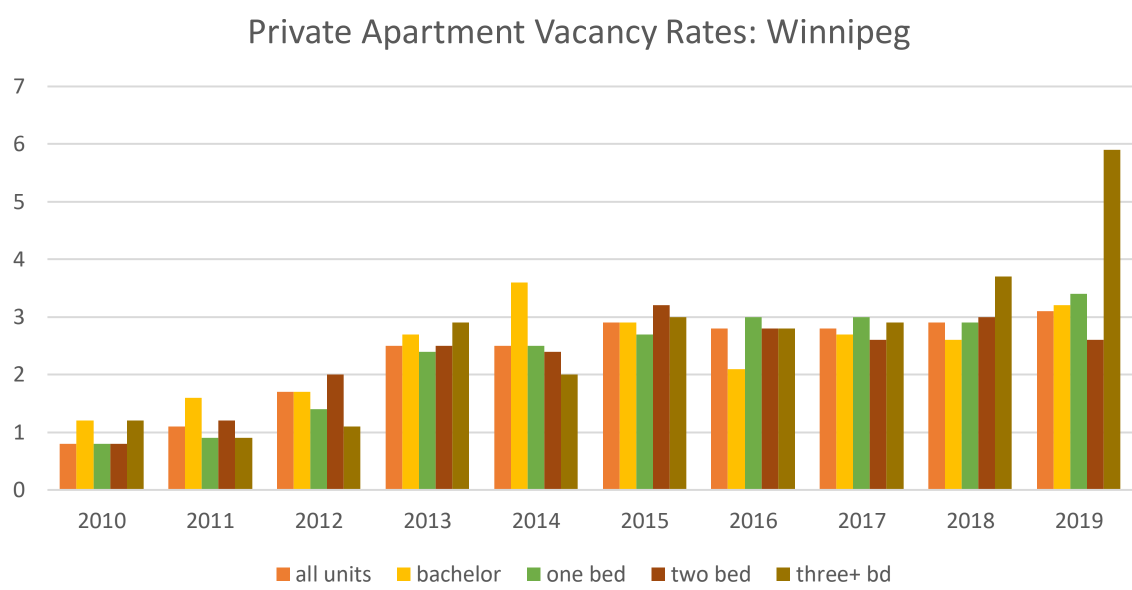
A Report on Trends and Issues in The Rental Market in the City of Winnipeg



Prepared for the Winnipeg Regional Real Estate Board

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1.0 Executive Summary

This report on the private rental sector analyzes trends in demand and supply, highlighting some of the challenges consumers and producers face and some of the circumstances that may affect the market in the near future.

Based on the results of the October 2019 Vacancy Survey CMHC Economists consider the Winnipeg rental market to be healthy as Winnipeg renters face far fewer difficulties than renters in Canada's other larger cities. There is no doubt that the situation for tenants in Winnipeg is easier than in many other cities, however, this general assessment hides a great deal of detail that is important to current and future circumstances in the rental sector.

The Demand for Rental Housing

Who Lives in the Rental Market?
The rental market is home for the poor, young individuals and couples many of them saving to buy a home, people who have no desire to own a home, labour mobile people, people aging out of ownership and the mentally and physically challenged. An increasing number of new immigrants, temporary foreign workers and foreign students are becoming important sectors of the rental market.

Population Trends
Winnipeg is considered a modest growth City and future growth will be fueled largely by international immigration. The population of the City is expected to reach 922,600 by 2040, the CMA 1,055,500. There will be a continued demand for new housing units of various types, tenures and affordability levels. Although the largest share of demand will still be within the City, demand for housing is likely to grow fastest outside the City boundaries but still within the CMA – the Outlying Areas.

According to City and Conference Board projections there will be a housing demand from an additional 7,000-8,000 people annually between now and 2040.

The City's population is aging. Over the next couple of decades, the greatest growth will be in the elderly population, those over 65 and particularly those over 75.

Growth in the younger age groups is much more modest. In the short term the 15-24 age group declines by 2025 but then starts to modestly increase again. The 25-34 age group experiences modest increases and the 35-44 and 45-54 age groups more significant increases over the next couple of decades.

Over the next couple of decades there may be fewer young renters, declining demand from first time buyers, a continued demand from move-up buyers, a significant increase in demand from elderly renters and a growing demand for elderly housing options with services.

The aging generational groups suggest a declining demand for rental from aging Post Millennials, a continued demand for ownership from aging Millennials, and an increasing rental demand from aging Boomers and the Silent Generation.

Households
Household size, which has been declining and increasing housing demand for many years, is not expected to change significantly in the coming years. Falling household size will not be a source of higher demand in the future. Currently, 30.1% of the households contain only one person, 32% contain two people, 15.2% three persons, and 22.7% four or more persons. These proportions are relatively unchanged since 2001. The proportion of four or more persons households has increased slightly, and the proportion of one person households has declined slightly. The increase in larger households may have been driven by the recent high immigration levels.

One person households (30%), families without children (26%) and families with children (23%) make up the majority of households by type but there are a growing number of non-family households in the population.

When household tenure is considered the increase in the number of homeowners has been double the increase in the number of renters since 2006. The percentage of households owning a home has increased over the past couple of decades and in 2016 ownership levels stood at 65% in the City, 67% in the CMA and 94% in the Outlying Areas of the CMA. The proportion of homeowners is much higher and growing more rapidly in the Outlying Areas of the CMA than in the City and the City is becoming home to a greater proportion of the renters than the CMA.

Housing Supply and the Rental Market

The Housing Inventory and Housing Starts
Approximately 35% of all units in the City are rental units. Single family dwellings still dominate, accounting for 59.4% of all dwellings, followed by apartments of less than five stories at 18.0%, apartments of five or more storeys at 13%. The greatest numerical unit growth since 2001 has been single detached units at 15,600 while the greatest proportional growth has been apartments of less than five storeys at 20%.

Housing starts over the period 2010 to 2019 illustrate a shifting ratio from 60% single -detached in 2010/11 to 28% in 2019, while apartment starts rose from approximately 30% in 2010/11 to nearly 60% in 2019. Over the same period starts by intended market (freehold ownership, rental and condo) illustrated a similar shift from approximately 60% for the freehold ownership market to 33%, and 25% to 50% for rental with condos fluctuating between 15-33% over the ten-year period. However, 20.3% of all condo units are renters.

After a long period of decline from 1990-1995 when rental housing starts averaged 91 units per year, rental housing activity has increased significantly to approximately 1,600 starts per year since 2015.

The Age and Condition of the Stock
The housing stock is older than in most Canadian cities and the percentage needing major repair stood at 7.8% in 2016. However, this has dropped significantly since 2001 when it was 9.5%. The rental stock is in poorer condition than ownership stock with 9.2% needing major repair versus 7.1% for ownership stock in 2016.

The Inventory of Private Rental Apartments and Townhouses
The inventory of private rental apartments and townhouses covered in the CMHC Vacancy Survey makes up 60-65% of the entire rental stock. This stock declined for many years from about 60,000 units in 1990

to 53,417 units in 2013. It has gradually increased since then to approximately 62,000 units in October 2019. During this period of decline bachelor, one bedroom and three-bedroom units all dropped in numbers, two-bedroom units never declined. The increased focus on building rental accommodation has resulted in increases in all bedroom types except bachelor units. Since 2006 bachelor units have declined 7% or 285 units, one-bedroom units have increased by 6% or 1,732 units, two bedrooms by 29% or 6,015 units and three plus bedrooms by 29.5% or 590 units.

The long decline in rental activity and the rental inventory can be attributed to a number of factors including high vacancy rates and low demand in the 90s and early 2000s, the relative affordable of homeownership in Winnipeg that has allowed many people to move into the ownership market, some demolition of the older stock, the significant level of condominiumization of apartments and re-purposing of some apartments to other uses.

The Secondary Rental Market

The secondary rental market (single detached, semi, row and condo rentals) is also a major component of the rental sector. It includes 28-29,000 units, including approximately 3,800 rented condo units. There are also approximately 17,000 social, affordable and supportive housing units in the rental sector.

Rental supply, until recently, has experienced a long period of stagnation. Recent increases in rental housing supply have been relatively modest, at least compared to increases in ownership stock. There currently does not appear to be an undersupply with vacancy rates at 3% but not all sectors of the rental market are able to find affordable housing.

Vacancy Rates

A balanced market is supposed to be reflected in a 3% vacancy rate. After reaching approximately 6% in the 1990s rates fell below 1% by 2010 but since then have risen to 3.1% in October 2019. Vacancy rates have risen for all unit and bedroom types and currently stand a 5.9% for three plus bedroom units. The oldest and newest projects have the highest vacancy rates and are higher in the low rent and very high rent projects. They also tend to be slightly higher in the City Core than in Suburban Areas. Rates are currently lower in rented condos at 1.6%.

Despite the high vacancy rates in units with three or more bedrooms many people raised the concern that there is a shortage of large rental units for families. To be more precise it seems there is a shortage of larger rental units that the families looking for three or more bedrooms can afford. However, many of the vacant three plus bedroom units are also in the Outlying Areas as opposed to the City. Nevertheless, affordability is certainly a problem for large families seeking larger rental units.

Turnover rates currently stand at approximately 24%, somewhat higher in the Core Area, older projects and smaller projects.

Selkirk, Steinbach and Winkler, all rapidly growing centres and immigrant destinations have very low vacancy rates at 1.4, 1.2 and 0.4% respectively. Brandon at 2.6% and Portage at 3.9% illustrate more balanced markets. Thompson, probably because of recent mine layoffs and speculation of mine closures has a very significant oversupply of rental units and a vacancy rate of 7.3%.

Rental Rates

Rents have been increasing much faster than incomes. Average portfolio rents have increased significantly from $807 in 2010 to $1,070 in 2019. This is an increase of 32.6% in approximately 10 years.

Going back to 2006 the average rent was $610 and with the figure of $1,070 in 2019 this represents an increase of 75.4% in 15 years. These increases are far greater than increases in household income over these periods and have also been greater than general increases in inflation. Rents have also been increasing much faster than increases in minimum wage or average weekly earnings.

Rents have increased significantly for all unit types in the rental market and in 2019 stood at $733 for bachelor units, $957 for one-bedroom units, $1,223 for two bedrooms and $1,543 for three or more bedrooms. Increases have been greatest for three plus bedroom units. The rates of increase have generally been higher in the Core than Suburban areas, although actual rents are still lower in the Core. Rents generally increase with the size of the project but decline with the age of the stock. Rents are also higher in townhouse and condo units.

Rents are likely to continue to increase at 3.5-4.5% over the next couple of years. New construction coming on-line, and renovations of older units will increase rents and drive up averages, valuations and property taxes are rising as are sewer and water rates.

The Income of Renters and Housing Expenditures

The most obvious distinction between owners and renters is one of income. In the CMA the average income of renters is $48,240 which is only 43.7% of the average income of owner at $110,264. By dividing the income range into deciles (10 equal parts) the very low-income of renters and the type and age of households most likely to rent is very obvious:

- More than a fifth (21.8%) of renters are in the bottom decile where incomes are less than $20,382, while the proportion of owners in this category is only 3.6%;
- 23% of one person households (most likely to be renters) are in the bottom decile, for two person households this falls to 5.6% and continues dropping to 2.5% for five plus person households;
- 68% of all the households in this bottom decile are one person households;
- Many households under the age of 25 are renters and 37% of these households are in the bottom decile;
- 11% of single parents are in the bottom decile but less than 3% of families with or without children; and,
- 16% of recent immigrants and 15% of Aboriginal households (both with high proportions of renters) are in the bottom decile;

A very large percentage of household types likely to be renters are in the bottom income decile.

Renters Have Higher Shelter Cost to Income Ratios

In the City 22% of households spend 30% or more of their income on shelter (21% in the CMA). Nine percent spend 50% or more. Only 12.3% of owners versus 39.4% of renters spend 30% or more. Close to 17% of renters (17,000 households) spend 50% or more of their income on shelter costs. Approximately 80% of households in the bottom income decile spend 30% or more.

Households under 25 spend the greatest percentage of their income on housing as 57% spend 30% or more. This figure falls to 26% for households aged 25-34 and continues to decline to age 65-74, rising to 25% for households 75 or older.

28% of lone parent and 37% of one person households spend 30% or more and the proportion of Aboriginal households in this category is 27% and 36% for recent immigrants.

Based on 30% of income the annual income needed to afford the average rent of $733 for a bachelor units would be $24,433, for one bedrooms with an average rent of $957 it would be $31,900, $40,766 for the average rent of a two bedroom unit ($1,223)and $51,433 for the average rent of a three plus bedroom unit ($1,543). Half of the renter households in Winnipeg earn less than $40,000.00 and would be facing affordability challenges trying to rent two- or three-bedroom units if their household make-up required units of this size.

Overall the type of households that rent have much lower incomes and spend much more of their income on housing, leaving them less money to spend on other basic necessities, but also less capacity to save to transition into ownership if that is what they want to achieve. The above figures are based on before tax income. If after tax income, which is generally much lower, is used, the situation of renters is even more difficult.

If rents continue to increase faster than incomes an increasing proportion of renter households will face affordability problems and there will be an increasing demand for various forms of subsidized housing or shelter subsidies.

Housing Need

12.8% of the City's households are in core need. This is a measure of households with affordability, adequacy or suitability problems. The proportion of households with these problems has been rising since 2006 when it was 10.9%. Affordability is by far the most common problem. Renters are much more likely to be in core need than owners – 27.7% versus 5.1%. Young households 15-24, lone parents, and one person households are most likely to be in core need – 23.8%, 26.7%, and 19.9% respectively. Recent immigrants at 25.7% and Aboriginals households at 22.1% also have high levels of core need. Again, all these types of households have high proportions of renters.

The average income of households in core need is just over $25,000 versus more than $86,000 for all households. Renter households in core need have an average income of just $25,000 compared to $48,000 for all renters and $104,264 for owners.

Possible Future Issues for the Rental Market

There are some processes and policy initiatives underway that could significantly change the nature of the future rental market. From a policy perspective **marketization and privatization in housing policy is occurring:**

- **Marketisation** is when governments use assistance programs to subsidize households in private rental housing, generally instead of building additional social housing for low-income households.
- **Privatization** is the process of selling social and/or affordable housing units to the private sector which can reduce the inventory of subsidized rental units for low income households.

Emphasis on these policy approaches could mean the private rental sector will become a longer-term home to lower income households as social and affordable housing inventories are not likely to grow enough to accommodate a growing number of low-income households. The Province is relying to a greater extent on the Rent Assist Program and although it has certainly helped many households with their shelter costs, assistance levels are still too low to eliminate affordability problems for all households, leaving many still deep in poverty.

- **Financialization of the housing market.** Financialization means housing being predominantly valued and treated as a commodity, a secure place to park money and make a reasonable return with financing coming from large corporations and companies, not always locally based and using a great deal of “offshore” money. It also means consolidation of more and more units within large corporations as they buy out local owners and companies. Housing is no longer viewed as a social good, a place to raise a family, a part of community etc. Housing prices are no longer driven by demographic demand but by demand for high end assets by “global investors.” The supply and demand for housing become increasingly determined by exchange value rather than use value.
- Financialization can lead to gentrification – purchasing of apartments and re-purposing them for higher income tenants, re-development of older properties into luxury developments – probably creating spatial inequality. Housing, at least in some centres has become the commodity of choice for corporate financial organizations and the very rich. When “they” purchase apartments it often puts new pressures on tenants – rent increases, new fees, renos to attract higher income tenants etc. Governments face pressure (political and financial) from these super rich and powerful entities to provide more flexibility and control over their investments.
- **Is this happening in the Winnipeg rental market?** Although it may be occurring on a modest scale there is insufficient evidence to suggest it is becoming a major problem.
- **Renoviction.** This occurs when landlords give tenants eviction notices to undertake improvements to the units. However, according to several people interviewed often the renovations are little more than “cosmetic” upgrades. However, when the unit is re-rented the rent is much higher. The “renovation” is just an excuse to raise the rent. Several people interviewed felt this was a growing problem in Winnipeg.

Future Demand in the Rental Market

Overall, the characteristics of people in the rental sector, and rental demand in general, is far more diverse than it used to be, and future demand will be less dependent on traditional demographic factors than it once was.

Future demand will be far more dependent on other sectors like:

- Immigration policy;
- Broader housing policy – how will governments decide to accommodate the poor;
- Trends in education and student numbers;
- Changes in labour force mobility and the characteristics of the labour force and labour force policies; and,
- The balance between ownership and rental market costs.

