United Way
Peterborough & District

Housing is Fundamental.

2025 | 20TH EDITION

After Twenty Years

Sometimes it takes repetitive examination to see something clearly. Over the past 20 years, Housing Is Fundamental (HIF) has wherever possible used analysis of policy and on-the-ground reality to reveal the causes of housing shortages. And because housing cannot be uncoupled from the social, economic and health aspects of life, HIF has examined income, wealth, poverty, food insecurity and inequality. All that parsing inevitably returns us to what's important - the impact on day-to-day life.

How can homelessness and food insecurity flourish in this country? Because we allow it. There's not enough indignation among Canadians to move the political needle for policy change and investment - the kind of national investment that could house the homeless and feed the hungry. What would it take? The provision of adequate income supports, for example, would be game-changing.

Research suggests that the costs of homelessness and poor nutrition exceed those of meaningful income supports.

Across Canada many thousands of units of social housing are required, many small and suitable for one occupant. Some tenants will require social supports to maintain their tenancy. Only the federal and provincial governments can provide these units, not by catalyzing the private market but by directly funding the construction.

We are living the effects of the globalization of inequality and the proliferation of economic hardship. Canada has not been immune. To know and witness this progression is to call for justice and rebalancing.

Paul Armstrong

Random Highlights from past issues of Housing Is Fundamental

2006 no rent-geared-to-income (social housing) added since 2003

2007 352 apartments added under the Canada-Ontario Affordable Housing Program (AHP)

2010 vacancy rate in Peterborough CMA at 6%

2011 Peterborough has highest percentage of renters in 'core housing need' in Canada

2013 Living Wage in Peterborough: $16.47/hr.

2014 no new housing funding from senior levels of government

2015 one in five children in poverty in the Peterborough CMA (Stats Can)

2016 Peterborough rental housing condition deemed "severe" (Canadian Rental Housing Index)

2019 average per night shelter use doubles from 2011

2022 vacancy rate in Peterborough CMA at 1% (lowest in Ontario)

2023 two-bedroom rents were 23% higher after unit turnovers

2024 rental market growth outpaces ownership growth (21.5% vs. 8.4%)

From the Rental Market Report – October 2024 – Peterborough CMA[1]

136
rental units added to Peterborough CMA domain in 2024

3.3%
vacancy rate for 2024 as compared with 1.0% in 2023

10.2%
turnover rate in 2024, increased from 7.2% in 2023

There was more choice in the Peterborough CMA rental market in 2024. The availability of apartments increased as evidenced by the higher vacancy rate and the increased turnover rate. It is also safe to suspect that demand for apartments decreased in 2024 as the number of available units increased and foreign student enrolments in the community declined. Overall there was less pressure and more flexibility in the rental market in 2024.

Quick Rental Facts – Peterborough CMA – 2024[2]

Vacancy rates in the Peterborough CMA improved in 2024 due to more purpose-built apartments being added to the domain. The reduction in foreign student enrolment in the City may also have reduced pressure.

An improved turnover rate indicates greater movement within the market due in part to improved availability.

Peterborough CMA	2023	2024
Vacancy Rates (2 Bdrm)	0.8%	3.1%
Vacancy Rate - overall	1.0%	3.3%
Turnover Rate - overall	7.2%	10.2%
Total Apartment Units*	6,259	6,395

*CMHC provides rental market statistics for apartments in building of three units or greater. As a result, the total number of rental units in the Peterborough CMA is greater than that reported above.

Average Market Rents and Required Minimum Income for "Affordability" - Peterborough Census Metropolitan Area[3]

Type	2023	2024	Change 2023-2024	Required Household Income	Required Wage Hour (Full-Time Work)
Bachelor	$877	$956	9%	$38,240	$19.61
One-Bedroom	$1,173	$1,217	3.8%	$48,680	$24.96
Two-Bedroom	$1,411	$1,506	6.7%	$60,240	$30.89
Three-Bedroom	$1,640	$1,744	6.3%	$69,760	$35.77
Average Market Rent	$1,325	$1,398	5.5%	$55,920	$28.68

Notes: 1. "affordability" means the household pays no more than 30% of total before-tax income
2. wage hour calculations based on 1,950 hours of work annually at 37.5 hours per week

