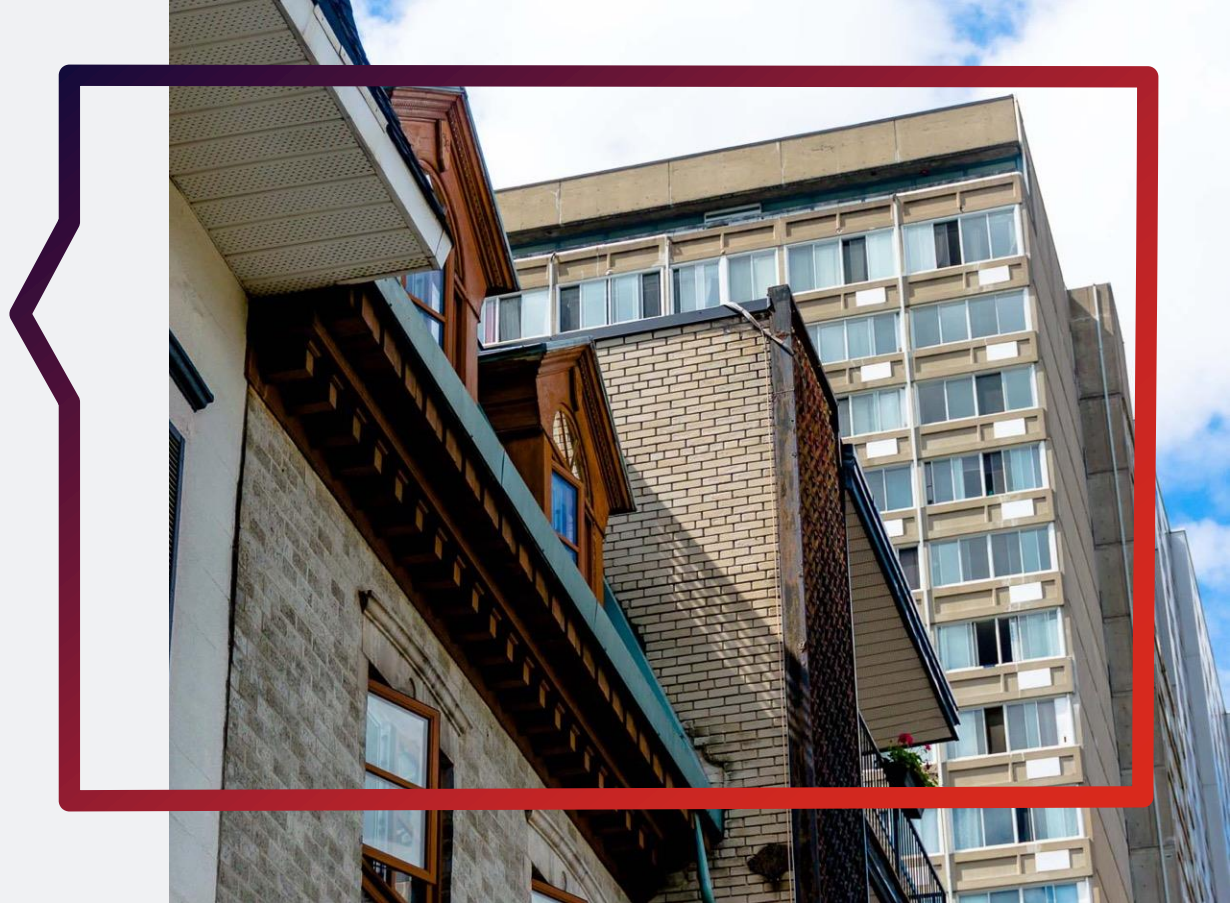


Senior households in core housing need: A comparison between urban and rural areas in Canada

AFC Webinar – Navigating
Housing for Older Adults:
Challenges and
Opportunities

November 29, 2023



Research Questions

- What is the difference in the housing situation of seniors in rural vs urban areas in Canada?
- What are the factors that may be contributing to higher proportions of rural senior-led households living in housing in need of major repairs?