What is obvious from the evidence presented in this report is that renters in general have much lower incomes than homeowners and rents have been increasing faster than the incomes of many renters in recent years. Keeping rental housing affordable will be a challenge over the next several years. Initiatives will be necessary to help address some of the challenges these low-income renters face. Initiatives will also be necessary to help those renters wanting to move up the housing continuum into homeownership. A healthy rental market leads to a healthier ownership market.

The Winnipeg Regional Real Estate Board continues to advocate for change to ensure a healthy rental market proposing improvements to the Rent Assist Program to improve affordable access to rental housing for low-income households; reductions to the cost of the land transfer tax to facilitate the movement of first -time buyers out of rental into ownership housing; and, reductions in fees to lower the cost of rental housing development. A healthy rental market helps lead to a healthy homeownership market.

2.0 Introduction and Report Objectives

A properly functioning housing market requires an adequate supply of housing in all components of the housing continuum. In Canada, the housing continuum consists of a transition from shelters for the homeless, to transitional housing for those who have been homeless, social rental housing, affordable rental housing, often owned and operated by non-profit organizations, private market rental, and private market ownership. Within this continuum there must be assisted housing for the mentally and physically disabled, the aged, recent newcomers to Canada, first time buyers, move-up buyers and many other groups in society.

Increasing self-sufficiency and reduced dependence on government assistance are characteristics as people move up the continuum. Lack of supply, and unaffordable rents and prices in various components of the continuum can lead to restrictions as people try to access certain components of the continuum or move up the continuum. **Good housing policy designs and provides programs that encourage movement up the continuum, although it is often difficult, if not impossible, to achieve movement without supportive economic, educational, health and labour force initiatives.**

This report focuses on one important part of the continuum – the private rental sector. It is home to many different groups: low-income households, young adults leaving home, young individuals and couples saving to buy their first home, seniors downsizing from homeownership, modest income households moving up from subsidized housing, those of all incomes who prefer to rent, perhaps because of career mobility, and many other groups in society. **Problems within this sector of the housing continuum, like supply shortages, can lead to difficulties in other sectors of the continuum.**

This report was developed with the following objectives in mind:

- To document and analyze characteristics and trends in the demand and the supply side of the rental market;
- To highlight important problems and issues consumers face in the rental sector;
- Drawing on the analysis to discuss some of the challenges and issues providers face in their efforts to provide affordable rental accommodation; and,
- To highlight some changes that might be necessary to ensure an adequate functioning market moving forward.

The Winnipeg Regional Real Estate Board prepared a previous report on the rental market back in 2011 entitled **Manitoba's Rental Housing Shortage: A Discussion Paper Highlighting Challenges and Solutions.** As well as addressing the objectives noted above, this report will include a section highlighting the recommendations and conclusions of that report noting changes and similarities in the current rental market situation.

The current report will focus on the City of Winnipeg and the Census Metropolitan Region (CMA). Data from the 2016 census (the most recent, complete data available) indicates there were 140,260 rental units in Manitoba – 28.7% of the total housing stock. The Winnipeg Census Metropolitan Area contained 100,150 of these units – or 71% of total rental dwellings in the Province. The City of Winnipeg contains 98,655 units or 98.5% of the units in the CMA and 70.3% of all Provincial units (Statistics Canada, 2016). **The City dominates the rental market in Manitoba.**

There will be a short section on the rental market in other major centres of the Province, but the level of detail will be very limited and include just a discussion of recent vacancy and rental rates in Manitoba's other major centres.

One area the report will not address in any detail is an analysis of the economics of building, development and management of rental projects.

3.0 Data Sources Used in the Analysis

Housing markets and how they function are influenced by at least five sectors:

- characteristics of the housing stock (existing and new additions);
- characteristics of the consumers of housing;
- housing economics such as price, rents, operating costs, development and building costs, and a range of household costs;
- location; and,
- government policies and regulations.

By examining trends in indicators in many (although not all) of these sectors this report will identify problems, challenges and opportunities facing households in the private rental sector and rental housing property owners and developers.

There are a number of different data sets (See Appendix 1 for additional details) that have been analyzed during the completion of this report including:

- Statistics Canada data: recently released data from the 2016 census provides the opportunity to examine trends over the period 2001 to 2016 using a number of census indicators;
- A second source of data that is examined includes the housing information collected by Canada Mortgage and Housing Corporation (CMHC). Data from CMHC will be examined at the City of Winnipeg, the CMA level, and to a lesser extent neighbourhoods within the City;
- Government documents that describe recent changes in government policy and/or regulations and their possible effects on the private rental market have also been reviewed;
- Academic and professional publications on the housing market;
- Information from interviews with various people in the housing sector; and,
- Special recognition should be given to the recent Institute of Urban Studies report entitled ***City of Winnipeg Comprehensive Housing Needs Assessment*** prepared for the City of Winnipeg (forthcoming). Data by income deciles from this report is included in this study.

4.0 The Current Market Situation

Before examining the rental sector in detail, a brief overview of the current market situation helps set the stage for more comprehensive discussion. **Currently the rental market in Winnipeg appears to be healthy**:

- The vacancy rate in October 2019 was 3.1%, a level that is considered adequate to allow consumers a reasonable choice, yet not so high that it threatens producer profit;

- Equal increases in both rental supply and demand has meant the vacancy rate has been stable for some time;
- The units in the rental universe, both purpose built and in the condominium market have been increasing; and,
- Rents have been increasing but the increase has slowed slightly compared to increases in 2018;
- Turnover rates have decreased slightly (24.4% in Oct. 2019) but still provide considerable choice for tenants.

CMHC economists consider the Winnipeg rental market to be healthy and renters face far fewer difficulties than in Canada's other larger cities (CMHC Rental Market Report 2019). Although this quick market snap shot suggests a healthy market, and there is no doubt that the situation for tenants in Winnipeg is much easier than in many other cities, **this general overview hides a great deal of detail that is important to current and future circumstances in the rental sector**.

5.0 The Demand Side of the Rental Market

The private rental market, which will be the major focus of this report, **has traditionally been home to at least five "general groups" of renters**:

- The poor who are unable to afford ownership or access subsidized housing, many of them single individuals, single parents and families;
- low income households who are transitioning along the continuum from social and affordable housing, many of them families;
- young individuals (many who have recently left home) or young couples that are living in rental accommodation but view it as a step along the continuum to their ultimate objective of homeownership;
- a small sector of households that view rental housing as their long-term home and have no interest or desire to own a home;
- a group of peripatetic people who move often because of their labour mobility; and,
- the elderly who are aging out of, or downsizing, from home ownership that may live out their life in rental accommodation or transition into assisted living or care facilities as they age.

These groups are still part of the market, but some are less important than they were a decade ago, other perhaps more important. Several studies have noted that:

- **As the millennials age there may be fewer young renters as the proportion of people under the age of 24-29 will be smaller in the future than it has been in the past**;
- **If homeownership becomes less affordable, however, more of the young and the aging millennials may have to remain in the rental market;**
- Stagnation in income growth for some groups is limiting access to homeownership which might mean younger people will be longer term renters;
- **The poor will still be with us and may increase in numbers over time;**
- **A lower proportion of the elderly are renting** as they a) are staying in homeownership longer; b) moving into options like life lease, assisted living; and c) purchasing a condo. However, the number of elderly will increase significantly over the next couple of decades;
- Labour mobility people are perhaps more common but also more likely to opt for condo living; and,
- A growing number of "adult children" are living "at home" much longer.

However, there is more diversity in the rental market today -- **new faces in the rental sector**

- **Immigrant and refugee numbers have been rising significantly over the past decade.** (Table 2) provides the number of arrivals to Manitoba over the decade 2007-2017 (The most recent figures available). In most years the destination for over 80% of these arrivals is Winnipeg. They are a younger population, and initially many have lower incomes, so they are more likely to rent, at least in the first five years after arrival. Although it is likely that immigration numbers will remain relatively high over the next several years there is no guarantee;
- There have been an **increasing number of temporary foreign workers arriving.** Table 2 provides the number whose destination is Winnipeg. They generally tend to be renters, and this is a trend that **may** continue, although again there is considerable uncertainty surrounding future numbers;
- **There are an increasing number of foreign students** arriving in Winnipeg (Table 2) and universities are likely to continue to recruit abroad as the number of young people in their late teens and early 20s in Canada and Manitoba declines:
- There are also an increasing number of students from out of the City and out of the province coming to Winnipeg to study at university or other post graduate institutions. This is not likely to increase appreciably but will continue to be a factor in the rental market;
- Labour force mobility is growing; and
- **AirBNB is soaking up some "rental" units in the City.** A recent survey suggests between 500 and 1,000 AirBNB units exist in the City and many are likely to be rental units (Winnipeg Free Press, April 10th, 2019 and May 1, 2019).

5.1 Population Change and the Implications for the Rental Market

Population change is a significant basis for changes in the demand for rental accommodation. **Winnipeg can be characterized as modest growth City.** Over the past 15-20 years:

- The population of the Metropolitan area has increased from 671,274 in 2001 to 778,489 in 2016, an increase of 107,215 or 16% increase (Table 1). The rate of growth has been increasing in the CMA as a whole, from 3.5% over the 2001-2006 period to 6.6% in the 2011 to 2016 period;

Table 1: Population Growth in Winnipeg (CMA, City and Outlying Areas)

Year	Winnipeg CMA	Winnipeg CMA Outlying Areas	Winnipeg City	Winnipeg CMA Population Growth	Winnipeg Outlying Areas Population Growth	Winnipeg City Population Growth
2001	671,274	57,050	619,544	1.42%	17.35%	0.17%
2006	694,668	61,217	633,451	3.48%	7.30%	2.24%
2011	730,018	63,186	666,832	5.09%	3.22%	5.27%
2016	778,489	69,666	708,823	6.64%	10.26%	6.30%

Source: Statistics Canada Data for various years

Table 2: Arrivals to Manitoba and Winnipeg 2007-2017

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total	Avg
Immigrants	9,784	10,255	12,420	14,780	14,670	12,180	11,655	14,735	13,130	13,095	12,570	139,274	12,661
Refugees	1,170	970	1,100	1,030	1,305	1,145	1,470	1,505	1,770	3,730	2,130	16,325	1,484
Total	10,954	11,225	13,520	15,810	15,975	13,325	13,125	16,240	14,900	16,825	14,700	155,599	14,145
Temp Foreign Workers (1)	1,358	1,340	985	845	790	870	905	575	245	255	235	8403	764
International Mobility (1)	2,014	2,335	2,370	2,560	2,740	2,910	3,220	3,120	3,290	4,700	4,495	33,754	3,069
International Students (2)	2,919	2,655	3,110	3,080	3,090	3,180	3,765	4,210	6,210	7,970	9,645	49,834	4,530

Source: Immigration Facts and Figures, Citizenship and Immigration Canada, 2017

Notes:

(1) Temporary Foreign Workers and International Mobility Workers represent the number of people who were granted permits in each year. Workers may stay for periods ranging up to five to seven years depending on the work category they are in. Many apply for permanent residency.

(2) International Students represent the number applying for permits each year. Many apply for permanent residency.

- The City increased from 619,544 to 705,244 or 85,700 over the same period, a 13.8% increase. The rate of growth has been increasing from 2.2% between 2001 and 2006 to 6.3% between 2011 and 2016;
- **The City actually contains a declining proportion of the Metropolitan population – 92.3% in 2001 to 90.6% in 2016;**
- The area outside the City boundary but still within the CMA (called Outlying Areas by CMHC) grew by 12,600 people or 22.1%. The rate of increase was 7.3% during the 2001-2006 period climbing to 10.3% during 2001-2016;
- According to populations projections by the City of Winnipeg and the Conference Board of Canada the population will continue to increase over the next 20 years;
- **Looking to the future, growth is fueled largely by international immigration which in recent years has added about 13,000-14,000 people per year.** Although always a difficult figure to predict this immigration is expected to continue adding 7,000-8,000 people per year through to 2040. **Many arriving immigrants are renters, particularly in the first five years after arrival;**
- International immigration plus natural increase and rural to urban migration is expected to result in the City population increasing by 1.4% per year between 2016 and 2025 adding 87,800 people by 2025.
- **The population of the City is expected to reach 922,600 by 2040. Annual increases during the 2020 to 2040 period are expected to be about 6,800 people per year.**
- **The CMA is expected to reach 1,055,500 by 2040 and the Outlying Areas are expected to reach 132,900.**
- The rate of growth will be most rapid in the Outlying Areas, averaging 2.3% per year while growth within the City boundaries slows to 0.7% per year between 2020 and 2040.

As population change is the key indicator of how much housing will be required in the future **there will be a continued demand for new housing units of various types, tenures, and affordability levels. Although the largest share of demand will still be within the City boundaries, demand for housing is likely to grow fastest outside the City boundaries but still within the CMA – the Outlying Areas.**

5.2 Population Change by Age Groups and the Implications for Housing

The age distribution and shifts in the number of people in each age group has a significant effect on housing demand and the nature of that demand:

- The average age of the Winnipeg population is 39.9 years which is slightly younger than the Canadian average of 41 years, nevertheless **the population is aging**;
- Currently approximately 40% of the City and CMA population is 35-64 years of age, about 14.5 % is aged 25-34, with 17% 14 years or younger and 13% aged 15-24 (Table 3);
- Just over 15% of the CMA and City population is 65 or older;

Table 3: Distribution of Age Groups: City, CMA, Outlying Areas

	Aged 0 to 14	Aged 15 to 24	Aged 25 to 34	Aged 35 to 64	Aged 65 or older
Winnipeg City	16.8%	13.3%	14.6%	39.6%	15.6%
Winnipeg CMA	17.1%	13.3%	14.2%	40.0%	15.4%
Outlying Areas	19.1%	13.2%	10.1%	44.3%	13.3%

Source: Statistics Canada 2016

- The Outlying Areas have a very different age profile, 19% is 14 or younger, 44.3% aged 35-64 and only 13.3% 65 or older. The area outside the City is very much more a family demographic;
- Some segments of the population are growing faster than others. Between 2011-2016 the 65-69 age cohort increased by 32%, the 70-74 age cohort by 21%. **Over the longer term the most significant increases will be in the 65-74 and the 75+ age groups – 53% and 139% growth by 2040 respectively;** (Table 4)

Table 4. Forecast Population Growth by Age Groups for the Winnipeg CMA

Age Group	Short Term, 2015 to 2023		Medium Term, 2015 to 2032		Long Term, 2015 to 2040	
	Total Growth	Percent Increase	Total Growth	Percent Increase	Total Growth	Percent Increase
0-4	6,700	15	6,700	15	8,100	19
5- 14	11,000	13	23,000	26	23,400	27
15-24	-5,000	-5	6,500	6	19,600	18
25-34	7,100	6	0	0	9,100	8
35-44	21,700	20	36,000	33	29,900	28
45-54	-500	0	22,500	20	39,300	35
55-64	9,800	10	8,000	8	26,900	27
65-74	21,600	33	37,400	58	34,400	53
74+	13,200	26	42,300	82	71,600	139
Total Growth	85,600		182,400		262,300	

Source: City of Winnipeg's Population, Housing and Economic Forecast, 2016; and Conference Board of Canada

- **Growth in the younger age categories are much more modest over the long term** and will be in the 20-30% range or less, although this will mean a reasonably significant increase in the 35-44 age group. **There will actually be a decline in people 15-24 by 2025 and over the longer term (2015-2040) the 25-34 age group increase only 8%.** (Table 4).
- What does this mean for the housing market: **perhaps fewer young renters but more elderly renters and continued but perhaps more modest demand for homeownership** from the 35-44 age group between now and 2023;

- The pattern does change if the time frame is extended to 2032, with only a modest increase in possibly younger renters, an actual decline in the age groups most likely to be first time buyers (25-34) and very significant increase in the elderly, many of whom may be looking for rental housing options. There is also substantial increase in age groups likely to be move-up buyers (35-44 and 45-54);
- **Extending the time frame to 2040 suggests that by this time there may be increased demand from younger people who may be renters, perhaps continued but more modest demand for homeownership but continued and very significant demand from an aging population.**

Of course, figures in these projections depend to a great deal on housing prices, housing options, immigration levels and many other possible changes in the demand/supply equation. **What does seem certain however is a growing demand for elderly housing options such as rental housing, and housing options with services.** In the medium term a declining demand from younger people likely to be renters and in the medium-term a modest reduction in the age groups most likely to be first time buyers.