Financialization of Rental Units Driving Rental Market Higher[4]

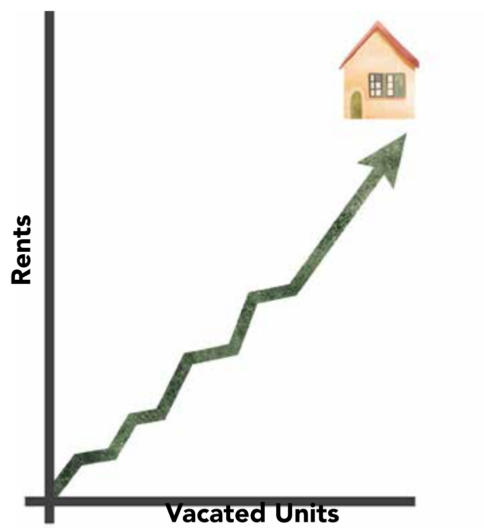
Large financial funds have invested deeply enough into the rental market that they are now pushing up overall average market rents. The largest, Starlight Investments, now owns 54,000 units nationwide and 68,000 globally. In the last two years Starlight was twice granted approval by the Ontario Landlord and Tenant Board to raise rents on properties it bought above provincial guidelines.

According to Martine August (housing expert, University of Waterloo) the biggest financial firms now collectively own 400,000 units, or nearly 20% of purpose-built rental stock in Canada. That's up from 0% in the mid-1990s and 10% in 2020. In 2020, financial funds purchased 90% of all rental stock for sale in Toronto.

Rent Controls Exist. What About Vacancy Controls?[5]

For many years concern over inflating rents in an uncontrolled market led to rent controls. These regulate the year-over-year increase in a tenant's rent. But rent controls have no limiting effect on rents when units are vacated.

This is where vacancy controls could play a role. They could help prevent dramatic rent increases upon turnover, reduce bad-faith evictions and stem the tide of affordable units disappearing from the rental market. Without vacancy controls, rents upon turnover are at the discretion of the landlord. Vulnerable households need protection and older, more affordable rental stock needs to be preserved.



Canada-Wide Rental Market Highlights – 2024[6]

- Rental market conditions across Canada's large urban centres remained tight even though record level growth in supply outpaced strong demand in some centres
- The average vacancy rate for purpose-built rental apartments rose to 2.2% in 2024 from 1.5% in 2023, remaining below the 10-year historical average of 2.7%.
- Average rent increases slowed, with rents for 2-bedroom units rising by 5.4%, down from the record 8.0% in 2023.
- Rents increased by 23.5% when units turned over.
- Rent hikes on turnover units accounted for more than 40% of the overall rent increase.
- Despite the slowdown in rent growth, renter affordability remained strained.
- The increase in rental stock was driven by newly completed, higher-priced units, which were unaffordable for many renters and primarily served higher-income households.
- Nationally, rental market conditions became more uniform in 2024. Most census metropolitan areas (CMAs) experienced slower rent growth, though some exceptions remained.

Peterborough's Social Housing Wait List

Notes:

- Peterborough Housing Corporation currently has 774 units in the system
- Totals in chart below reflect that some households apply for more than one apartment type.

Apartment Type	# of Applicant Households	SPP (Special Priority Policy)	Seniors
Bachelor/1 Bedroom	1,502	54	205
2 Bedroom	384	23	16
3 Bedroom	361	32	1
4 Bedroom	192	16	1
5/6 Bedroom	81	10	0
TOTALS	**2,061**	**109**	**220**

Data source: City of Peterborough, as of July 16, 2025

Waiting for Community Housing[7]

Community housing is also called 'social housing' or 'rent-geared-to-income housing' (RGI). This is housing built with government funding, something that has been curtailed for many years now.

RGI housing is in enormous demand in the Peterborough CMA.

Serving the housing needs of low-income households, it is also essential to house persons transitioning from homelessness.
In fact, the ultimate transition into permanent housing is very much restricted without these one-bedroom (or bachelor) RGI units.