Motivation: Why is this research important? (1/2)

- Through the NHS, CMHC has identified seniors as one of the key populations experiencing housing vulnerabilities in Canada
- Research on seniors' housing needs have mostly examined CHN at the provincial or CMA levels; limited studies on rural areas (this is an information gap)

Motivation: Why is this research important? (2/2)

- Obtaining a better understanding of rural vs. urban housing situations will help inform policy:
 - where best to allocate housing assistance for seniors
 - where the areas of greatest housing need for seniors are
 - what the unique housing challenges of seniors in rural areas may be and what the factors contributing to those challenges could be
- Expressed interest from the Federation of Canadian Municipalities (FCM) in understanding the different housing situations of senior households in rural vs. urban areas.

Data & Methodology

Data: 2011 and 2016 Census

Part 1: Descriptive findings

- What is the difference in the housing situation of seniors in rural vs urban areas in Canada?

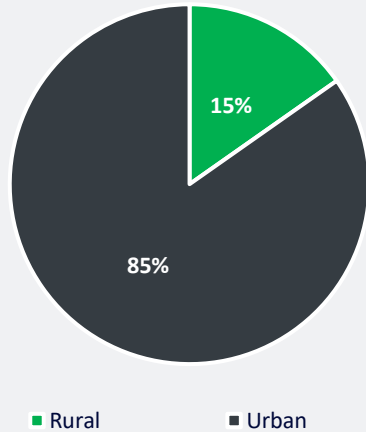
Part 2: Decompositions techniques

- What are the factors that may be contributing to higher proportions of rural senior-led households living in housing in need of major repairs?

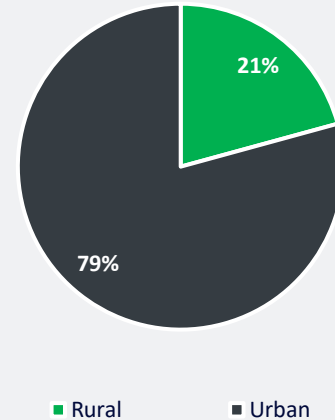
Part 1: What is the difference in the housing situation of seniors in rural vs urban areas in Canada?

Proportion of seniors living in rural vs. urban housing

Panel A: Proportion of senior-led households in core housing need living in rural vs. urban areas, 2016



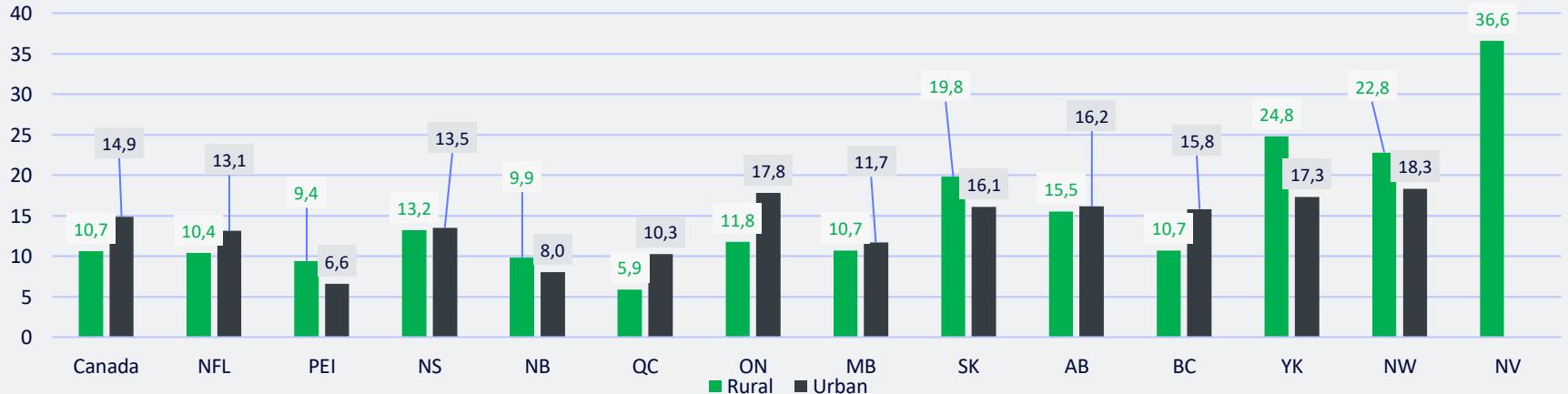
Panel B: Proportion of senior-led households living in rural vs. urban areas, 2016