5.3 Household Trends and the Implications for Housing

Growth in the number of households is a basic element of demand for housing units:

- The number of households in the City of Winnipeg increased by 19,935 between 2006 and 2016, a 7.6% increase. The CMA increased by 24,805 or 8.8% and the Outlying Areas by 4,870 or 23.6% (Table 5).

Table 5: Household Growth for the City, CMA, and Outlying Areas

2016 Census	Winnipeg	Winnipeg CMA	Outlying Areas
2006 to 2011	2.9%	3.4%	9.4%
	7,640	9,570	1,930
2011 to 2016	4.6%	5.2%	13.0%
	12,295	15,235	2,940
2006 to 2016	7.6%	8.8%	23.6%
	19,935	24,805	4,870

Source: Statistics Canada

- In the past a significant component of the increase in the number of households has been falling household size. **Household size** fell for many years and after being near 4 persons per household in the fifties and sixties it had fallen to 2.4 persons in 2001. It remained at that level until 2011 then rose slightly to 2.5 in 2016. This increase, it is suggested, is due to the arrival of a significant number of immigrants, many of them large families. It **is not expected to change significantly in the coming years so will not be a significant factor in increasing housing demand**;
- Currently, 30.1% of the households contain only one person, 32% contain two people, 15.2% three persons, and 22.7% four or more persons. These proportions are relatively unchanged since 2001, although the proportion of four or more person category has increased slightly, and

the proportion of one person households has declined slightly. The increase in larger households may again be related to significant immigration to the City (Table 6);

Table 6. Household Size from 2006 to 2016 for Winnipeg City

Household Size	2006		2011		2016		2006 to 2011	2011 to 2016	2006 to 2016
Total	261,110	100%	268,750	100%	281,045	100%	2.9%	4.6%	7.6%
1 person	82,230	31.5%	83,515	31.1%	84,595	30.1%	1.6%	1.3%	2.9%
2 persons	83,195	31.9%	85,495	31.8%	90,015	32.0%	2.8%	5.3%	8.2%
3 persons	39,240	15.0%	40,425	15.0%	42,585	15.2%	3.0%	5.3%	8.5%
4 or more persons	56,445	21.6%	59,305	22.1%	63,845	22.7%	5.1%	7.7%	13.1%
Av People Per Household		2.4		2.4		2.5			

Source: Statistics Canada

- **In terms of absolute number of households, the most significant percentage increases have been in the four-person category.** Despite declining household size, the highest percentage increase over the 2006-2016 period has been for 4+ person households at 13.1%, followed by 3 person at 8.5%, two person at 8.2%, then one person at 2.9%, again perhaps the influence of immigration;
- When actual numbers are considered the number of one-person households increased by only 2,365 between 2006 and 2016, two persons by 6,820, three persons by 3,345 and four plus persons by 7,400;
- Household size is important when it comes to the size and number of bedrooms required to adequately accommodate households in rental units. As will be pointed out later, **the industry has focused to a much greater extent on building one- and two-bedroom apartments and it is true that over 60% of households contain only one or two people;**
- **However, the greatest growth over the past decade has been in the four plus person category** and many studies have pointed out that larger low-income families have a great deal of difficulty finding rental accommodation of an adequate size at a price they can afford.

Housing market analysis pays considerable attention to the changing number of households in each generation in the population as housing characteristics change considerably as people move through each generational group. In 2016 3.4% of the households were under 25 (the **Post Millennials**), 16.0% were 25 to 34 (**the Millennials**), 18.0% were 35-44 (**older Millennials and younger Generation X**), 19.7% were 45-54 (**Generation X**), 19.2% were 55-64 (**the younger Boomers**), 13.2% were 65-74 (**the older Boomers and young Silent Generation**) and 10.5% were 75 and older (**the Silent Generation**).

Although the generational designations and relationships to housing are general, they do have considerable relevance for housing markets:

- **Post Millennials** are just leaving home, and most are likely to be moving into the rental market;
- Most of the **Millennials** are already in the rental market and many have transitioned (others trying to transition) into homeownership – first time buyers;
- Many **Generation X** households are already homeowners, although some have never been able to make the transition from rental because of limited incomes or high debt loads;

- Most **Boomers** have been homeowners for some time and have benefited from rising house prices in recent decades so many have considerable wealth in appreciated house values. A large percentage are mortgage free and can use the appreciated value in their home to downsize to other housing options – rental, life-lease, condo, assisted living etc.;
- Some of the **Silent Generation** still remain in their owned homes but many have already made the move to other senior housing options – again life leases, condo, assisted living or other levels of care.

Dividing the population into these generational groups certainly lends considerable credibility to these generalizations. Table 1 in Appendix 2 illustrates that 83% of those under 25 (Post Millennials) are renters, as are 50% of the Millennials (25-34) but many of the Millennials have already made the transition to ownership as 50% of this age group are already in an ownership situation. 68% of the 35-44 age group (older Millennials and younger Generation X) are already in ownership households as are 75% of the 45-54 (Generation X) and 77% of the younger Boomers (55-64). This proportion only falls slightly to 75% for the 65-74 age group (older Boomers and younger Silent Generation) while 66% of the 75+ (older Silent Generation) are still owners. There are still many of this generation that have not moved into rental or assisted living housing options.

The largest concentration of renters in the Winnipeg population are under the age of 34 as one would expect, and the proportion of renters declines with each age group until 75+ and even then, there is only a modest increase – 10.5% to 10.8%. The affordability of homeownership in the City no doubt has a significant effect on this distribution which is likely much different than cities like Toronto and Vancouver where much higher house prices limit access to ownership.

After the age of 34 roughly one quarter to one third of the population live in rental accommodation – no doubt the majority of these people cannot afford ownership but it also includes people who have no desire to own a home or rent for some of the other reasons noted earlier in this report.

The distribution within the rental population illustrates that 32% of renters are under 35, 17% are 35-44, 16% 45-54, 14% are 55-64, 11% are 65-74 and 11% 75 or older. With the exception of the concentration under 35 renters are more equally distributed in the other age groups. The distribution of owners is much different with only 13% under the age of 35, a much greater proportion in the middle age groups but still 25% are 65 or older (Table 1, Appendix 2).

As these different generational groups move through the housing market, they affect the demand for rental and ownership options and different types of housing design. **The aging generational groups suggest a declining demand for rental from aging Millennials, a continued demand for ownership from aging Millennials and perhaps an increasing rental demand from aging Boomers and the Silent Generation.**

Although it is important to distinguish households by age and identify market implications it is also important to examine households by type;

- Three types of households make up the majority of households in the City: one person households – 84,615 or 30.1%; families without children – 72,975 or 26.0%; and families with children – 63,655 or 22.6% (Table 7);

Table 7: Change in City Household Types 2006-2016

Household Type	2006	2016	Change 06-16	Percentage Change
Total Households	261,130	281,050	19,920	7.6%
Census Family Household with Children	58,200	63,655	5,455	9.4%
Census Family Household without Children	69,235	72,975	3,740	5.4%
Census Family Household Lone Parent	26,680	26,900	220	0.8%
Multiple Census Family Household		6,035		
Census Family Households with Additional Persons	13,565	19,455	5,890	43.4%
Non-Census Family One Person Household	82,220	84,615	2,395	2.9%
Non-Census Family Two or more Person Household	11,230	13,455	2,225	19.8%

Source: Statistics Canada, 2006 and 2016

- Lone parents account for 26,900 or 9.6% of households, 13,420 or 4.8% are family households with additional persons;
- 13,455 or 4.8% non-family households with two or more persons; and,
- 6,035 or 2.1% multiple family households.

It is also worth noting the absolute and percentage increases in the different household types. Over the 2006-2016 period:

- family households with children increased by 5,455 or 9.4% over the period;
- family households without children by 3,740 or 5.4%. Families without children include a significant number of aging boomers and younger silent generation people;
- one person households by 2,395 or 2.9%;
- non-family with two or more persons by 2,225 or 19.8%;
- lone parent households by 220 or 0.8%. Families with additional persons increased 18.9% between 2011-2016. Many of the family households with additional persons include aging parents. Multiple family households increased 16.5% between 2011-2016;
- The low increase in the number of lone parents is perhaps partially attributed to re-marriages or partnering in a common-law situation, but the actual number of lone parent families have increased significantly. Table 2 in Appendix 2 provides additional detail on lone parent families in the City and the CMA. In 2001 there were 31,075 lone parents in the City and 32,315 in the CMA. These figures rose to 33,565 and 35,010 by 2006 and 35,115 and 36,950 in 2016. Approximately 17-20% is male led and 80-83% female led, depending on the year. Between 2001 and 2006 lone parents increased by approximately 8% and 5% between 2006 and 2016; and,

- In the City specifically in 2016 there were 35,115 lone parents but only 26,900 lone parent households. This suggests that there are 8,215 lone parents or 23% of all lone parents not living in separate households. They are obviously part of other household units – living with parents, relatives, other lone parents etc. This may be by choice for some but for many it is likely because they cannot afford to live on their own. This may well be an unmet demand for rental housing.

Overall, the changes by age group, generational designation and household type suggest a moderating demand for rental from younger people, likely an increasing demand for rental from an aging population and a continued demand for family ownership housing. Again, however, there are many other aspects of the market that could affect these aging and household trends.

5.4 Households by Tenure

In 2016 there were 182,395 homeowners in Winnipeg or 64.9% of all households. There were 98,655 renters or 35.1% of all households. **Over the 2001-2016 period the number of homeowners increased by 21,635 or 13.5%, renters increased by 6,600 or 7.2%.** (Table 8). The increase in homeowners in the CMA was significantly higher at 16.7% over the same period. Renters increased by 7.6%. The greatest percentage increases occurred in the Outlying Areas with the majority being homeowners.

Over the past three decades the percentage owning a home has grown and reached close to 66.0% in the City in 2006 but has declined slightly since then, perhaps because of an aging society, increases in the cost of housing relative to income, and rising levels of non-mortgage debt.

The level of homeownership is much higher in the areas of the CMA outside the City boundaries as 94.1% of households own and only 5.9% rent. If the CMA as a whole is considered the proportion of homeowners reached just over 68% in 2011 before falling back slightly to just over 67% in 2016.

The City is gradually losing a higher proportion of ownership households to the Outlying Areas and is becoming home to a greater proportion of renters.

Table 8: Households by Tenure, City and CMA, 2001 and 2016

	Owner2001		Renter2001		Owner 2016		Renter2016		Own Increase		Rent Increase	
	#	%	#	%	#	%	#	%	#	%	#	%
City	160,760	63.4	92,055	36.4	182,395	64.9	98,655	35.1	21,635	13.5	6,600	7.2
CMA	176,755	65.5	93,115	34.5	206,285	67.3	100,150	32.7	29,530	16.7	7,035	7.6
Out Area	15,995	93.8	1,060	6.2	23,890	94.1	1,495	5.9	7,895	49.4	435	41.0

Source: Statistics Canada, 2016

6.0 The Supply Side of the Rental Market

Rental housing is only part (about 35%) of all the dwellings in the City. A few points on the housing supply inventory as a whole provides important information for more detailed discussion of the rental sector itself. Drawing information from the 2016 census for the City and the CMA indicates that:

- The total number of occupied dwellings in the City in 2016 was 281,045, up 11.2% from 252,815 in 2001. The CMA had 306,550, up 13.5% from 269,990 in 2001, the Outlying Areas 25,505, up 48.5% from 17,175 in 2001 (Table 9);

Table 9: Trends in the Total Number of Dwellings for Winnipeg, 2006, 2011, and 2016

	Total Dwellings			Percent Change		
	2001	**2011**	**2016**	**2001 to 2011**	**2011 to 2016**	**2001 to 2016**
Winnipeg City	252,815	268,750	281,045	6.3%	4.6%	11.2%
Winnipeg CMA	269,990	291,315	306,550	7.9%	5.2%	13.5%
Outlying Areas	17,175	22,565	25,505	31.4%	13.0%	48.5%

Source: Statistics Canada, 2001,2011,2016

- Although the City still contains the vast majority of dwellings (91.7%) in the CMA – growth outside the City boundaries is much more rapid;
- In 2016 **single detached dwellings still dominated the housing inventory in the City** – 166,955 units or 59.4% of all dwellings. Apartment buildings with five or more storeys contained 36,730 units or 13.1%, apartments of fewer than five storeys contain 50,660 units or 18.0%. The remaining 10% consist of 10,590 semi-detached, 10,060 row and 5,095 apartments in a duplex and some mobile dwellings (Table 10);
- **The highest proportional growth in the City over the period 2001-2016 has been in apartment buildings with fewer than five storeys** – 20.2%, followed by apartments or flats in a duplex at 17.2%, then single-detached dwellings at 10.3%;
- **The highest unit growth in the City over the 2001 to 2016 period has been single detached units at 15,600,** followed by apartments with fewer than five storeys at 8,510, then apartments five storeys plus at 1,590;
- Nearly all the growth, 7,375 (89%) of 8,325 units in the Outlying Areas has been single detached units;
- In the CMA over the 2010 to 2019 period, 19,060 or 43.8% of the housing starts were single detached, 1,788 or 4.1% were semi-detached, 3,773 or 8.9% were row and 42.6% or 18,925 were apartment units (Table 11). The figures in the Table 11 illustrate that single detached starts have declined in recent years and apartment starts have increased as a proportion of annual starts.

Table 10: Trends by Structure Type for the Winnipeg City, Winnipeg CMA, and Outlying Areas

	Winnipeg City			Winnipeg CMA			Outlying Areas		
	2001	2016	2001 to 2016	2001	2016	2001 to 2016	2001	2016	2001 to 2016
Total number of occupied private dwellings	252,815	281,050	28,235 (11.2%)	269,990	306,550	36,560 (13.5%)	17,175	25,500	8,325 (48.5%)
Single-detached house	151,355	166,955	15,600 (10.3%)	167,235	190,210	22,975 (13.7%)	15,880	23,255	7,375 (46.4%)
Apartment of five or more storeys	35,140	36,730	1,590 (4.5%)	35,145	36,875	1,730 (4.9%)	5	145	140 (2800%)
Semi-detached house	9,805	10,590	785 (8.0%)	9,865	10,815	950 (9.6%)	60	225	165 (275%)
Row house	9,185	10,060	875 (9.6%)	9,275	10,265	990 (10.7%)	90	205	115 (128%)
Apartment or flat in a duplex	4,345	5,095	750 (17.2%)	4,375	5,120	745 (17.0%)	30	25	-5 (0.0%)
Apartment of fewer than five storeys	42,150	50,660	8,510 (20.2%)	42,355	51,420	9,065 (21.4%)	205	760	555 (270%)
Other single-attached house	390	320	-70 (0.0%)	450	355	-95 (0.0%)	60	35	-25 (0.0%)
Movable dwelling	450	630	180 (40.0%)	1,290	1,495	205 (15.9%)	840	865	25 (2.8%)

Source: Statistics Canada, 2001, 2016

Table 11: Housing Starts by Type of Dwelling, Winnipeg CMA, 2010-2019

Year	Single Detached	Semi-Detached	Row	Apartment	Total
2010	1,921 (59.2%)	42 (1.3%)	140 (4.3%)	1,141 (35.2%)	3,244
2011	2,002 (60.1%)	38 (1.1%)	333 (10%)	958 (28.8%)	3,331
2012	2,129 (52.4%)	118 (2.9%)	188 (4.6%)	1,630 (40.1%)	4,065
2013	2,218 (47.1%)	114 (2.4%)	449 (9.5%)	1,924 (40.9%)	4,705
2014	1,877 (44.2%)	130 (3.1%)	427 (10.1%)	1,814 (42.7%)	4,248
2015	1,649 (37.5%)	294 (6.7%)	382 (8.7%)	2,075 (47.2%)	4,400
2016	1,858 (45.8%)	208 (5.1%)	353 (8.7%)	1,635 (40.3%)	4,054
2017	2,272(40.4%)	412 (7.3%)	620 (11.0%)	2,317 (41.2%)	5,621
2018	1,874 (34.8%)	206 (3.8%)	548 (10.2%)	2,756 (51.2%)	5,384
2019	1,260 (28.0%)	226 (5.0%)	333 (7.4%)	2,675 (59.5%)	4,494
Total	19,060	1,788	3,773	18,925	43,546
Percent	43.8	4.1	8.7	42.6	100.0

Source: CMHC, Housing Now Tables, various years

Another way of looking at additions to the housing inventory is starts by intended market (ownership, rental or condo). There has been considerable variation in recent years:

- **Over the period 2010 to 2019 47.5% of all starts or 20,677 units were intended for the freehold ownership market, 27.3% or 11,903 units were for the rental market and 25.2%% or 10,966 for the condo market (**Table 12);

Table 12: Housing Starts by Intended Market, Winnipeg CMA, 2010-2019

Year	Ownership	Rental	Condo	Total
2010	1,921 (59.2)	807 (24.9)	516 (15.9)	3,244
2011	2,006 (60.2)	812 (24.4)	513 (15.4)	3,331
2012	2,186 (53.8)	844 (20.8)	1,035 (25.5)	4,065
2013	2,314 (49.2)	808 (17.2)	1,583 (33.6)	4,705
2014	1,997 (47.0)	655 (15.4)	1,596 (37.6)	4,248
2015	1,898 (43.1)	1,651 (37.5)	851 (19.3)	4,400
2016	2,046 (50.5)	1,191 (29.4)	817 (20.2)	4,054
2017	2,683 (47.7)	1,132 (20.1)	1,806 (32.1)	5,621
2018	2,110 (39.2)	1,784 (33.1)	1,490 (27.7)	5,384
2019	1,516 (33.7)	2,219 (49.4)	759 (16.9)	4,494
Total	20,677	11,903	10,966	43,546
Percent	47.5	27.3	25.2	100.0

Source: CMHC Housing Now Tables, various years

- The proportion for the freehold ownership market declined over the decade from as high as 50-60% in 2010-2012 to as low as 34% in 2019;
- **The proportion targeted to the rental market rose from as low as 15.0% in 2014 to as high as 49% in 2019;**
- Units targeted to the condo market fluctuated significantly from as low as 16% in 2010 and 2011 to as high as 38% in 2014. **It is worth noting that 20.3% of condo units in the City are rented;**
- **Starts intended from the rental market have increased significantly in recent years.** After averaging around 800 units per year from 2010 to 2014, they jumped to an average of over **1,600 units per year from 2015 on;** and,
- In the period 1990-1995 average annual starts intended for the rental market stood at 91, units. This average rose to 168 units in 1996-2000, 305 during 2001-2005, 582 during 2006-2010, 800 in 2011 to 2014 and 1600 during 2015 to 2019.

