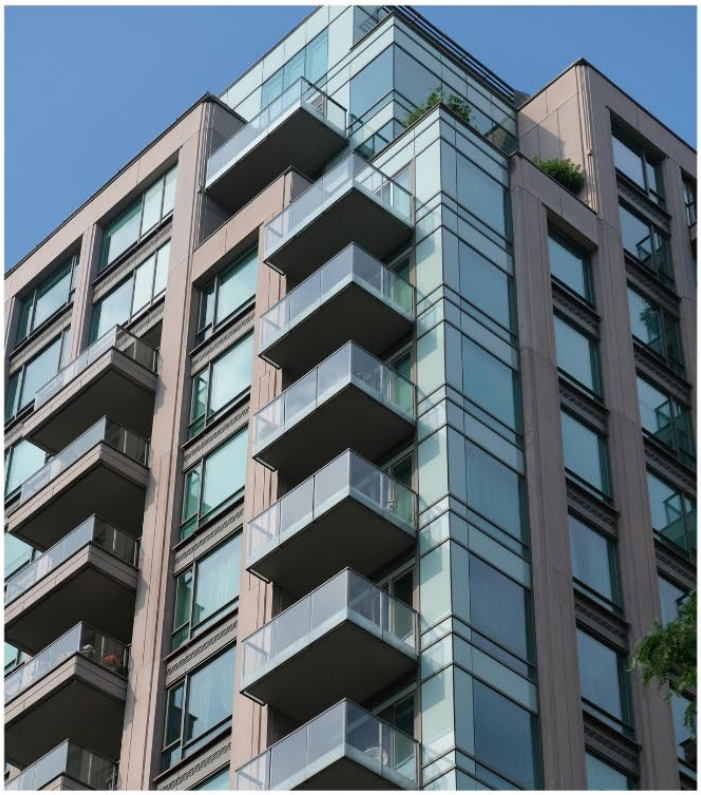
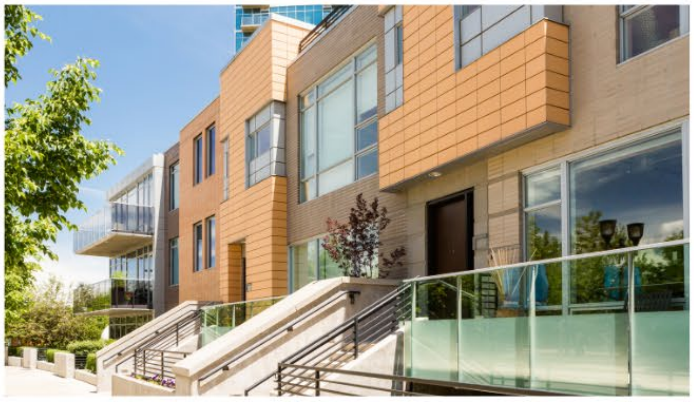




I'll Have a Double-double, Please:
Quantifying the base to scale up non-market housing in Canada

Steve Pomeroy
Industry Professor, McMaster University
Canadian Housing Evidence Collaborative

Canadian Housing and Renewal Association
CHRA ACHRU
A Home for the Housing Sector

The 2023 Scotiabank Economics brief (Young 2023), which found that Canada's non-market housing sector is only half the size of the OECD average, has become a rallying point for affordable housing advocates. Doubling the sector's size is now a widely embraced goal. This aligns with the Government of Canada's ambition to include non-market as a key part of their overall goal "We're doubling the pace of homebuilding – from supportive and deeply affordable housing to homes the middle class can afford" (Minister Gregor Robertson, CBC, Oct. 22, 2025).

Yet, as the Community Housing Canada research collective recently noted, the basis for this OECD comparison is uncertain: Canada lacks a definitive source of data on the actual scale of its community housing stock. This brief examines available data to quantify the long-term trajectory of Canada's non-market housing, highlighting its relative decline and the challenges ahead.