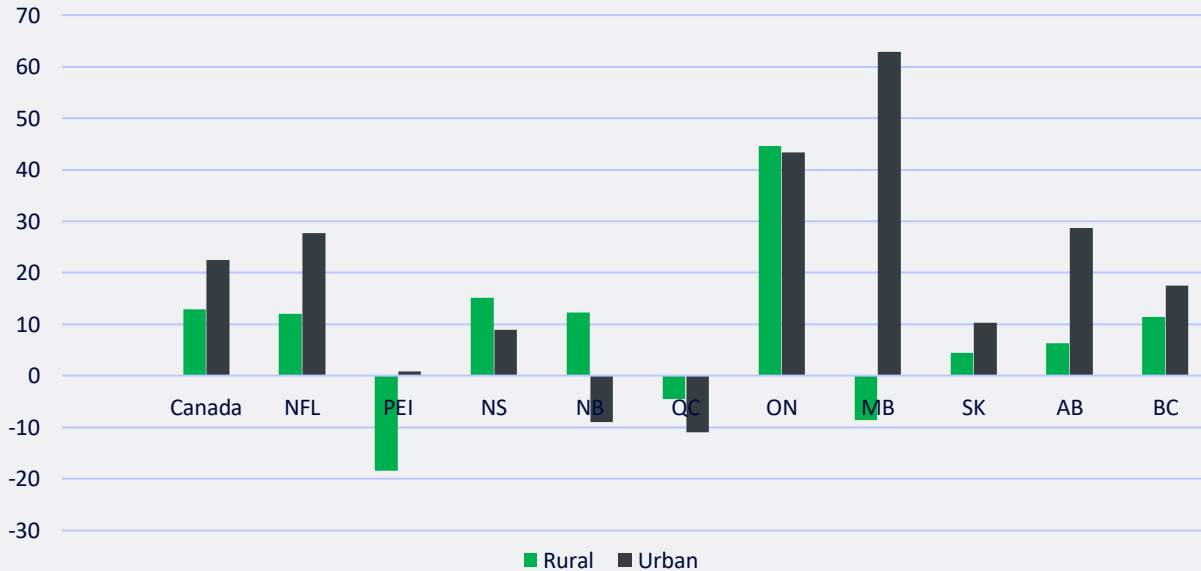
- Vast majority of senior households in CHN live in urban areas
- Urban senior households are disproportionately affected by CHN

Incidence of senior-led households in CHN, by rural vs urban, 2016

- Urban senior-led households were more likely to be in CHN than rural (14.9% vs. 10.7%)

