—Canadians at work and home—to better capture the evolving views of Canadians about the future.

Definitions

Shelter cost to income ratio refers to the percentage of a household's average total monthly income which is spent on shelter-related expenses. Those expenses include the monthly rent (for tenants) or the mortgage payment, property taxes and condominium fees (for owners) and the costs of electricity, heat, municipal services, etc. The percentage is calculated by dividing the total shelter-related expenses by the household's total monthly income and multiplying the result by 100.

Primary household maintainer refers to the first person in the household identified as someone who pays the rent or the mortgage, or the taxes, or the electricity bill, and so on, for the dwelling.

Census family is defined as a married couple and the children, if any, of either and/or both spouses; a couple living common law and the children, if any, of either and/or both partners; or a parent of any marital status in a one-parent family with at least one child living in the same dwelling and that child or those children. All members of a particular census family live in the same dwelling. Children may be biological or adopted children regardless of their age or marital status as long as they live in the dwelling and do not have their own married spouse, common-law partner or child living in the dwelling. Grandchildren living with their grandparent(s) but with no parents present also constitute a census family.

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