Winnipeg's housing stock is relatively old compared to other cities in Western Canada:

- 34.5% was built in 1960 or earlier, another 33.5% between 1961 and 1980, only 12.9% has been built since 2000 (Table 13);
- A much larger percentage of the owned stock was built before 1960 than the rental stock – 37.8% versus 28.5%;
- The reverse is true of the 1961-80 period when the rental market was building to accommodate the young boomer population when 42.1% of the rental stock was built versus 28.6% of the owned stock;
- Since 1981, however, the figures indicate a newer inventory of owned stock as construction of rental units declined because of declining demand and rising vacancy rates in the early 2000s;
- The CMA stock illustrates the same trends, although the stock is slightly younger overall in the CMA;

Table 13: Age of Housing Stock by Tenure for the City and CMA, 2016

	City			CMA		
Year	Total %	Owner %	Rental %	Total %	Owner %	Rental %
Before 60	34.5	37.8	28.5	32.6	34.7	28.4
1961-80	33.3	28.6	42.1	32.6	28.2	41.8
1981-90	12.8	13.4	11.9	13.2	13.8	11.8
1991-00	6.4	6.2	6.7	7.2	7.4	6.7
2001-16	12.9	14.1	10.9	14.4	15.9	11.2
Total Unit	281,045	182,395	98,650	306,550	206,285	100,150
Maj Rep#	22,015	13,000	9,015	23,440	14,215	9,190
Maj Rep%	7.8	7.1	9.1	7.6	6.9	9.2

Source: Statistics Canada, 2016

- **In part because of its age a relatively high proportion, 7.8% of all the stock need major repair, although this percentage has fallen since 2001 when it was 9.4%. The proportion in 2006 was 8.5%% (Table 14).** There has been significant improvement in the condition of the stock over the last decade and a half despite the relatively old age of the housing inventory;
- **As Table 13 illustrates a higher proportion of rental units need major repair compared to owned units,** 9.1% versus 7.1% In the City, and 9.2% versus 6.9% in the CMA;
- Naturally the proportion of rental units in need of major repair increases with age from less than 1% for units built since 2000 to just over 15% for units built in 1960 or earlier; and,
- **Units in the Outlying Area are in better condition as only 5.6% need major repair.**

Table 14: Dwellings in Need of Major Repair, City and CMA, 2001-2016

	2001		2006		2011		2016		2001 to 2016
Winnipeg City	23,735	9.4%	22,230	8.5%	25,080	9.3%	22,015	7.8%	-7.3%
Winnipeg CMA	25,465	9.4%	23,745	8.4%	26,735	9.2%	23,440	7.6%	-8.0%
Outlying Areas	1,730	10.1%	1,515	7.3%	1,655	7.3%	1,425	5.6%	-17.6%

Source: Statistics Canada, 2001-2016 Census.

Table 15 highlights the rental sector in more detail illustrating:

- The significant proportion of the rental stock built in the 60s and 70s to accommodate the boomers – about 42% of the existing stock;
- About 16% of the stock built 1960 or before needs major repair. This falls to about 9% for the stock built to accommodate the boomers in the 60s and 70s; and,
- Thereafter, the percentage in need of major repair drops off significantly.

These figures, however, do highlight the fact that considerable expenditures will be required on renovation and upgrading in the coming years to maintain the quality of the rental housing stock.

Table 15: Rental Units by Age Needing Major Repair, 2016

Year	City Total Rental Units		CMA Total Rental Units		City Rental Units Needing Major Repair		CMA Rental Units Needing Major Repair	
	#	%	#	%	#	%	#	%
1960/ before	28,105	28.5	28,465	28.4	4,375	15.6	4,450	15.6
1961-1980	41,495	42.1	41,865	41.8	3,580	8.6	3,660	8.7
1981-1990	11,715	11.9	11,880	11.9	685	5.8	700	5.9
1991-2000	6,605	6.7	6,735	6.7	260	3.9	260	3.9
2000-2016	10,735	10.9	11,195	11.2	110	1.0	115	1.0
Total	98,655		100,140		9,010	9.1	9,185	9.2

Source: Statistics Canada, 2016

6.1 The Supply Side Components of the Rental Housing Market

The rental housing stock is made up of several different components. There are:

- The private rental townhouses and apartments as defined by the CMHC vacancy survey (consisting of projects with three or more units);
- The social/affordable housing stock consisting of subsidized public or affordable rental units;
- Rental units in condominium projects; and,
- Secondary rental units which consist of rental units in owner-occupied houses like basement suites, duplexes, rooming houses, rented mobile homes, etc. These are rental "projects" consisting of less than three units.

If one "unpacks" the rental inventory in Winnipeg the picture looks something like the following:

- The private rental (apartments and townhouses) portfolio in the CMHC vacancy survey – approximately 62,000 as of October 2019;
- The social and affordable housing portfolio (subsidized housing) – 12,286;
- Other supportive housing projects – 1,400 units;
- Rental Housing for the military – 507 units;
- Non-profit units administered by CMHC, approximately 50 units;
- Units in projects where subsidy agreements have recently expired, perhaps 3,200 units. Rents are no longer subsidized but may be more affordable than most rental units;
- Condominiums that are rented – 3,880 as of October 2019;
- Rental units in the "secondary" rental market – 24,646; Rental units in the secondary market consist of single detached – 60.5% or semi-detached, row or duplex – 39.5%.
- **Total rental units identified – 108,000**.

These figures are certainly an approximation but seem reasonably close as the number of rental households identified in the 2016 census was 100,150 and this did not include vacant units or rental units constructed since the 2016 census.

6.2 Private Rental Apartments

The inventory of private rental apartments and townhouses is the most significant component of the rental sector and there have been significant changes in this rental universe that CMHC covers in its biannual survey. It makes up 60-65% of the entire rental stock in the City. **Like the rental sector as a whole, this stock declined for many years.** Modest increases in this stock started in 2013/14 but it is only since 2015/16 that any significant increases have occurred:

- This universe contained over 60,000 rental units in 1990 but by 2006 there were only 54,135 private rental units in Winnipeg (Table 16);
- **Declined continued until 2013 when there were just 53,417, then there was a gradual increase to 56,801 in 2016;**
- There has been **a more rapid increase since then with this inventory rising to just over 62,000 in October 2019 (Table 16);**
- Between 1992 and 2019 the number of rental units in this inventory only increased by a little over 4% while Winnipeg's population increased by approximately 20%; and,
- The decline that did occur was largely in the older stock. Stock built prior to 1960 declined by 1,143 units or 8.2%. Stock built between 1960 and 1979 declined by 905 units or 2.8% and stock built between 1980 and 1999 by 315 units or 4.7%.

Changes in the rental sector vary depending on the type and size of the unit:

- Detailed figures by unit type are only available to October 2019 but during the period 2006-2019 **bachelor units declined by 285 units or -6.9%, one-bedroom units, after declining from 27,395 in 2006 to 26,161 in 2013 increased by 1,732 units or 6.3% by 2019, two-bedroom units never really declined and increased by 6,015 units or 29.2% by 2019 and three plus bedroom units declined only slightly then increased by 590 or 29.5% (Table 16);**
- Nearly all the increases in all unit types have occurred since 2015/16;
- As of October 2019, there were 3,869 (6.2%) bachelor units, 29,127 (46.8%) one bedrooms, 26,603 (42.7%) bedrooms and 2,588 (4.2%) three + bedrooms in this inventory;
- **Although there are fewer 3+ bedroom units in the inventory, proportionally they have increased the most since 2006** – 29.5%, followed by two-bedroom units at 27.2%, one bedrooms at 6.3% and bachelors declined -6.9%;
- **The limited number of units with three or more bedrooms presents a significant problem for larger low-income families** who require three or more bedrooms. Trying to find accommodation they can afford is a particular challenge;
- **The private rental sector is dominated by one- and two-bedroom units as they make up approximately 90% of this inventory (Table 16);**
- Although most of the private rental inventory is in apartments there are a number of townhouse units that are rented. Rented townhouse units have been increasing, from 1,333 in 2015 to 1,814 in 2018, a 51% increase; and,
- The majority of townhouse units are three bedrooms (67.1%), followed by two-bedroom units (25.5%), then one bedroom (5.2%) and bachelor (2.3%).

Table 16: Total Number of Private Rental Housing Units by Bedroom Type Winnipeg: Oct 2006 to Oct 2019

Year	Bachelor	One Bedroom	Two Bedroom	Three+ Bedrooms	Total
2006	4,154	27,395	20,588	1,998	54,135
2007	4,057	27,003	20,647	1,866	53,573
2008	3,989	26,876	20,833	1,822	53,520
2009	3,908	27,044	21,436	1,976	54,364
2010	3,714	26,648	21,182	1,932	53,476
2011	3,683	26,341	21,536	1,861	53,421
2012	3,653	26,416	21,690	1,931	53,690
2013	3,642	26,161	21,684	1,930	53,417
2014	3,661	26,788	22,607	1,929	54,985
2015	3,788	27,117	23,466	2,118	56,489
2016	3,740	27,108	23,710	2,243	56,801
2017	3,754	27,748	24,849	2,367	58,718
2018	3,938	28,587	26,139	2,535	61,199
2019	3,869	29,127	26,603	2,588	62,187
Change 06-19	-285	1,732	6015	590	8,052
Change 06-19	-6.9%	6.3%	29.2%	29.5%	14.9%
% of Total	6.2%	46.8%	42.7%	4.2%	

Source: CMHC Rental Market Reports, 2006 to 2019

This decline that occurred in this sector of the rental market can be attributed to a number of factors:

- **High rental vacancy rates** certainly help initiate decline through the 90s as rates reached 6% in the first half of the 90s and did not fall back to 3% (balanced market) until 1999, then dropped to a low of 0.8% in 2010 before gradually climbing back to 3% in 2019 (Table 17) ;
- **The increasing proportion of households that were able to move into the ownership market** has also reduced the demand for rental accommodation. In 2001 65.5% of the households in Winnipeg were owners. This rose to 67.2% in 2006, 68.4% in 2011, before falling back slightly to 67.4% in 2016. Occupied ownership units increased from 176,735 in 2001 to 206,285 in 2016 (Table 8);
- Occupied rental units declined from 93,155 in 2001 to 92,140 in 2011, then increased to 100,150 in 2016;
- The percentage change in the occupied rental stock was a -0.7% during the 2001-2006 period, then -0.3% between 2006 and 2011 then increasing 8.7% between 2011 and 2016. Change over the entire 2001 to 2016 period was 7.6% or 7,035 units in the metro area;
- Occupied ownership stock, on the other hand increased 7.1% from 2001 to 2006, 5.3% between 2006 and 2011, and 3.6% between 2011 and 2016. Change over the entire 2001 to 2016 period was 16.7%, more than double the percentage change in rental stock and 29,530 units;
- **Between 2001 and 2016 the number of homeowners in Winnipeg increased by close to 30,000 while renters increased by only 7,000 (Table 8).** Winnipeg for years has been one of the most affordable homeownership markets in Canada and many young households can opt for ownership, whereas in many other cities households with the same income are likely to remain renters;
- **Demolitions** of some of the older stock may also have contributed in a minor way to decline in the rental stock;

- **Perhaps one of the most important influences has been the condominium market. Condo conversions of several apartment buildings, generally older stock, but not always, have reduced the rental inventory over the past couple of decades.** The effect was particularly noticeable for the more affordable rental units. **Lower income households have suffered the most by the condo conversion process;**
- Although condominiumization took units out of the rental market portfolio, **the leakage was not as great as many suggest**. **Many units in rental apartments that were condominiumized remain rented although often at higher rents than prior to condominiumization** – in many cases purchased by investors who rent them. In new purpose-built condos many of the units are also rented. This has helped absorb a considerable amount of rental demand;
- The condo market has had an influence on the rental sector in another fashion. **Condos, particularly the older and smaller units, are very reasonably priced. Providing an individual or couple have a down payment, the monthly carrying cost of many condo units is less expensive than renting.** This has certainly been a factor that has affected rental demand. Many young, single individuals have taken advantage of these modest prices to purchase a condo instead of renting;
- There is little doubt that the affordability of homeownership in Winnipeg has played a major role in rental market dynamics, certainly reducing demand relative to most other cities in Canada;
- **More adult children living at home may have also reduced rental demand**;
- There may also have been some **repurposing of some apartments to other uses**; and,
- The number of units in the "secondary" rental market (basement suites, single -detached houses, duplexes, etc.) does absorb a considerable amount of the rental demand.

Growth in the condominium market has had a considerable effect on the rental market – generally leading to a loss of affordable units for low income households and attracting people away from the rental sector with modest sale prices for one- and two-bedroom condos.

There were certainly many factors that had an impact on rental demand during this period but even during some years of low vacancy rates there was not an appreciable increase in private rental construction which would suggest the economics were not particularly attractive to rental unit investment.

6.3 The Secondary Rental Market

CMHC also surveys units in what is called t**he Secondary Rental Market. This includes rented single-detached homes, rented semi-detached homes, rented townhouses, duplex apartments, accessory apartments like basement suites, rented condominiums and one or two apartments in commercial structures.**

Most recent surveys have included 28,606 units:

- This includes a sample of approximately **3,900 condominium units in October 2019 that are rented which is 20.3% of all condo units in Winnipeg**. The percentage of the condo units rented ranges from 21% in the Core to 15.5% in the suburban north and 22.1% in the suburban south;
- The percentage of condo units rented also varies by project size ranging from 23.3% for projects of 3-24 units, to a low of 16.9% for projects of 50-99 units and 21.9% for projects of 100 units or more;

- **The average rent for condos is higher than for apartments -- $1,308 versus $1,070.** Two bedrooms rent for $1,412 per month which is $189.00 more than a two-bedroom apartment at $1,223. The average rent for a one-bedroom condo is $1,034 ($957), bachelors at $827 ($733);
- The sample also includes 11,492 single detached units, 10,078 semi and row units as well as just over 3,000 accessory apartments for a total of 24,646 units. (as of October 2017);
- **Rents have increased considerably in this secondary portfolio as well**. Average rents for single-detached units have climbed from approximately $960 in 2011 when the survey started to just under $1100 in 2017, an increase of 14.6% in six years. (as of October 2017);
- Rents for semi and row units have climbed from $930 in 2011 to approximately $1100 in 2017, an increase of 18.3%. (as of October 2017);
- Accessory apartments have cheaper rents but have climbed from $635 to about $850 or 33.9%; and,
- Rents in this total portfolio have climbed from about $900 per month to $1054 or 17.1%. (as of October 2017)

Rental supply, until recently, has experienced a long period of stagnation. Increase in rental housing supply has been relatively modest, at least compared to increases in ownership stock. It is only since 2015 that starts intended for the rental market have passed the 1,000 mark annually, reaching 2,219 in 2019.