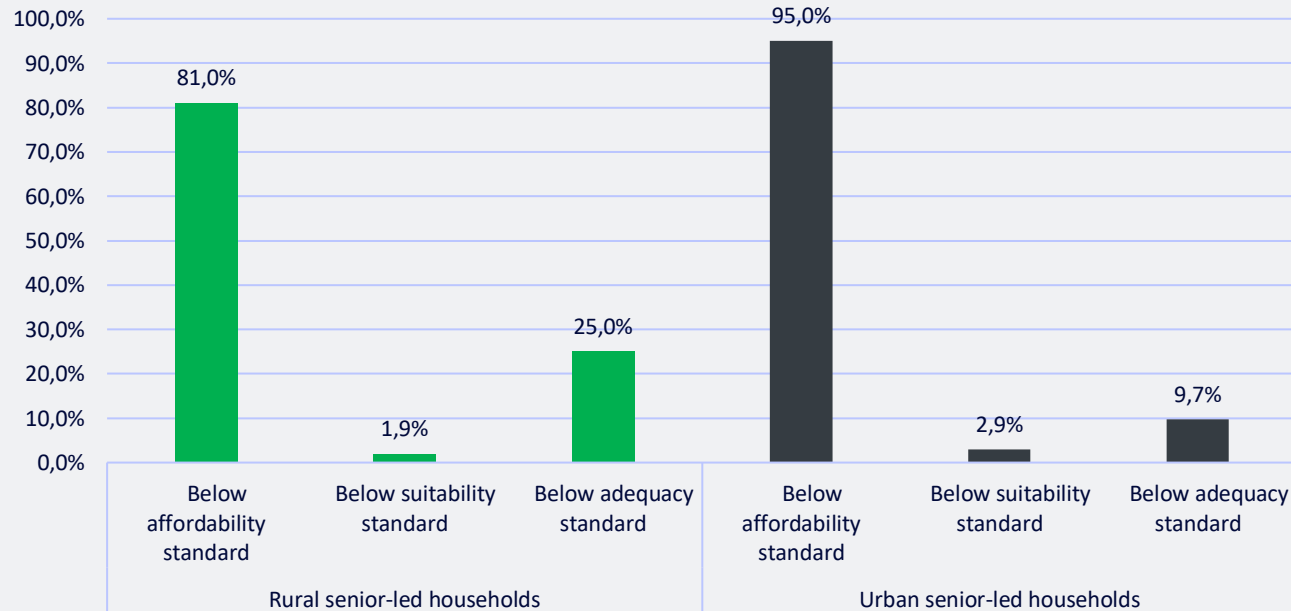


Change (in %) of the number of rural vs urban senior-led households in CHN from 2011 to 2016



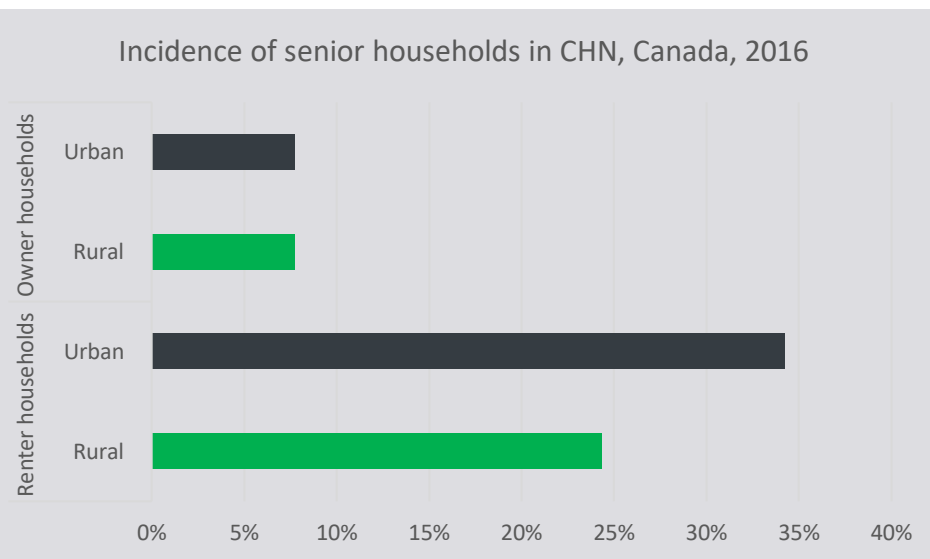
- Both rural and urban senior households experienced increases in the number of households in CHN from 2011 to 2016
- Urban senior households in CHN increased at a higher rate

Housing standards of rural vs. urban senior-led households in CHN



- Urban senior households had more affordability problems
- Rural senior households were more likely to live in dwellings that needed major repairs