20 Years of Rent Inflation[8]

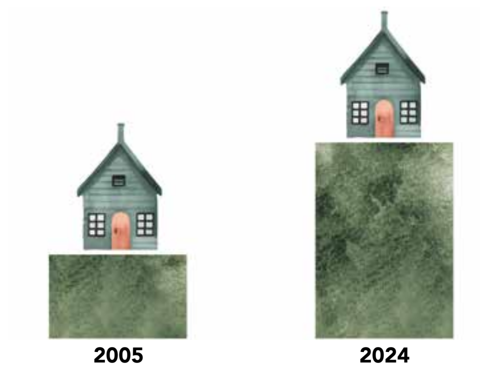
Type of Unit	2005 Rents (Peterborough CMA)	2024 Rents (Peterborough CMA)	Percentage Increase (2005 to 2024)	What Rents Would Have Been in 2024 Had They Increased by the Consumer Price Index of **50.23%***
Bachelor	$521	$956	**83.49%**	$783
One-Bedroom	$693	$1,217	**75.61%**	$1,041
Two-Bedroom	$797	$1,506	**88.95%**	$1,197
Three-Bedroom	$967	$1,744	**80.35%**	$1,453
*** Actual inflation (2005-2024) = 50.23% (CPI)**				

Rents supplied by Rental Market Reports, CMHC, Peterborough CMA (2005-2024)

Things to note:

- Percentage rent changes (2005-2024) have far exceeded the Consumer Price Index (CPI) for the same period.
- Compare current bachelor unit rent of $956 with Ontario Works monthly payment of $733.
- The rent of a two-bedroom unit has almost doubled in the last 20 years.

Rent for Two Bedroom Unit



Can the housing market be blamed for the housing crisis?[9]

The housing crisis is often referred to as a problem with the *housing market*. But the housing market is doing what all markets do: generating transactions of sales and services in pursuit of profit.

Underlying the housing market is a Canadian *housing system* which is very uneven. Governments help homebuyers and homeowners but are weak on rent controls and regulation to help tenants, and fail to help build and maintain social housing, as is done in some other countries.

Over 96% of Canadians find their housing in the *for-profit* market whether owning or renting. Less than 4% live in non-market housing, whether public, non-profit or co-op.

In 1935 the Government of Canada decided that ownership would be its housing model. This helps explain the low level of investment in non-market housing. But it does not explain how governments continue to withhold support for a large percentage of households unable to find or afford housing in the private market.

Non-Market Housing (% of Total Market)

Country	Percentage (%)
Germany	2.6
Canada	3.5
U.S.	3.6
Switzerland	8.0
Ireland	12.7
France	14.0
United Kingdom	16.4
Denmark	21.3
Austria	23.6
Netherlands	34.1

The Housing Crisis Has a Long History[9]

At one time the federal government took on a bigger role in the housing of Canadians. Following World War II, CMHC (Canada Mortgage and Housing Corporation) helped citizens get into home ownership. Most households obtained at least some of their mortgage from the federal government.

But CMHC also became involved in rental housing. In the 1950s CMHC began building federal public housing (a.k.a. social housing) as part of post-war reconstruction. It also partnered with provinces and cities interested in building their own. In 1970 that peaked with the provision of 45,000 units.

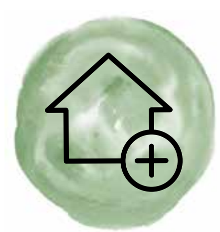
In the heyday of affordable housing, the federal government funded the construction. However government began slashing housing spending in the mid-1980s.

This would culminate in 1993 with the federal government removing itself from housing responsibility entirely. Provinces were left to shoulder the burden. CMHC phased out its role in social housing except for housing on native reserves.

To boost the supply of rental market housing, CMHC turned to private investors. Federal loan and tax incentive programs were created, sometimes with an affordability requirement. Outside of the for-profit housing market, CMHC provided funding and grants to non-profits and new co-ops.

After years of not investing in social housing, the federal government launched the National Housing Strategy (2017) and some building resumed. It has now announced an expanded program, Build Canada Homes. But Canada's social housing deficit remains severe.

What Would Soften the Housing Crisis in Peterborough?