Many researchers and policy analysts point to these figures as evidence of significant undersupply in the rental market. There may have been undersupply, particularly during some years over the past 15 years but perhaps not as significant as many people suggest because the private market inventory monitored by CMHC is only one component of the rental inventory in the Metropolitan Area.

Leaving the question of over or undersupply aside there is no doubt that until recently there has been only very modest investment in the rental sector in recent years.

6.4 Vacancy and Turnover Rates in the Rental Market

A balanced market is supposed to be reflected in a 3.0% vacancy rate. This at least theoretically provides consumer choice without adversely affecting producer profit. From the 1990s through to about 2000 the vacancy rate was above 3.0%, actually over 6.0% in 1990. Since 2000 it has dropped as low as 0.8%, rising more recently to 2.9% in 2018 and 3.1% in 2019. The discussion below provides details by unit size, age, unit type and other factors:

- The private apartment rental market universe contained 60,629 apartment units in October 2019: 21,931 (36.2%) of these units were in the Core Area of the City, 38,521 (63.5%) in Suburban Areas and 177 (0.3%) in the Outlying Area;
- **Since the year 2000 the vacancy rate remained below the level considered as a balanced market (3.0%), until 2015 but has hovered very close to the 3.0% level since then;**
- After falling to 0.8% in 2010 it has risen slowly to 2.5% in 2013 and 2014, 2.9% in 2015, falling slightly to 2.8% in 2017 then back to 2.9% in 2018 and 3.1% in 2019 (Table 17);
- **Vacancy rates have increased for all unit types since reaching very low levels in 2010;**
- Current vacancy rates (Oct 2019) stand at 3.2% for bachelors, 3.4% for one-bedroom units, 2.6% for two-bedroom units, and 5.9% for three-bedroom units. Vacancy rates tend to be higher in the Core of the City: 4.2% versus 2.4% in Suburban Areas;

- **Given the current level of vacancies it could be argued that supply is not a particular deterrent to finding rental accommodation, although, price, unit size, and location are likely limiting factors for many households, particularly price;** Despite the noted shortage of three plus bedroom units for larger families the vacancy rate is highest (5.9%) for these larger units. Price and location probably explain this contradiction. Larger, low-income families cannot afford the rent and many of the vacancies are in suburban locations well removed from services these low-income families need;

Table 17: Private Apartment Vacancy Rates by Bedroom Type
Winnipeg: 2010-2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Winnipeg	0.8%	1.1%	1.7%	2.5%	2.5%	2.9%	2.8%	2.8%	2.9%	3.1%
Bachelor	1.2%	1.6%	1.7%	2.7%	3.6%	2.9%	2.1%	2.7%	2.6%	3.2%
One Bedroom	0.8%	0.9%	1.4%	2.4%	2.5%	2.7%	3.0%	3.0%	2.9%	3.4%
Two Bedroom	0.8%	1.2%	2.0%	2.5%	2.4%	3.2%	2.8%	2.6%	3.0%	2.6%
Three + Bedrooms	1.2%	0.9%	1.1%	2.9%	2.0%	3.0%	2.8%	2.9%	3.7%	5.9%

Source: CMHC Rental Market Reports, various years

- There is no strong relationship between age and vacancy rates: units built before 1940 had a vacancy rate of 5.8% in October 2019. The rate was 3.6% for units in years 1940-1959, 2.4% for 1960-1074, 3.0% for 1975-1989, 1.1% for 1990-2004 and 3.0% for 2005+. **These figures suggest the oldest and newest units have the highest vacancy rates;**
- Vacancy rates in 2019 were somewhat higher in smaller projects with a vacancy rate of 4.8% in projects of 3-5 units, 4.3% in projects 6-19 units, 3.2% in projects 20-49 units 2.2% in 50-99 units and 2.9% in projects with 100+ units. **Rates are also somewhat higher in units that have more bedrooms, i.e. three + bedrooms;**
- Vacancy rates are also generally higher in units with lower rents; 4.7% for units renting for less than $699, falling to 2.5% for units renting between $900 and $1100 then rising slightly to 3.1% for units renting for $1,300 or more; and,
- Turnover rates, an important aspect of supply stood at 24.4% for the private market inventory in October 2019. Turnover is slightly higher in Core Area units at 26.3% versus 23.3% for suburban units. There was little variation by bedroom type ranging from 24.9% for bachelors, to 24.5% for one bedroom, 24.4% for two bedroom and 21.1% for 3+ bedrooms. It was also slightly higher for older projects at 24.6% for units built prior to 1940, falling to 17.0% for units built between 1960 and 1974, but rising again to 29.4% for units built between 1975 and 1989. It was also higher in smaller projects at 28.2% for 3-5-unit projects falling to 20.6% for projects of 100 units or more.

Vacancy rates in townhouse units are lower.

- The overall vacancy rate in October 2019 was 1.9%, down from 2.6% in October 2018;
- For townhouses the vacancy rate was slightly higher in the City Core at 2.7% compared to 2.0% in the Suburban Areas and 0.4% in the Outlying Areas; and,
- The vacancy rate in townhouse bachelor units was 1.7%, for one bedroom 5.1%, two bedroom 3.1% and three plus bedrooms 1.2%.

The total number of private apartment and townhouse units in the CMHC private market rental inventory covered by their survey was 62,624 units in October 2019. This consisted of 1,995 townhouse and 60,629 apartment units. The City Core contains 22,327 of these units, the Suburban Areas 39,860 and the Outlying Areas 437 units. Within this total inventory the annual turnover rate in 24.3%.

Vacancy rates are also lower in condo units:

- **The number of units covered in the condominium market in the CMHC vacancy survey was 19,129 in Oct 2019;**
- **20.3% of these units (one in five) or 3,880 units were rented;**
- This is up slightly from Oct 2018 when 3,813 or 20.4% of the condo universe of 18,670 units were rented; and,
- **In the most recent vacancy survey (Oct. 2019) the vacancy rate in rented condos was 1.6%, much lower than in the apartment inventory.** The rate is down from 2.9% in October 2018. Vacancy rates are highest in the Core at 2.6% and lowest in the suburban south at 0.7%. Vacancy rates are also higher in smaller projects – 3.4% in projects of 3-24 units as opposed to just 1.1% in projects of 50-99 units.

6.5 Vacancy Rates in Centres Outside the Winnipeg Metropolitan Area

Other urban centres in Manitoba illustrate considerable variation in vacancy rates (Table 4, Appendix 2):

- **Two centres, Brandon and Portage la Prairie, illustrate relatively balanced markets**;
- Brandon's vacancy rate in October 2019 was 2.6%, the rate in Portage was 3.9%;
- Brandon's vacancy rates by bedroom type illustrated a balanced market for Bachelors (2.7%), two bedrooms (2.8%) and three plus bedrooms (2.9%) with one bedrooms in short supply at 1.8%;
- Portage La Prairie vacancy rates were higher than 4% for one- and two-bedroom apartments;
- **Thompson, possibly because of recent mine lay- offs and speculation about mine closures had vacancy rates well above 5% in all bedroom types and an overall vacancy rate of 7.3%;** and,
- **Selkirk, Steinbach and Winkler, all rapidly growing centres and immigrant destinations had low vacancy rates of 1.4%, 1.2% and 0.4% respectively.** Rates were low in all bedroom types and have fallen since October 2018.

Vacancy rates in smaller communities can fluctuate significantly over short periods of time as the closure, or arrival, of even small industries can have a significant effect on demand. This also leads to a level of uncertainty that discourages investment in small communities. Smaller centres also have a more limited inventory by bedroom type. Only Brandon has enough bachelor units to justify a survey. Most of the centres also have very few three- or four-bedroom units. Their inventories consist largely of one- and two-bedroom units.

6.6 Rental Rates

Rental rates have been steadily increasing for the past couple of decades and have been increasing faster than incomes of lower and modest income households in the City. The information below highlights changes in rental rates in the private rental sector over the past several years:

- Average portfolio rents have increased significantly from $807 in 2010 to $1,070.00 in 2019. **This is an increase of 32.6% in approximately 10 years.** Going back to 2006 the average rent was $610 and with the figure of $1,070 in 2019 this represents an increase of 75.4% in 15 years.

These increases are far greater than increases in household income over these periods. The increases have also been greater than general increases in inflation;

- Rents have increased significantly for all unit types in the rental market and in 2019 stood at $733 for bachelor units, $957 for one-bedroom units, $1,223 for two bedrooms and $1,543 for three or more bedrooms (Table 18);

Table 18: Private Apartment Rents by Bedroom Type
Winnipeg: 2010-2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	%^
Winnipeg	$807	$821	$843	$879	$906	$922	$933	$970	$1030	$1070	32
Bach	$544	$567	$562	$603	$603	$620	$634	$655	$697	$733	35
One Bed	$725	$735	$752	$784	$806	$822	$836	$880	$920	$957	32
Two Bed	$934	$949	$971	$1011	$1047	$1054	$1066	$1107	$1179	$1223	31
Three + Bed	$1127	$1111	$1142	$1232	$1225	$1244	$1280	$1390	$1446	$1543	37

Source: CMHC Rental Market Reports, various years

- Percentage increases in rents between October 2018 and October 2019 were significant. For the overall apartment inventory, the increase was 3.5%, for bachelors 4.5%, one bedroom 3.5%, two bedroom 3.1% and three plus bedrooms 4.8%. Rents in Core units increased 4.3% and suburban rents rose 3.0%;
- **Increases by all bedroom types have been significant since 2010,** with rents in bachelor units rising 35%, one-bedroom rents up 32%, two bedrooms increasing 31% and three plus bedrooms up 37%;
- The actual dollar increase in the total private rental portfolio was $263 over the 2010 to 2019 period, bachelors increased $189, one bedroom $232, two bedroom $289 and three plus bedrooms $416;
- **Rents generally decline with the age of the stock:** units built since 2005 rent for an average of $1,461, $1,167 for units built between 1990-2004, $1078 for units built in the period 1975-1989, $1,120 for the period 1960-1974, $890 for the years 1940-1959 and $724 for units built before 1940;
- Average rents are lower in the Core of the City at $956 versus $1,132 in Suburban Areas;
- **Amenities, condition, and location are certainly factors that contribute to falling rents with age;** and,
- **Rents are also higher in projects with more units, and this is likely related to the level of amenities in such projects.** Average monthly rent in projects of 3-5 units is $810 rising to $1,194 in projects of 50-99 units, then falling slightly to $1,154 in projects of more than 100 units.

Rents are higher in townhouse than in apartment units in the private market sector:

- The average rent in townhouse units in 2019 was $1,379, compared to $1,070 in apartments. Bachelor units rented for $778 ($733), one bedroom for $1,093 ($957), two bedroom for $1,276 ($1,223) and three plus bedroom for $1,468 ($1,543), slightly lower than the rent for three plus bedroom apartment units;
- Like apartments, townhouse rents are cheaper in the Core at $1,148 versus $1,420 in the Suburban Areas;
- Rents in the townhouse sector increased 2.6% from 2018 to 2019 compared to 3.5% for apartment units;
- Turnover rates in townhouse units are similar to those for apartment units at 22.2%, with the Core turnover rate at 25.5% compared to 21.4% in Suburban Areas;
- The universe of townhouses that are rented is relatively small – just 1,995 units with 396 in the Core and 1,339 in Suburban Areas and 260 in the Outlying Areas;
- This includes 41 bachelor, 126 one bedroom, 510 two bedroom and 1,318 three plus bedrooms; and,
- **Townhouses are basically a suburban rental option and they are generally larger and newer units than the apartment inventory in general which no doubt contributed to higher rents overall.**

Rental rates are likely to continue to increase by 3.5% to 4.5% annually over the next year or two (Charach, 2020). These increases are expected because:

- There are a number of new units under construction which will drive up average rents as they enter the market;
- Older stock is being renovated and the better quality units after renovation will rent at higher amounts;
- Property taxes continue to increase which will be passed on as higher rents;
- Building valuation by Winnipeg assessors has been particularly aggressive and higher valuations lead to higher property taxes which will be passed on as higher rents;
- There is also concern that the City will remove garbage and recycling collection from apartments leaving them responsible for hiring private firms to do the collection. This, if it happens, will also raise rents; and,
- Increases in sewer and water rates will also be passed on as part of rent increases.

7.0 Household Economics

The financial position of households is a critical factor in determining housing demand and affordability, both currently and in the future.

- In 2016 the average household income in Winnipeg was $86,921, the median $68,331. This is below the national figures of $92,762 and $70,336 respectively. City of Winnipeg figures are also lower than the CMA figures with an average of $89,975 and median of $70,795 (Table 19);
- Incomes of one person households (more likely to be renters) are much lower with an average of $45,555 and median of $37,424 for the City. Two or more person households have much higher incomes with an average of $104,739 and median of $86,478. CMA averages and medians are slightly higher;

Table 19: Average and Median Incomes, City and CMA, 2016

	City		CMA	
2016 Census	**Average Income**	**Median Income**	**Average Income**	**Median Income**
Total Households	$86,921	$68,331	$89,975	$70,795
One-Person Households	$45,555	$37,424	$45,989	$37,743
Two-or-more Person Household	$104,739	$86,478	$107,792	$88,796

Source: Statistics Canada, 2016

- However, these figures represent "before tax income." After tax income is a better measure of purchasing power and ability to pay expenses such as rent. The median after tax income of one person households is about $4,800 lower (Table 20), the average $8,100 lower in the City. For two person households the median after tax is $12,400 lower, the average $19,097 lower. For couples without children the median income is $81,677 the average $101,505. After tax figures are $69,441 and $82,087 – about $12,200 and $19,418 lower. For couples with children the median after tax is $16,441 lower, the average $24,164 lower. For lone parent families the figures are $4,780, and $8,715. Although incomes are slightly higher in the CMA similar differences exist. **People pay rent and mortgages with after tax income**; and,
- Table 20 also illustrates the significant difference in after tax income between household types. Based on median income (which is the dividing line between 50% who have lower incomes and 50% with higher incomes) the range runs from $32,621 for one person households to $74,066 for two+ person households. For families, median incomes range from $48,794 for lone parents to $69,794 for couples with no children and $91,344 for couples with children. Again, significant differences in ability to pay expenses depending on the type of household.

Table 20: Average and Median Income by Household Type: City and CMA, 2016

	City		CMA	
Hhld Type	Median $	Average $	Median $	Average $
Pop 15+ in hhlds	34,964	44,916	35,706	46,029
After Tax	30,968	36,742	31,505	37,458
Trans Paymts	3,345	6,714	3,432	6,736
Empl. Inc.	34,795	43,874	35,361	44,796
Wk. Full Time	50,937	61,165	51,844	62,418
Hhld Income	68,402	86,921	70,795	89,975
After Tax	59,987	71,119	60,846	73,239
One Person Hhlds	37,389	45,555	37,743	45,989
After Tax	32,621	37,404	32,865	37,717
Two+ Person Hhld	86,478	104,739	88,796	107,792
After Tax	74,066	85,642	75,799	87,628
Economic Families	86,756	105,662	89,133	108,708
After Tax	74,198	86,202	75,938	88,180
Couples No Child	81,677	101,503	82,985	102,965
After Tax	69,441	82,087	70,288	82,863
Couples With Chld	107,956	126,792	111,209	130,703
After Tax	91,344	102,628	93,720	105,152
Lone Parent	53,557	63,482	54,242	64,490
After Tax	48,774	54,767	49,295	55,512
Person not in Fam	33,470	41,061	33,855	41,559
After Tax	29,799	34,013	30,076	34,379

Source: Statistics Canada, 2016 Census

Focusing specifically on tenure, the difference between the income of owners and renters is substantial with renters having substantially lower incomes (Table 21):

- The average income of renters in the CMA was less than half the average for owners in 2016. For renters the average was $48,240 versus $110,264 for owners. Renters' incomes are just 44% of owners' income; and,
- Median incomes are lower, but the relationship is the same -- $40,095 versus $89,957.