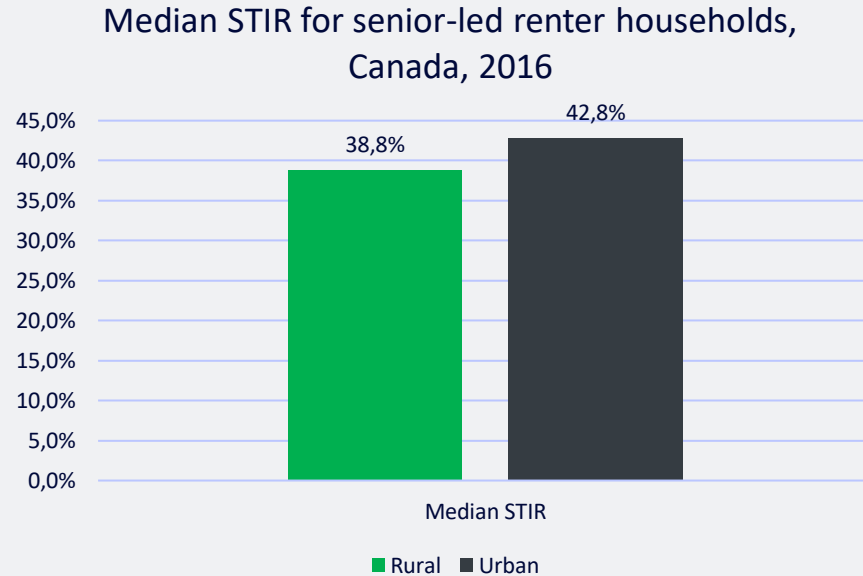
Incidence (%) of senior-led households in CHN, by tenure and rural vs. urban dwelling area, 2016



- In nearly all PTs, the incidence of CHN was higher for both rural and senior renter households than for owner households

	Renter households		Owner households	
	Rural	Urban	Rural	Urban
Canada	24.3	34.2	7.7	7.7
Newfoundland and Labrador	21.7	30.3	9.0	7.9
Prince Edward Island	21.3	13.3	6.8	2.7
Nova Scotia	33.3	31.9	9.1	6.1
New Brunswick	25.2	19.8	6.8	3.9
Quebec	10.0	20.8	4.6	3.5
Ontario	34.5	44.0	7.5	9.5
Manitoba	19.7	27.5	8.4	5.1
Saskatchewan	45.7	44.8	14.2	6.8
Alberta	35.9	47.1	12.4	9.5
British Columbia	36.3	43.6	7.2	8.6
Yukon	17.9	33.6	25.8	10.8
Northwest Territories	21.0	31.5	23.4	9.0
Nunavut	39.6	-	28.3	-