Additional social housing units (rent-geared-to-income)

Emergency shelter space commensurate with homeless population numbers

Additional transitional housing units with the necessary supports

Additional not-for-profit and co-op housing developments

Portable rent supplements for households in severe core housing need

Increases to Ontario Works (OW) and Ontario Disability Support Program (ODSP) that recognize the current cost of living

How Does It Happen?

All of the above items require funding support from either federal or provincial or municipal governments.

Income Insufficiency[10]

Housing is an income issue. Examining the rental housing crisis without examining the community income profile is like investigating an auto accident without going to the scene.

Here are some income statistics for the City of Peterborough:

- 28,645 people or 42.5% of the city's population have incomes below $30,000 annually.
- 13,760 people or 20.4% of the city's population have annual incomes between $20,000 and $30,000.

The current, average market rent (all unit types) requires an annual income of $55,920 to be 'affordable'. ('Affordable' means housing costs cannot exceed 30% of household income.)

While vacancy rates, availability rates and rent increases are all relevant, low household income is the most profound impediment to rent affordability.

Food Insecurity[11]

Food insecurity and housing insecurity are deeply connected. When households worry about running out of money for food, both food and other necessities get compromised.

Nearly 1 in 5 Peterborough Households Face Food Insecurity

Roughly 19%* of local households faced food insecurity between 2021-2023 in Peterborough County and City. These remain the highest rates recorded locally.*

Increase in Household Food Insecurity across Canada

Food insecurity estimates for Canada in 2024 reached a record high for the nearly 20 years it has been monitored: 10 million Canadians.

What About Food Banks?

Research shows that many people facing food insecurity don't use food banks. One study found that only 1 in 5 people who didn't have enough to eat accessed food banks. Rather, they find help from friends/family or organizations, or miss bill, rent or mortgage payments

The Need for Income Solutions

Food insecurity is an income problem that requires income solutions.

- Social assistance rates that match the cost of living
- More targeted child benefits
- Public pensions
- Higher minimum wage
- Basic Income Guarantee (or Guaranteed Livable Income)

Federation of Ontario Municipalities Calls for Help (Finally, a picture of homelessness in Ontario)[12]

The Association of Municipalities of Ontario (AMO) released a comprehensive study revealing the unprecedented and growing toll of homelessness on individuals, families, communities, and governments.

The Facts:

- more than 80,000 Ontarians were homeless in 2024
- homeless population in Ontario has grown 25% since 2022
- half of homeless population lived in shelters or on the streets for more than six months or experienced recurrent homelessness over the past three years
- Ontario is the only province where social housing responsibilities have been downloaded onto municipalities
- homelessness programs in Ontario cost $2.1 billion dollars in 2024
- recent provincial investments represent just a fraction of what's required to effectively address homeless

The Report Calls For:

- a new approach focused on long-term housing solutions rather than temporary emergency measures and enforcement
- an additional $11 billion spent over ten years to provide 75,000 affordable, supportive housing units
- additions to affordable housing supply and improvements to transitional and supportive services
- enhancement of prevention programs
- an additional $2 billion over 8 years to end homelessness encampments
- federal and provincial government cooperation in significant, long-term action

Current Municipal Expenditures on Homelessness - Ontario[13]

Municipalities currently rely heavily on emergency shelters with comparatively limited investments into longer-term housing.

Area of Expenditure	Percent Spending
Emergency Shelters	65.2%
Supportive Housing	11.6%
Transitional Housing	6.0%
Other Services and Supports	5.8%
Homelessness Prevention and Diversion	4.9%
Community Outreach	4.9%
Caseload Support Services	1.6%

Supportive Housing

What is it?

Housing assistance (rent-geared-to-income and/or rent supplements) is combined with wrap-around support services. Individuals with physical or developmental disabilities, and individuals with mental health and/or substance use challenges require supportive housing.

What are the social benefits of supportive housing?

It reduces crime and recidivism. Healthcare savings are realized in emergency rooms, hospital stays, ambulances and human resources. The Mental Health Commission of Canada has concluded that every $10 investment in supportive housing saves $21.72 in public costs.

What is the scope of need for supportive housing in Ontario?