Table 21: Incomes by Tenure, Winnipeg CMA, 2016

	All Households	**Owners**	**Renters**
Average Income	**$89,975**	**$110,264**	**$48,240**
Median Income	**$70,750**	**$89,957**	**$40,095**

Source: Statistics Canada

Another way of looking at income is the percentage of households in each income decile. The population is divided into ten equal sections based on income. The lowest income decile contains the population in the bottom tenth of the income range, the second decile contains the population in the next 10% of the income range etc. This approach provides further evidence of the lower income position of groups most likely to rent:

- The distribution of the population by deciles varies considerable by household size and type. When size is considered 22.7% of one person households are in the bottom income decile earning less than 20,382, and 83% are in the bottom five deciles earning less than $68,331 (Table 22);

Table 22: Income Deciles by Household Size for the Winnipeg City, 2016

	1 Person		2 Persons		3 Persons		4 Persons		5 Persons	
Bottom decile	22.7%	19,205	5.6%	5,020	5.0%	2,110	3.0%	1,145	2.5%	635
Bottom to Fifth	83.0%	70,240	44.8%	40,345	33.7%	14,370	23.5%	9,015	25.6%	6,515
Sixth to Top	17.0%	14,380	55.2%	49,660	66.3%	28,265	76.5%	29,345	74.3%	18,905

Source: Statistics Canada, 2016

- As household size increases the percentage in the bottom decile falls to 5.6% for two-person households, down to 2.5% for 5+ person households. The percentage in the bottom five falls to 44.8% for two-person households then down to 25.6% for 5+ persons;
- On the other side of the range only 17.0% of one person households are in the top five deciles but this rises to 55.2% for two-person and over 75% for four and five person households;
- Looking at this from another perspective 68.3% of all households in the bottom decile are one person households, 17.9% are two-person households, 7.5% are three-person households and only 2.3% are 5+ person households (Table 23); and,

Table 23: Distribution of Household Size Across Income Deciles: City of Winnipeg, 2016

	Total	1 Person	2 Persons	3 Persons	4 Persons	5 Persons
TOTAL HOUSEHOLDS	100%	30.1%	32.0%	15.2%	13.7%	9.0%
Bottom decile	100%	68.3%	17.9%	7.5%	4.1%	2.3%

Source: Statistics Canada, 2016

- **When one considers that a very large percentage of renters consist of low-income one or two person households the challenges these people face in finding affordable rental accommodation are considerable.**

When the age of the household head is considered it is the younger households that have by far the lower incomes:

- For those under 25, 37% are in the bottom decile, 86% in the bottom five. Things improve considerably as you progress up the age range. The proportion of the 25-34 age group in the bottom decile is 10.7% with 55% in the bottom five. For the 35-44 the proportions are 7.4% and 41.5%. They are slightly higher for older age groups but for households over 75 they still stand at 8.5% and 75.1%. The proportion in the top five deciles rises constantly from 14.3% for under 25 to 62,5% for 45-54 then falls again to 24.9% by the time households are 75 or older (Table 24); and,
- **Who is most likely to rent? The under 25 and the 25-34 as well as the elderly – those households most likely to be in lower income deciles.**

Table 24: Income Decile by Household by Age Group for Winnipeg City, 2016

Income Decile	Less than 25 years	25 to 34 years	35 to 44 years	45 to 54 years	55 to 64 years	65 to 74 years	Over 75 years
Bottom decile	37.0%	10.7%	7.4%	8.2%	10.3%	9.2%	8.5%
Bottom to Fifth	85.7%	54.7%	41.5%	37.5%	41.6%	57.4%	75.1%
Sixth to Top	14.3%	45.2%	58.4%	62.5%	58.4%	42.7%	24.9%

Source: Statistics Canada, 2016

The same data by type of household is also revealing:

- The type of household with the highest proportion in the bottom decile is one-person households with 22.7%, followed by two-or-more persons at 13.9%, then lone parent households at 11.1%. The proportions in the bottom five for these same households stand at 83.0%, 58.8% and 65.1%;
- Family households with or without children have less than 5% in the bottom decile and much lower proportions in the bottom five (Table 25); and,

Table 25: Income Deciles by Household Type for the City of Winnipeg, 2016

Income Decile	Census Households				Non-Family Households	
	With Children	Without Children	Lone Parent	Multiple Families	One Person	Two or more persons
Bottom decile	2.6%	2.8%	11.1%	0.6%	22.7%	13.9%
Bottom to Fifth	37.2%	22.6%	65.1%	15.7%	83.0%	58.8%
Sixth to Top	62.8%	77.4%	34.9%	84.2%	17.0%	41.2%

Source: Statistics Canada, 2016

- **Who is most likely to rent? One and two person households and lone parents – households most likely to have the lowest incomes**.

A high proportion of recent immigrants and Aboriginals also face income challenges:

- 16.0% of recent immigrant households are in the bottom decile and 66.6% in the bottom five; and,
- The same figures for Aboriginal households are 15.1% and 57.2%. Both recent immigrants and Aboriginals tend to be renters (Table 26).

Table 26: Income Deciles by Households led by Recent Immigrants and Aboriginals for the City of Winnipeg, 2016

Income Decile	Recent Immigrants		Aboriginals	
Bottom decile	16.0%	28,115	15.1%	5,880
Bottom to Fifth	66.6%	140,495	57.2%	22,305
Sixth to Top	33.3%	140,555	42.8%	16,665

Source: Statistic Canada, 2016

When the distribution of income by deciles is examined by tenure the stark differences between the income of owners versus renters is revealed:

- Renters have much lower incomes. More than a fifth of renters (21.8%) are in the bottom income decile, 78.5% are in the bottom to fifth. For owners the same proportions are 3.6% and 34.6% (Table 27).

Table 27: Income Deciles by Household Tenure for the City of Winnipeg, 2016

Income Decile	Owners		Renters	
Bottom decile	3.6%	6,580	21.8%	21,540
Bottom to Fifth	34.6%	63,100	78.5%	77,400
Sixth to Top	65.4%	119,300	21.5%	21,250

Source: Statistics Canada, 2016

The unemployment rate, an important aspect of earning power, has fluctuated only slightly over the past two decades in the City or CMA– generally between 5-7%. The long-term average over the past 15 years is 5.64%. The data in Table 28 illustrates that the rate does not vary a great deal from the long-term average, falling from 5.7% in 2001 to 5.2% in 2006 in the City, then rising to 5.9% in 2011 and 6.5% in 2016. CMA rates follow the same trend but are marginally lower than City rates. Since 2016 the overall unemployment rate in the CMA has not changed significantly, falling from 6.3% in 2016 to 6.1% in 2017, rising slightly to 6.6% in 2018 and then falling to 5.3% in 2019 then to its current rate of 5.0% in early 2020.

What does stand out is that the unemployment rates are substantially higher for the 15-24 age group in both the City and the CMA. Unemployment rates for this age group are twice the overall average and at time close to three times the rates for the 25 and older age group. Many of these young people are renters.

Fluctuations over the years have been modest and rates in Winnipeg have generally been near, or sometimes slightly below national averages. Once the effect of the current pandemic works its way through the labour force unemployment rates are likely to change significantly.

Table 28: Unemployment Rates for the City and CMA, 2001-2016

	15 years plus %		Ages 15-24 %		25 years and older %	
	City	CMA	City	CMA	City	CMA
2001	5.7	5.6	10.9	10.7	4.6	4.5
2006	5.2	5.0	11.1	--	3.9	--
2011	5.9	5.7	--	--	--	--
2016	6.5	6.3	14.3	14.1	5.2	5.0

Source: Statistics Canada.

7.1 Household Shelter Expenditures

Shelter cost to income ratios provide a good indication of how much households spend on housing (rent, mortgage, utilities and taxes):

- **When all households in the City are considered 78% spend less than 30%.** Households spending less than 30% are not considered to be spending so much on housing that they do not have sufficient remaining income to reasonably cover other living cost (Table 29);

- **However, 22% do spend 30% or more**, i.e. they are spending unreasonable amounts of their income on housing;
- **The picture is even more bleak when one considers that 8.7% of households spend 50% or more and 5.1% spend 70% or more;** and**,**
-

Table 29: Shelter-cost-to-income Ratio for City of Winnipeg Households, 2016

Shelter-cost-to-income Ratio	Total Households	Percent of Households
Total Households	281,050	100%
Spending less than 30%	219,010	77.9%
Spending more than 30%	61,215	21.8%
Spending more than 50%	24,485	8.7%
Spending more than 70%	14,375	5.1%

Source: Statistics Canada, 2016

- In the CMA, in 2016 21% of households were paying 30% or more of their income on shelter. This is up from 19.5% in 2006. The 21% represents 64,065 households. 38.6% of these households were owners (24,710) and 61.4% were renters (39,350). It is interesting to note that 7,640 (11.9%) of the 64,065 households paying 30% or more in the CMA were living in social housing. (Table 3, Appendix 2). One could safely assume that nearly all of these 7,640 subsidized households would be renters.

The concentration of households paying 30% or more for shelter in the lower income portions of the income range is very evident when households are divided into income deciles. For example:

- When one considers households in the bottom income decile (earning less than $20,382) only 17% spend less than 30%, 80.2% spend 30% or more, 59.5% spend 50% or more and 43.8% spend 70% or more. **Such expenditures on housing obviously create significant hardships for many of these households** (Table 30);
- In the top five deciles (earning less than $68,331), 41.4% of the households pay 30% or more, 17.3% pay 50% or more and 10.2% pay 70% or more;
- However, in the top five deciles, earning between $68,331 and $140, 495 or more only 2.1% (3,000) households pay 30% or more and virtually none are paying 50% or 70% or more; and,
- **Affordability problems are very concentrated in those earning under $68,331.**

Table 30: Shelter-cost-to-income Ratio by Income Deciles for the Winnipeg City, 2016

Shelter Cost to Income Ratio	Spending less than 30%		Spending 30% or more		Spending 50% or more		Spending 70% or more	
	Total	Percent	Total	Percent	Total	Percent	Total	Percent
Bottom decile	4,755	16.9%	22,555	80.2%	16,730	59.5%	12,325	43.8%
Bottom five decile	81,475	57.9%	58,220	41.4%	24,350	17.3%	14,340	10.2%
Top five deciles	137,540	97.8%	3,000	2.1%	145	0.1%	35	0.02%

Source: Statistics Canada, 2016

When expenditures by tenure are considered, significant differences between owners and renters are obvious. **Renters spend much higher amounts of their lower incomes on housing:**

- **Amongst owners 87.6% spend less than 30%, compared to only 60.0% of renters. Only 12.3% of owners (24,668 hhlds) spend 30% or more while the same proportion for renters is 39.4% (39,541 hhlds)**. Only 4.1% of owners spend 50% or more, compared to 17.2% of renters and just 2.4% of owners, compared to 10.2% of renters spend 70% or more (Table 31); and,
- Some renters are paying more than 50% of their income on shelter. In Winnipeg the proportion is 17.2% or 16,985 renter households.

Renters' incomes are lower, and they spend significantly more of that income on housing. This leaves them less money to spend on other basic necessities of life, but it also means that many have to save much longer or wait until their incomes rise before they can transition into homeownership if that is what they want to achieve.

Table 31: Shelter-cost-to-income Ratio by Tenure for the City of Winnipeg, 2016

STIR	Owners		Renters	
Spending Less than 30%	87.6%	159,785	60.0%	59,225
Spending 30% or more	12.3%	22,350	39.4%	38,860
Spending 50% or more	4.1%	7,500	17.2%	16,985
Spending More than 70%	2.4%	4,345	10.2%	10,030

Source: Statistics Canada, 2016

It is also possible to break down the actual shelter costs that households pay 30% or more of their pre-tax income each month (Table 3, Appendix 2). The figures illustrate that for owners 22.5% are paying less than $1,000 per month for shelter, 31% are paying $1,000-$1,500 per month, 25% pay $1,500-$2,000 and 21% are paying $2,000 or more. The average payment for owners in this group is $1,550, the median $1,084.

Renters, because of their significantly lower incomes, reach and exceed the 30% level at much lower shelter cost rates. 56% are paying less than $1,000 per month, twice the portion of owners at this monthly rate. 32% are paying $1,000-$1,500, 9.0% are paying $1,599-$2,000 and only 2.8% are paying $2,000 or more. The average payment for renters is $1,013, the median is $951.

Those in subsidized housing presumably have even lower incomes than renters as a whole and 82% of these households are paying less than $1,000 per month but still have an affordability problem even though they live in subsidized housing. 14% are paying $1,000-$1,500 while fewer than 4% are paying $1,500 or more.

Although these figures are from the 2016 census they serve to illustrate that many renters with their very low incomes cannot afford to pay much in the way of shelter costs without having an affordability problem.

Not surprisingly young households – under 25 – spend the greatest percentage of their income on housing:

- Just under 57% spend 30% or more, 35.1% spend 50% or more and 26.1% spend 70% or more; and,
- The proportion spent on housing drops rapidly with age as only 26.2% of those 25-34 spend 30% or more. This proportion continues to drop and only 17.1% of those 55-64 spend 30% or more. The proportion then rises slightly to 25.3% for those over 75. Proportions spending 50% and 70% or more also drop very low as households age (Table 32).

Table 32: Age of Household Head by Shelter-cost-to-income Ratio Groups, for the City of Winnipeg, 2016

	Spending less than 30%		Spending 30% or more		Spending 50% or more		Spending more than 70%	
Less than 25	42.2%	4,045	56.9%	5,455	35.1%	3,370	26.1%	2,505
25 to 34 years	73.3%	32,860	26.2%	11,745	11.1%	4,990	6.9%	3,095
35 to 44 years	78.5%	39,625	21.1%	10,675	8.0%	4,040	4.9%	2,455
45 to 54 years	81.7%	45,195	18.0%	9,945	7.3%	4,015	4.6%	2,535
55 to 64 years	82.6%	44,670	17.1%	9,270	7.3%	3,965	4.4%	2,390
65 to 74 years	82.1%	30,535	17.8%	6,635	5.3%	1,960	1.9%	715
Over 75 years	74.7%	22,080	25.3%	7,490	7.3%	2,145	2.3%	680

Source: Statistics Canada, 2016

Certain types of households also spend much more on housing than other types, generally single person household, non-family households and lone parents:

- For example, 37.3% of one person households spend 30% or more, 29.7% of two plus person households and 28.3% of lone parent households also spend 30% or more. A significant proportion of these same households spend 50% or more: 16.0% for one person, 15.8% for two+ person and 10.7% for lone parent; and,
- Just under 12% of two plus person, 9.4% of one person and 5.5% of lone parent spend 70% or more. Families, both those with and without children spend a much lower proportion of their income on housing – 11.7% for those without children and 10.5% of those with children spend 30% or more (Table 33).

Recent Immigrants and Aboriginal households who are most often renters also spend higher amounts of their income on shelter:

- Just over 36% of recent immigrants spend 30% or more while 18.3% spend 50% or more and 12.5% spend 70% or more. For Aboriginals the proportions of households in the same categories are 26.9%, 11.0% and 6.2% (Table 34).