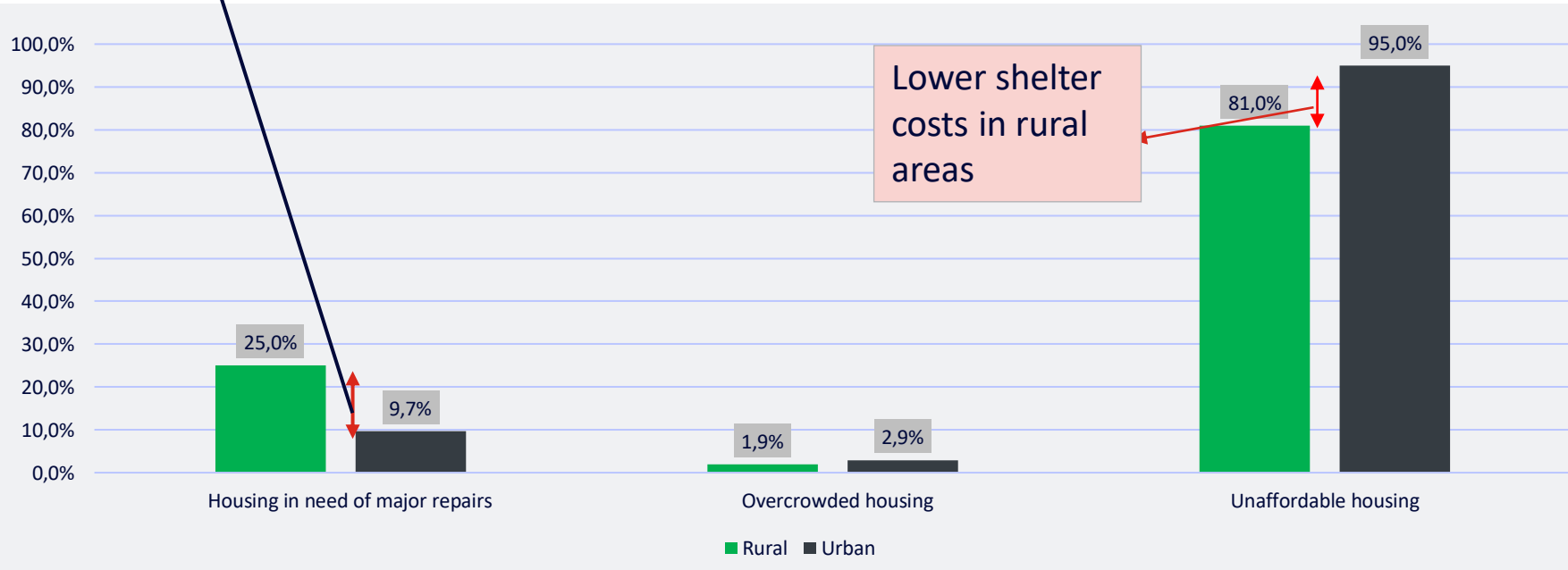
Shelter-cost-to-income ratio



- Among renter households, urban senior households spent a higher percentage of their before-tax income on shelter than rural seniors in 2016

Part 2: What are the factors that may be contributing to higher proportions of rural senior-led households living in housing in need of major repairs?

Why are senior households in rural areas more likely to fall below the adequacy standard?



Methodology (1/2)

Blinder-Oaxaca twofold decomposition [Oaxaca (1973), Blinder (1973)]

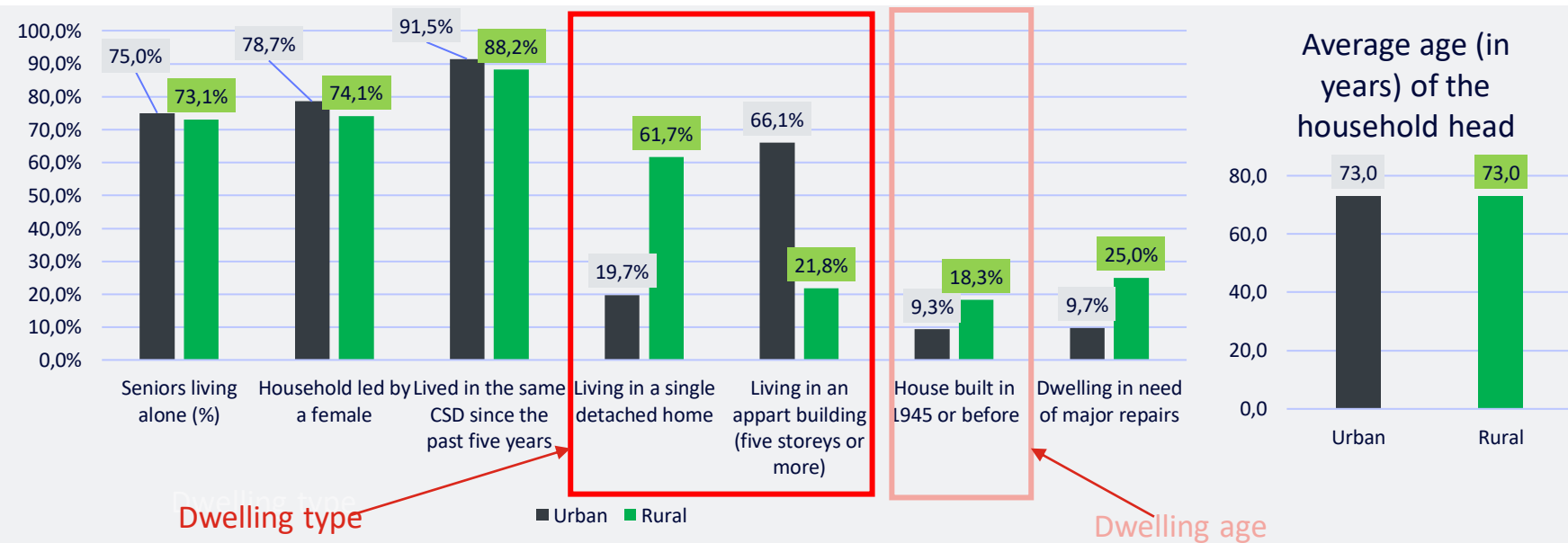
- ❑ Statistical method for quantifying the contribution of various factors to a difference or change in outcomes in an accounting sense
- ❑ Extensively used for a wide range of applications since seminal works from Oaxaca and Blinder:
 - ✓ Oaxaca (1973) – Male-female wage discrimination in US
 - ✓ Blinder (1973) – White-Black wage discrimination in US
 - ✓ Fortin, Lemieux & Firpo (2010) – For recent developments in economics