Analysis demonstrates that significant investment is warranted in supportive housing. 40,000 units across Ontario could be added to the provincial stock.

For more recommendations read: Rosenberg, Jesse, Ganesan, Krishni, Husein, Safiyah & Wilson, Savhanna (2025). Policy Brief: Bold action on supportive housing. Wellesley Institute.

RGI Housing in Ontario – Why It's More Critically Important Than Ever[14]

Funded by the federal/provincial governments, rent-geared-to-income housing (RGI), sometimes called social housing, has always served a segment of renters unable to afford **<u>any</u>** market-rent unit. Funding for social housing has seen major reduction over several decades. Today wait-lists have grown to numbers previously unseen.

RGI housing is essential to reducing homelessness. Research has shown 80 to 85 per cent of people who become homeless do so for "almost purely economic reasons." (Tim Richter, president, Canadian Alliance to End Homelessness)

RGI Funding in Ontario

Year	Amount of Funding
2018	$162,900
2019	$162,300
2020	$169,800
2021	$168,800
2022	$170,500
2023	$173,500
2024	$178,600
Next Three Years	$178,900

These tiny expenditures demonstrate lack of commitment to expanding RGI housing. Ontario's rent-geared-to-income housing supply has barely budged for years.

Profit-Driven Market Fuels Crisis

An over-inflated rental market has presented a crisis for tenants and an investment opportunity for large private equity funds and institutional investors. Currently, the biggest financial firms own 20% of all purpose-built rental stock, approximately 400,000 units. Some REITs (real estate investment trusts) have also invested in single-family home construction.

Governments could protect rental stock from being "financialized," but little has been done. Not so in many European countries where governments actually limit the number of units large investors (often institutional) can buy in defined geographic areas. This could help restrain rent growth in hot markets like Toronto and Vancouver. Developing an owner data base that would reveal the "beneficial owners" of corporations would be a step toward accomplishing that.

Also useful, the removal of capital gains incentives on REIT investments.

Better rent controls, more strictly applied would protect not only tenants, but could also dissuade profit-driven housing investments. However, vacancy controls are also needed. These would limit rent increases on vacant apartments upon turnover.

As the federal government embarks on the Build Canada Homes program, mechanisms to reverse the current financialization of housing should be incorporated. Although "affordability" seems to be a theme within this program, it has still to be defined. While there appears to be some constraint on private equity companies investing in single-family homes, this has not been extended to the construction of purpose-built rental housing.

Housing is a right; people need a place to live. Unfortunately, current government policies, by inducing financialization and refraining from limits and controls, do not endorse this "right."

> Currently, the biggest financial firms own 20% of all purpose-built rental stock, approximately 400,000 units

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Land Acknowledgement

We respectfully acknowledge that we are on the treaty and traditional territory of the Mississauga Anishinaabeg. We offer our gratitude to the First Peoples for their care for, and teachings about, our earth and our relations. May we honour those teachings.

References

[1] *CMHC Rental Market Report 2024, Excerpt, Peterborough CMA* https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/market-reports/rental-market-reports-major-centres

[2] *CMHC Rental Market Report (2025)*

[3] CMHC Rental Market Report, Peterborough CMA, Fall 2024 https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/market-reports/rental-market-reports-major-centres

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[6] CMHC Rental Market Report, Peterborough CMA, Fall 2024: https://www.cmhc-schl.gc.ca/professionals/housing-markets-data-and-research/market-reports/rental-market-reports-major-centres

[7] Peterborough Community Safety and Well-being Plan: https://www.peterborough.ca/en/city-services/resources/Documents/Community-Development/CSWB-Plan---November-08-2022-AODA.pdf

[8] https://www.bankofcanada.ca/rates/related/inflation-calculator/

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[10] Census Profile, 2021 Census of Population Profile table, City of Peterborough

[11] Lauren Kennedy, RD, Public Health Nutritionist, Haliburton Kawartha Northumberland Peterborough Health Unit

[12] Association of Ontario Municipalities, January 9, 2025: https://www.amo.on.ca/policy/health-emergency-and-social-services/amo-launches-groundbreaking-homelessness-study-ontario

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[14] helpseeker Technologies, Association Of Municipalities Of Ontario

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