Table 33: Household Type by Shelter-Cost-to-Income Ratios: City of Winnipeg, 2016

Household Type	Spending less than 30%		Spending 30% or more		Spending 50% or more		Spending 70% or more	
Family with Children	56,875	89.3%	4,620	10.5%	930	3.2%	1,125	1.8%
Family without Children	64,150	87.9%	5,580	11.7%	1,170	4.0%	1,785	2.4%
Lone Parent	19,240	71.5%	4,745	28.3%	1,380	10.7%	1,490	5.5%
Multiple Families	5,285	87.6%	545	12.3%	135	3.3%	65	1.1%
Non-Family One Person	52,690	62.3%	18,045	37.3%	5,625	16.0%	7,920	9.4%
Non-Family Two+ Person	9,415	70.0%	1,875	29.7%	515	15.8%	1,605	11.9%

Source: Statistics Canada, 2016

Table 34: Shelter-to-Income Ratios for Aboriginal and Recent Immigrant Households, 2016

Winnipeg CSD	Total Households		Aboriginal Households		Recent Immigrants Households	
	Total	Percent	Total	Percent	Total	Percent
Spending less than 30%	219,010	77.9%	28,390	72.9%	8,680	61.8
Spending 30% or More	61,215	21.8%	10,490	26.9%	5,090	36.2
Spending 50% or More	24,485	8.7%	4,290	11.0%	2,570	18.3
Spending 70% or more	14,375	5.1%	2,430	6.2%	1,750	12.5

Source: Statistics Canada, 2016

Average shelter costs vary according to location, age, household type and population group:

- In 2016 the average monthly shelter costs for all households in the City was $1,081, the median $981. For the entire CMA the figures were slightly higher at $1,097 and $989. For the Outlying Areas these same figures were much higher at $1,288 and $1,176 (Table 35);
- **Shelter costs vary with age. Younger households have lower shelter costs with the average for 15-19 years being $965,** rising to $1,016 for 20-24, then $1,110 for 25-34. This trend reflects the transition of households out of the family home and into the rental market. Average costs then rise to $1,258 for households 30-34 as some households in this age group are transitioning from rental to ownership housing. Average costs rise to $1,361 for households aged 40-44 years reflecting higher costs of homeownership, but thereafter begins to decline as many people pay

Table 35: Monthly Shelter Costs for the Winnipeg City and CMA, 2016

	Total Hhlds	Average Monthly Shelter Cost	Median Monthly Shelter Cost
Winnipeg City	281,045	$1,081	$981
Winnipeg CMA	306,550	$1,097	$989
Outlying Areas	25,505	$1,288	$1,176

Source: Statistics Canada,2016

off their mortgages and by age group 60-64 it has fallen back to $908, then continues to decline into the $700s for those over 70 years of age (Table 36);

- **Average and median shelter costs are higher for recent immigrants** standing at $1,195 and $1,087 compared to costs for all households at $1,081 and $981. Costs for Aboriginal households are very similar to all households with an average of $1,050 and a median of $985; (Table 37) and,
- **Shelter costs vary by household type**. Multiple census family households (two or more families living together) not surprisingly have the highest average costs at $1,459 per month, followed by family households at $1,382, two person households at $1,070, family households without children at $1,005, lone parents at $1000 and one person households at $837 (table 38).

Table 36: Monthly Shelter Costs by Age of the Primary Household Head for the Winnipeg City, 2016

Age Group	Total Hholds	Average Shelter Cost ($)	Median Shelter Cost ($)
15 to 19 years	835	$965	$949
20 to 24 years	8,760	$1,016	$969
25 to 29 years	19,910	$1,110	$1,063
30 to 34 years	24,920	$1,258	$1,189
35 to 39 years	25,155	$1,323	$1,253
40 to 44 years	25,345	$1,361	$1,292
45 to 49 years	25,740	$1,294	$1,196
50 to 54 years	29,565	$1,168	$1,074
55 to 59 years	28,815	$1,050	$922
60 to 64 years	25,245	$908	$755
65 to 69 years	21,795	$813	$663
70 to 74 years	15,385	$780	$639
75 to 84 years	20,880	$737	$612
85 years and over	8,690	$774	$644

Source: Statistics Canada, 2016

Table 37: Monthly Shelter Costs for Recent Immigrant and Aboriginal Households for Winnipeg City and CMA, 2016

	Winnipeg City		Winnipeg CMA		Winnipeg City	Winnipeg CMA
Shelter Cost ($)	**Total Hhlds**	**Recent Immigrant Hhlds**	**Total Hhlds**	**Recent Immigrant Hhlds**	**Aboriginal Hhlds**	**Aboriginal Hhlds**
Total Households	281,045	14,045	306,550	14,110	38,975	42,870
Average Monthly Shelter Cost	$1,081	$1,195	$1,097	$1,197	$1,050	$1,075
Median Monthly Shelter Cost	$981	$1,087	$989	$1,089	$985	$1,001

Source: Statistics Canada, 2016

Table 38: Monthly Shelter Costs by Household Type, City and CMA, 2016

Household Type	City		CMA	
	Average $	Median $	Average $	Median $
Total	1,081	981	1,097	989
Family without Children	1,005	895	1,008	883
Family with Children	1,382	1,323	1,414	1,351
Lone Parent	1,000	957	1,004	958
Multiple Families	1,459	1,448	1,484	1,459
One Person	837	781	840	781
Two+ Person	1,070	1,051	1,071	1,005

Source: Statistics Canada

7.2 Housing Need

Housing need in Canada is generally measured using the concept of core need. It identifies households spending 30% or more of their income on shelter, living in dwellings that do not have sufficient bedrooms to accommodate the number, age and gender mix of the households (known as the suitability standard) and households living in dwellings that need major repair (known as the adequacy standard). If however, households in one or more of these circumstances have sufficient income to afford the average costs of adequate and suitable accommodation for their household in the market they are removed from the core need group as it is assumed they could move to another dwelling to escape the housing problems they are experiencing. This however depends on other aspects such as availability, location etc.

The percentage of households in core need has been rising in the City, from 10.9% in 2006 to 12.8% in 2016. The CMA figures are slightly lower at 10.4% and 12.1% (these represents 35,760 households but very much lower in the Outlying Areas at 5.3% and 4.7%. The proportion in core need has been declining in the Outlying Area (Table 39).

Table 39: Households in Core Housing Need for the City and CMA, 2016

Area	Households in Core Housing Need (%)		
	2006	2011	2016
Winnipeg CMA	10.4%	10.3%	12.1%
Winnipeg City	10.9%	10.8%	12.8%
Outlying Areas	5.3%	4.9%	4.7%

Source: CMHC, 2016

The most common problem that places households in core need is an affordability problem – people paying 30% or more of their income on shelter. 57.5% of core need households have an affordability problem. 31.8% have a suitability problem and 25.2% have an adequacy problem. Of course, **a significant proportion of core need households have more than one problem (Table 40).**

Table 40: Households in Core Housing Need by Housing Standards, 2016

Area	Total Households	Below Affordable Standards	Below Suitability Standards	Below Adequacy Standards
Winnipeg CMA	12.1%	56.6%	31.4%	24.8%
Winnipeg City	12.8%	57.5%	31.8%	25.2%
Outlying Areas	4.7%	38.5%	17.0%	18.5%

Source: CMHC and Statistics Canada

A key finding for this study is that renters are much more likely to be in core need than owners – 27.7% versus 5.1%. Again, these proportions are similar in the entire CMA – 27.7% and 4.9% but lower in the Outlying Areas at 24.0% and 3.4% (Table 41).

Table 41: Households in Core Need by Tenure, 2016

Area	Households in Core Housing Need (%)		
	Total Hhlds	Owner Hhlds	Renter Hhlds
Winnipeg CMA	12.1%	4.9%	27.7%
Winnipeg City	12.8%	5.1%	27.7%
Outlying Areas	4.7%	3.4%	24.0%

Source: CMHC and Statistics Canada, 2016

Like many other housing indicators, the **young stand out with much higher levels of core need**. For households 15-24 the figure is 23.8%, falling to 14.2% for households 25-34. It continues to fall with age to 10.4% for households 55-64 but then climbs slightly to 13.2% for households 65 and over in the City of Winnipeg (Table 42). CMA levels of core need are slightly lower in all age groups and significantly lower in the Outlying Areas.

Table 42: Households in Core Housing Need by Age of the Household Head

Area	Households in Core Housing Need (%)						
	Total Hhlds	15 to 24 years	25 to 34 years	35 to 44 years	45 to 54 years	55 to 64 years	65 years and over
Winnipeg CMA	12.1%	23.5%	13.7%	13.0%	10.3%	9.8%	12.6%
Winnipeg City	12.8%	23.8%	14.2%	13.7%	11.0%	10.4%	13.2%
Outlying Areas	4.7%	17.0%	5.2%	4.7%	3.8%	4.8%	4.9%

Source: CMHC and Statistics Canada, 2016

Certain types of households are more likely to be in core need. **Lone parent households face the most difficult circumstances with 26.7% in core need**, followed by one person households at 19.9%. For census family households with children the proportion is 7.4% and families without children at 4.3% (Table 43). Again, levels of need by household type are slightly lower in the CMA and significantly lower in the Outlying Areas.

Table 43: Households in Core Housing Need by Household Type, 2016

Area	Households in Core Housing Need (%)					
	Total Hhlds	Families with children	Families without children	Lone-parent families	One-person Hhlds	Other non-family Hhlds
Winnipeg CMA	12.1%	6.9%	4.1%	26.1%	19.6%	13.0%
Winnipeg City	12.8%	7.4%	4.3%	26.7%	19.9%	13.2%
Outlying Areas	4.7%	2.7%	2.7%	15.5%	11.4%	7.0%

Source: CMHC and Statistics Canada, 2016

The core need figures are much higher for recent immigrants at 25.7% and Aboriginal households at 22.1% (Table 44). The level of core need for Aboriginals is lower in the CMA and much lower in the Outlying Areas. For recent immigrants the level of need is extremely high in the Outlying Areas, but this figure is based on a very small sample.

Table 44: Recent Immigrant and Aboriginal Households in Core Need, 2016

Area	Total	Recent Immigrants	Aboriginal
CMA	12.1	25.7	20.7
City	12.8	25.7	22.1
Outlying Areas	4.7	40.0	6.9

Source: CMHC and Statistics Canada

Finally, not surprisingly, the incomes for households in core need are much lower with an average income of $25,000 and an average monthly shelter cost of $904 (Table 45).

Table 45: Average and Median Income (before tax) and Housing Costs of Households in Core Housing Need, 2016

Area	Average Income	Median Income	Average Costs	Median Costs
Winnipeg CMA	$25,200	$23,086	$904	$855
Winnipeg City	$25,132	$23,013	$894	N/A

Source: Statistics Canada, 2016

7.3 Rents are Increasing Much Faster than Incomes

As noted, average rents have increased significantly from $610 in 2006 to $1,070 in 2019. **This is an increase of 75.4% in approximately 15 years.** The increase since 2010 has been 33%. This is far greater than increases in household income over this period of time (Table 46).

Table 46: Changes in Minimum Wage, Average Weekly Earnings and Average Rents, Winnipeg CMA, 2010-2019

Year	Minimum Wage		Ave Weekly Earnings		Rental Rates		
	Value $	% change	Value $	% Change	All Units$	% Change	Same Unit
2010	9.50		787		807		3.6
2011	10.00	5.3	809	2.8	821	1.7	4.6
2012	10.25	2.5	830	2.6	843	2.7	3.8
2013	10.45	2.0	833	0.4	879	4.3	4.7
2014	10.70	2.4	863	3.6	906	3.1	3.7
2015	11.00	2.8	880	2.0	922	1.8	3.6
2016	11.00	0.0	888	0.9	933	1.2	1.2
2017	11.15	1.4	910	2.5	970	4.0	3.9
2018	11.35	1.8	937	3.0	1030	6.2	4.0
2019	11.65	2.6	954	1.8	1070	3.9	3.5
2010-19	2.15	22.63	167.00	21.20	263.00	32.60	

Source: Manitoba Bureau of Statistics and CMHC, various years.

Between 2010 and 2019 average weekly earnings have increased 21.2% and rental rates 11.4% more to 32.6%. Minimum wage over the same period increased by 22.6%, about 10% less than average rents. Rental rate increases have been particularly significant since 2017 with annual increases of 4.0%, 6.2% and 3.9% for the entire inventory of private rental apartments. Based on using the very same units within the inventory each year the increases are 3.9%, 4.0%, and 3.5%. These increases are sometimes double and sometimes triple the rate of increase in minimum wage and average weekly earnings.

In 2018 it required two full-time workers on minimum wage to afford the average rent of a two-bedroom unit and 1.6 workers to afford the rent of a one-bedroom unit. Average weekly earnings have been increasing much slower than the increase in average rents.

Based on 30% of income, the annual income needed to afford the average rent of $733 for a bachelor unit would be $24,433, for one bedroom the income required for the average rent of $957 would be

$31,900, $40,766 for the average rent of a two bedroom unit and $51,430 for the average rent of a three plus bedroom unit.

Average household income for renters is $48,240 which is only 43.7% of the average income for owners, which is $110,264. Median income for renters is $40,095 which is 44.6% of the median income for owners -- $89,957. Half of the renter households in Winnipeg earn less than $40,000.00 and would be facing affordability challenges trying to rent two- or three-bedroom units if their household make-up required units of this size.

The financial position of households is a critical factor in determining housing demand and affordability, both currently and in the future. ***If rents continue to rise faster than incomes an increasing proportion of renter households will face serious affordability problems.***

8.0 Changing Policy and Marketing Trends and the Future of the Rental Market

8.1 Social and Affordable Housing Policy Changes

Although predicting future demand is always difficult there are a number of policy factors at work that will affect future rental demand.

Changes in social and affordable housing policy have had an effect on rental demand in recent years and may have an even greater effect in the future. **Housing policy has shifted from building social/public housing (these inventories are actually declining) to placing more emphasis on accommodating low and low-moderate income households in the private rental sector using Shelter Allowances, Rent Assist Programs, Homes First Programs and Housing Benefits.** The federal government is also about to introduce a Housing Benefit Program announced under the recently released National Housing Strategy.

Emphasis on these programs could mean the private rental sector will become a longer-term home to a greater number of lower income households.

In this shift in policy there are two processes at work – **marketisation and privatization.**

Marketisation is when governments use assistance programs to subsidize households in private rental housing, generally instead of building additional social housing for low-income households. There have always been some elements of marketisation in Manitoba and Federal Housing policy – the Rent Supplement Program and Employment and Income Assistance (EIA).

Rent Supplements provide the subsidy directly to landlords who in turn provide a lower rent to low- and modest-income households in their units. EIA provides shelter benefits and living allowances to households, many of them living in private rental accommodation. However, the level of marketisation in Manitoba Housing Policy has expanded with the recent introduction of the Rent Assist Program and will expand even further when the proposed Federal Housing Benefit Program is introduced.

Privatization is the process of selling social and/or affordable housing units to the private sector which can reduce the inventory of subsidized rental units for low income households. This is also occurring in Manitoba, although at this point not to a significant extent.

Emphasis on these policy approaches could mean the private rental sector will become a longer-term home to lower income households as social and affordable housing inventories are not likely to grow enough to accommodate a growing number of low-income households.

Focusing specifically on programs that subsidize many households living in private rental accommodation it is important to note that:

- The current Provincial Rental Assist Program is delivered to over 17,116 EIA recipients in the City (Department of Manitoba Families, 2019). These are households that may be living in the rental sector who are receiving welfare but also get the Rent Assist monthly subsidy;
- There are an additional 6,244 Non-EIA Rent Assist recipients who are getting Rent Assist subsidies (Department of Manitoba Families, 2019);
- There are an additional 1,514 households in Winnipeg being subsidized under the Rent Supplement Program. Many of them also live in private rental accommodation;
- There are also 42,424 welfare cases in the province consisting of 71,977 individuals. Probably close to 70% of this case load is in Winnipeg and many of them live in the private rental sector (Department of Manitoba Families, 2018).

We also know that in addition to the above figures the Manitoba Housing Portfolio of social and non-profit housing consists of 12,286 subsidized units in the City and there are approximately 2,000 other rental units in the City receiving some level of subsidy.

These programs represent a significant component of the demand for rental accommodation and are a factor that must be taken into consideration when developing rental policy. The figures are not available to determine overlap between the various programs that assist low-income households living in units where a subsidy is involved, however, **it is clear that a significant percentage of households living in the rental sector are receiving some form of subsidy, perhaps as much as 25-30% of all rental units in the CMA.**

The private rental market may become home to a growing number of low-income people receiving subsidies through various housing and employment support programs.

The recent introduction of the **Rent Assist Program in Manitoba**, as noted above, marks a major step towards Marketization of housing policy in the Province. The number of households receiving rent assist is significant. Generally, the Rent Assist Program has been positively received. For both households on EIA and those not receiving EIA the shelter benefits have provided a boost to their income. Many tenants, although they may still be spending more than 30% of their income on shelter, are now spending closer to 30% and they are not as deeply in poverty. It is also likely that it has helped some households avoid homelessness. The program has generally been appreciated by both private and non-profit landlords.

However, there are criticisms of the Program. Cost -saving measures have recently reduced benefit levels. Benefit levels have fallen too low for those who have no source of income beyond EIA. There are lone parents, seniors and particularly large low-income families, who even with the assistance, struggle to meet market rents without experiencing housing affordability problems and falling deeper in poverty.