Methodology (2/2)

- ✓ Step 1: Identifying potential factors responsible for the higher proportion of senior-led households living in housing in need of major repairs in rural areas compared to urban areas
- ✓ Step 2: Estimating the contribution of factors identified in Step 1 using the Blinder-Oaxaca twofold decomposition method

Step 1: Identifying potential factors

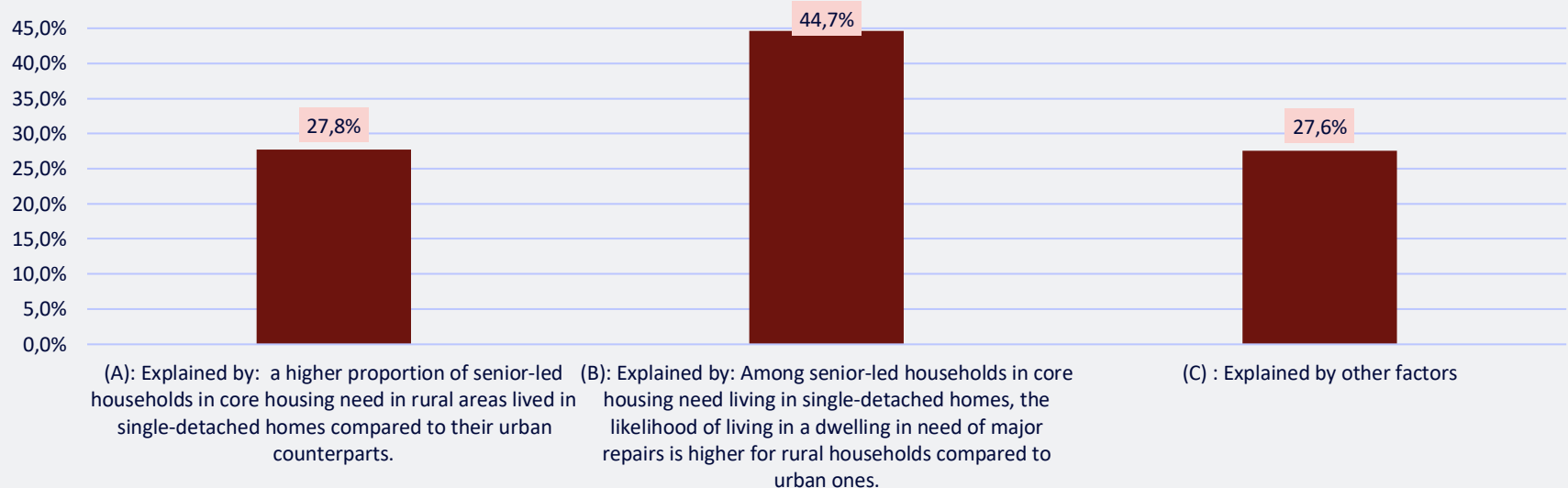
Some characteristics of senior-led households, Canada, 2016



Source: CMHC, Adapted from Statistics Canada (Census 2016)

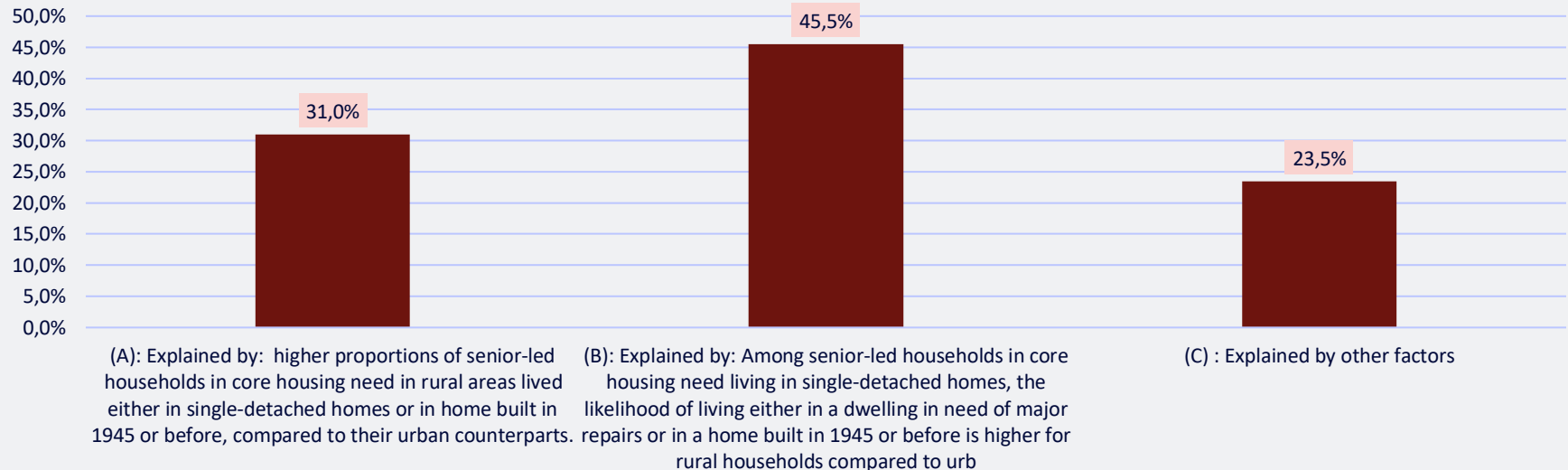
Step 2: Results from the Blinder-Oaxaca decomposition (1/2)- One factor considered : dwelling type

Rural seniors are more likely to live in larger dwellings (single-detached homes) than urban ones. This factor alone explain 72.5% (= 27.8%+44.7%) of the higher proportion of rural senior-led households living in dwelling in need of major repairs.



Step 2: Results from the Blinder-Oaxaca decomposition (2/2) – Two factors considered : dwelling type and dwelling age

Rural seniors are more likely to live in older and larger dwellings than urban ones. Altogether, these two factors explain 76.5% (= 31.0%+45.5%) of the higher proportion of rural senior-led households living in dwelling in need of major repairs.



To Summarize....

Research question : Why are rural senior-led households much more likely to live in dwelling in need of major repairs than their urban counterparts?

Findings: Rural senior-led households are more likely to live in larger and older dwellings (single detached homes and dwelling built before 1945) than their urban counterparts.

Summary of the findings

- ❑ In 2016, the incidence of core housing need was higher among urban senior households than their rural counterparts
- ❑ Between 2011 and 2016 the proportion of senior households in core housing need increased faster in urban areas
- ❑ The proportion of senior households living in housing in need of major repairs was significantly higher in rural areas than in urban areas. This was mainly due to rural senior-led households more likely to live in older and larger dwellings than their urban counterparts.

Policy implications & further research

- ❑ The findings demonstrate the need of relatively higher level of investments in urban areas compared to rural areas to help address housing challenges for seniors.
- ❑ Rural seniors face unique challenges. This work demonstrates the importance of taking into account local challenges in the design and delivery of affordable housing policies in Canada.
- ❑ This work also highlights an information gap often found in housing research, which is the lack of research on the housing needs in rural areas. Most housing research examines housing needs at the PT or CMA level.

Thank you!

For more information,
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