It is particularly a problem for larger low-income families as larger three plus bedroom units are in short supply to begin with and rents are high for these larger units. Both private and non-profit landlords also indicate that rent supplements are too low to encourage the development of new housing as the current rates are not sufficient to match operating costs. This also forces some landlords, particularly non-profits, to rent to higher income tenants to meet costs. Another general criticism of the program is a general lack of knowledge of guidelines and eligibility criteria such that many households who might be eligible are not aware of the program or its features (Cooper, Hajer and Plaut, 2020).

Research on the Rent Assist Program suggests there is simply not enough low-cost housing available in the City and the trend towards **Privatization** of some of the social and affordable stock is exacerbating this problem. Documents tabled in the Provincial Legislature suggest the Province has sold 94 social housing properties in the Province containing up to 900 units since 2016 (Grabish, 2019). Granted some of these projects were in areas of limited or no demand. Nevertheless the stock of social housing units for low-income people is not increasing.

8.2 Trends in the Ownership Sector Can Have a Significant Effect on the Rental Market

Rental demand is dependent to a certain extent on what happens in the homeownership sector. Will homeownership levels remain high? The proportion of households in homeownership reached record levels in the first decade of this century and have fallen only slightly in Winnipeg. However, a small change – up or down by 2-3% can have a significant effect on rental demand. Other factors playing a role include:

- **Price increases in the ownership sector have been modest in Winnipeg and are likely to remain modest which facilitates high levels of homeownership and movement out of the rental sector**;
- Recent policy decisions at the federal level should improve access to ownership even when the stress test is calculated into the equation. The stress test has recently been modified to make it easier for households to qualify for a mortgage. There is considerable evidence to suggest the stress test was not really required in a more affordable market like Winnipeg;
- Interest rates are likely to remain relatively modest in the near future; and,
- There is still a strong desire to become homeowners amongst millennials.

Currently the relative affordability of home purchases, particularly for first time buyers facilitates movement out of the rental sector.

8.3 Concentration/Financialization in the Rental Sector. Is it a Growing Problem?

Recently there has been a great deal of discussion regarding **financialization of the housing market.** Financialization means housing being predominantly valued and treated as a commodity, a secure place to park money and make a reasonable return with financing coming from large corporations and companies, not always locally based and using a great deal of “offshore” money. It also means consolidation of more and more units within large corporations as they buy out local owners and companies. Housing is no longer viewed as a social good, a place to raise a family, a part of community etc. Housing prices are no longer driven by demographic demand but by demand for high end assets by “global investors.”

Financialization can lead to gentrification – purchasing of apartments and re-purposing them for higher income tenants, re-development of older properties into luxury developments – probably creating spatial inequality. Housing, at least in some centres has become the commodity of choice for corporate financial organizations and the very rich. When "they" purchase apartments it often puts new pressures on tenants – rent increases, new fees, renos to attract higher income tenants etc. Governments face pressure (political and financial) from these super rich and powerful entities to provide more flexibility and control over their investments.

Is this happening in the Winnipeg rental market? It is unlikely it is happening to any significant degree in Winnipeg – although certainly in Vancouver and Toronto. Demand and prices are lower here and prices are less likely to escalate to yield the profits such investors might like.

However, this consolidation in ownership of rental properties in recent years with fewer companies owning more units is not likely a significant change and probably not a lot of "offshore" ownership or foreign money is likely involved.

Concentration of ownership of rental properties in fewer corporations does not necessarily lead to better circumstances for rental tenants.

In recent discussions with housing providers, housing analyst and community housing groups it was frequently mentioned that certain companies are purchasing significant numbers of older apartment buildings, evicting tenants to undertake renovations (costs can be passed on in increased rents) that are cosmetic as opposed to quality, then increasing rents on renovated units. Fair treatment of tenants is not always an objective of their management approach – return on investment takes priority. This process known as **Renoviction** is sometimes just an excuse to raise the rent.

Is this occurring in Winnipeg? It is certainly not to the extent that it is occurring in places like Toronto, Vancouver and some other major cities in Canada. However, it is occurring, and some tenants are facing higher rents because of it.

Another change that affects tenants' rents is the change to private or individual metering of heat and electricity. Many landlords have made the necessary changes to switch the costs from part of the rent to individual as opposed to bulk meters. The argument is that changes in rents do not necessarily reflect the fact that these charges are no longer part of the rent. The rent is not reduced accordingly.

8.4 Government Policy and Regulation is Adding to the Cost of Both Rental and Ownership Housing

Governments at all levels have introduced changes that have led to higher housing costs. Some of the changes that are increasing both the purchase and carrying costs of a housing, both rental and ownership include:

- Rising property taxes, school taxes in particular;
- Increases in development fees, impact fees, land transfer taxes etc.; and,
- Increasing energy costs, sewer and water rates, carbon taxes, and insurance costs.

There seems to be little likelihood that these costs will decline. They will most likely continue to increase. Will incomes keep pace?

8.5 Lack of Government Oversight is Creating Problems for Tenants in the Rental Sector

Many individuals associated with housing indicate that tenants suffer because of lax enforcement of health, safety and occupancy standards. Inspections are not timely, thorough, nor is there sufficient follow-up to ensure infractions have been addressed. Many suggested that the City and the Province are not doing an adequate job.

The opinion was also expressed that there was too little advocacy on behalf of the tenants. Many tenants don't know where to go when they are living with mold, bedbugs and poor-quality heating, air conditioning etc., and the landlord will not address these situations. Some people stated that the centralized system in Ottawa should be considered.

There is also a general lack of policy and program integration. Housing policy is more often (than in the past) developed in isolation from other policy sectors, and it seems, without consultation with other social and economic sectors.

There is a greater need for oversight and enforcement as well as better coordination between various agencies to improve tenant circumstances in the rental sector.

9.0 Geographic Differences

There are a few points about the geographic distribution that are worth mentioning as they may be relevant to policy development:

Generally, the inner city and older Suburban Areas have witnessed a gradual decline in the number of rental units over the past couple of decades. The loss in the older and inner-city areas has been particularly noticeable for bachelor units. Of the 28 neighbourhoods use by CMHC to collect rental data eleven of the neighbourhoods are showing a decrease in the number of rental units. The West End illustrates the highest decrease – about -15%. River Osborne, although it has one of the highest rental housing inventories in the City has also been illustrating a modest decline in the private rental stock;

Tuxedo, although it does not have one of the highest inventories, has been illustrating the most rapid increase in rental units, but they are generally more expensive units;

These increases and decreases do not take into consideration the rental units in condominiums;

Rents are generally higher in Suburban Areas and lower in older neighbourhoods and the inner city. This is related to the age of the stock, project size, features and amenities, parking etc.

There is no particular geographic pattern to vacancy rates. At any point in time neighbourhoods can illustrate considerable change, although some of the older neighbourhoods do seem to have higher vacancy rates more often.

Vacancies in rental condos do seem higher in the Core Area at this point in time; and, turnover rates currently seem to be higher in the Core Area and lower in Suburban Area like St. James and some of the outlying Suburban Areas and areas outside the City boundary. In some areas more than one-quarter of the units turnover each year.

Some of the more significant declines or losses in rental stock have been in the older neighbourhoods where one generally finds the most affordable units.

10.0 The Role of the Winnipeg Regional Real Estate Board

The Winnipeg Regional Real Estate Board (WRREB) has long taken an interest in rental housing in the Province. Back in 2011 they authored a report entitled **Manitoba's Rental Housing Shortage: A Discussion Paper Highlighting Challenges and Solutions.** WRREB has also been active participants in the **Rental Housing Supply Roundtable,** a group organized by the Minister of Housing and Community Development in 2012 which remained active through 2015. The Roundtable Committee produced Advisory Documents on the rental market in 2012 and 2015.

The initial document produced in 2011 had three main areas of recommendations:

- Increasing the supply of rental housing by using incentives like tax credits to encourage rental construction, reducing the cost of various development fees, and reducing or eliminating the land transfer tax to make home ownership more affordable to help assist people into ownership to free up rental units;
- Improving access to rental housing for low-income households through the use of a portable shelter allowance; and,
- Fairer treatment of rental property owners in Manitoba through changes to rent legislation such as Rent Controls and Residential Tenancies Act legislation.

At the time this initial report was produced there was a significant supply shortage in the rental market with vacancy rates at or below 1%. Acting upon these recommendations the Province did introduce a tax credit program to stimulate rental housing construction (the program is not currently accepting additional applications) and more recently has introduced the Rent Assist Program, a portable housing shelter allowance.

Since the preparation of this initial report rental market circumstances have changed significantly. Vacancy rates have climbed substantially and have reached 3%, a level that is considered a balanced market. There has also been the introduction of additional fees (development impact fee) and the land transfer tax continues to rise with increasing housing costs. Rental rates are also increasing much faster than the incomes of low-income households in the rental market. Despite the introduction of the Rent Assist Program access to affordable, suitable and adequate rental housing is still difficult for many low-income households. Assistance levels are not high enough to ensure all households are able to access housing without paying more than 30% of their income for shelter and falling deeper into poverty.

WRREB continues to advocate for change to ensure a healthy rental market proposing improvements to the Rent Assist Program to improve affordable access to rental housing for low-income households; reductions to the cost of the land transfer tax to facilitate the movement of first-time buyers out of rental into ownership housing; and, reductions in fees to lower the cost of rental housing development. A healthy rental market helps lead to a healthy homeownership market.

11.0 Some Concluding Comments

There are both positive and negative observations that can be drawn from the discussions in this report. A couple of the most important observations include:

- After a long period of decline and stagnation investment in the private rental sector has been increasing. The turnaround started in approximately 2015/16 and with the construction of more rental housing units, vacancy rates now suggest a much better balance between demand and supply;
- The social and affordable housing sectors offer lower and modest income households' rental opportunities but there has been very little increase in the number of units in this sector. The inventory of social housing is declining;
- Rents in the private rental inventory have been increasing faster than incomes which presents a challenge for those of lower and moderate incomes trying to find affordable housing;
- The introduction of the Rent Assist Program has improved access to rental housing for many households, but assistance levels are too low to completely address the affordability and access problems of all households leaving many still paying in excess of 30% for shelter and still deep in poverty; and,
- Increasing fees and charges continue to increase the cost of development of new rental housing making newer units even less affordable for many households.

Renters in general have much lower incomes than homeowners and rents have been increasing faster than the incomes of many renters in recent years. Keeping rental housing affordable helps address some of the challenges these low-income renters face. It also helps those renters wanting to move up the housing continuum into homeownership. A healthy rental market leads to a healthier ownership market.

APPENDICES

Appendix 1

There are a number of different data sets that have been analyzed during the completion of this report including:

1. Statistics Canada data; recently released data from the 2016 census provide the opportunity to examine trends over the period 2001 to 2016 using a number of census indicators.
   - Occupied private dwellings by structural type;
   - Private households by type and size;
   - Average household and family size;
   - Households by age;
   - Households by tenure;
   - Households by marital status and household composition;
   - Households by shelter costs (owners and renters)
   - Occupied dwellings by size (# of rooms), period of construction, condition and household suitability;
   - Changing labour force and employment characteristics;
   - Income characteristics of households (distribution by income, after tax income, average incomes, individual and household incomes, poverty levels, and other housing affordability indicators, etc.);
   - Immigration numbers and characteristics (census and provincial data);
   - Condominium status by ownership and rental and characteristics of the condo sector.
2. A second source of data that has been examined incudes the housing information collected by Canada Mortgage and Housing Corporation (CMHC). Data from CMHC has been collected and analyzed at the City of Winnipeg, and Metropolitan level and neighbourhoods within the City area. This will include indicators such as:
   - Changes in the number and type of private rental units for the Metro area and for neighbourhoods within the Metro area (this will include trends by dwelling type and by number of bedrooms;
   - Vacancy rates by the total inventory and by bedroom type for both the Metro and neighbourhoods within the Metro area. Vacancy rates are also be documented by year of construction, by structure and apartment size;
   - Average rents in the private rental stock for the Metro area and neighbourhoods within Metro. Average rents are also documented by bedroom type, structure type and year of construction;
   - Rental supply increases, availability rates, and turnover rates were also collected where possible;
   - Data on rental units in the condo market – vacancy rates and average rents by bedroom type;
   - Information from the Secondary Rental Market; and,
   - Trends over a number of years will be identified.
3. Government documents that describe recent changes in government policy and/or regulations and their possible effects on the private rental market have also been reviewed; Academic and professional publications on the housing market; and,
4. Information from interviews with various people in the housing sector.

Appendix 2

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Table 1, Appendix 2: Tenure by Age Group, Winnipeg CMA, 2016

	Owners		Renters		Total	% owners	% Renters
Age group	#	%	#	%	#		
15-24	1,700	0.8	8,170	8.2	9,875	17.2	82.8
25-34	23,870	11.6	23,645	23.6	47,515	50.2	49.8
35-44	37,680	18.3	17,465	17.4	55,145	68.3	31.7
45-54	45,770	22.2	15,680	15.8	61,450	74.5	25.5
55-64	46,215	22.4	13,810	13.8	60,025	77.0	23.0
65-74	30,485	14.8	10,550	10.5	41,035	74.3	25.7
75+	20,560	10.0	10,840	10.8	31,400	65.5	34.5

Source: Statistics Canada, 2016

Table 2 Appendix 2: Lone Parents by Sex for Winnipeg City and the CMA: 2001-2016

	City			CMA			Change in Lone Parent Numbers							
Year	2001	2006	2016	2001	2006	2016	01-06		06-16		% 01-06		% 06-16	
Sex							City	CMA	City	CMA	City	CMA	City	CMA
Female	25,815	27,835	27,985	26,685	28,885	29,245	2,020	2,200	150	360	7.8	8.2	0.5	1.2
Male	5,260	5,730	7,130	5,630	6,125	7,710	470	495	1,400	1,585	8.9	8.8	24.4	25.8
Total	31,075	33,565	35,115	32,315	35,010	36,950	2,490	2,695	1,550	1,940	8.0	8.3	4.6	5.5

Source: Statistics Canada Census 2001,2006, 2016

Table 3, Appendix 2: Households Paying 30% or More for Shelter by Tenure and Amount Paid, CMA, 2016

	Owners		Renters		Subsidized Housing	
	#	%	#	%	#	%
Total	24,710	100	39,350	100	7,640	100
Shelter Cost						
Under 500	1,240	5.0	3,350	8.5	2,605	34.1
500-749	1,855	7.5	6,600	16.8	1,990	26.0
750-999	2,475	10.0	12,000	30.5	1,685	22.1
1000-1249	3,560	14.4	8,250	21.0	780	10.2
1250-1499	4,085	16.5	4,490	11.4	310	4.1
1500-1999	6,220	25.2	3,535	9.0	200	2.6
2000-2499	3,010	12.2	760	1.9	25	0.3
2500-2999	1,245	5.0	215	0.5	10	0.1
3000+	1,025	4.1	145	0.4	40	0.5
Average	$1,550		$1,013		$710	
Median	$1,448		$951		$654	

Source: Statistics Canada, 2016

Table 4, Appendix 2: Private Apartment Vacancy Rates by Bedroom Type, Manitoba 10,000+

	Bachelor		1 Bedroom		2 Bedroom		3 bedroom		Total	
Centre	Oct18	Oct19	Oct18	Oct19	Oct18	Oct19	Oct18	Oct19	Oct18	Oct19
Winnipeg CMA	2.6	3.2	2.9	3.4	3.0	2.6	3.7	5.9	2.9	3.1
Brandon	2.7	--	1.2	1.8	0.6	2.8	--	2.9	1.0	2.6
Selkirk	--	--	1.5	2.4	2.2	1.0	4.8	0.0	2.1	1.4
Portage	--	0.0	4.7	4.3	5.0	4.1	--	--	5.1	3.9
Steinbach	0.0	0.0	1.4	1.0	1.0	1.2	4.1	2.2	1.3	1.2
Thompson	--	0.0	8.2	10.6	7.4	5.3	--	0.0	7.6	7.3
Winkler	--	--	0.9	0.4	0.4	0.4	10.0	--	0.8	0.4
Manitoba	2.6	3.2	2.9	3.4	2.9	2.6	3.6	5.1	2.9	3.1

Source: CMHC Vacancy Surveys, Oct 18 and Oct 19

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