Setting the Context

Canada's housing affordability crisis is often framed as a problem of supply shortage:

"*We will build our way out of the housing crisis*".

— The Right Honourable Mark Carney, Prime Minister of Canada (2025)

While the idea of a chronic housing shortage is contested (Fallis 2021; Kavcic 2021; Leishman and Ong 2024; Pomeroy 2020), there is no doubt that Canada faces a persistent shortage of affordable housing. Comparisons with other OECD countries underscore the relative scarcity of social and affordable "non-market" housing.

Over the past two decades, rents have risen sharply, driven by limited purpose-built rental construction, high immigration-driven demand, and regulatory frameworks (e.g., vacancy decontrol) that allow moderate-rent apartments to escalate to market levels upon tenant turnover (Pomeroy 2021). As rents increase, rental housing has transformed into a highly valued asset class, attracting large capital funds and Real Estate Investment Trusts—a process widely described as financialization.

A positive outcome of this renewed investor interest has been a significant increase in new rental construction, alongside supply from investor-owned condominiums. Annual purpose-built rental starts rose from fewer than 20,000 units per year between 1995 and 2015 to more than 80,000 annually in 2023–24. This is a very significant improvement in rental supply. But it's important to distinguish supply from affordability. Most new units are priced at the high end of the market, with rents more than double the average in the existing rental stock.

CMHC data shows that rentals completed in the past five years enter the market at rents exceeding 150% of average market rent. In many cities, new one-bedroom apartments now list for more than $2,000 monthly, requiring incomes above $80,000. Yet, the median renter income in 2023 was $62,000 (CMHC 2024), and the 2021 Census reported a median income of just $31,280 among renters in core housing need (CMHC Housing Market Portal).

Lower-income renters traditionally served by the community housing sector are the main casualties of this market shift. It is simply not financially feasible for the private market to produce homes at low or even moderate rents. In prior programs in Canada and internationally, when subsidies and incentives have been provided to support private development of affordable rentals, these have come with term-limited period of affordability (typically 20 years). At the end of these compliance periods units are free to move to market and are lost from the affordable rent range, reinforcing the need to expand the non-market housing sector. With adequate government support and its non-profit ownership model, this sector can provide secure, permanently affordable housing, outside of the pressures of the speculative market.

What Is Non-Market Housing?

''Non-market housing'' is now the preferred term to describe the diverse stock created under various public, social, and affordable housing programs, largely managed by non-profit and cooperative organizations. The term is especially relevant in a context where market housing is increasingly commodified and financialized. Non-market housing establishes a clear alternative rooted in decommodification: by design, these homes remain affordable in perpetuity. Ownership by non-profit corporations with a mission to preserve affordability provides protection against speculative asset management and excessively rising rents.

Canada's non-market housing has evolved through four key eras:

1. **Pre-1994 public and community housing**: From the early 1960s through the mid-1990s, governments funded public housing, then expanded into community-based non-profit and cooperative programs.
2. **1994–2001 federal withdrawal**: Following the government's termination of new funding on December 31, 1993, most provinces also stopped investing. Exceptions included BC, Quebec, and until 1995, Ontario.
3. **2001–2019 federal re-engagement**: The 2001 Affordable Housing Framework reintroduced cost-sharing to produce affordable housing.[1] A major one-time boost came in 2006–2008 with $1.4 billion in Affordable Housing Trusts.
4. **Post-2018 National Housing Strategy**: Beginning in 2018, new federal and bilateral funding streams supported non-market housing production.

How Much Non-Market Housing Has Been Created?

Appendix A details the data sources and methodology used to estimate annual additions to Canada's non-market housing stock. These include both new construction (the majority) and acquisitions by non-profits and co-operatives (mainly before 1986).

The estimates draw primarily on two sources:

- **Canadian Housing Statistics (CHS)**: CMHC's official annual statistical publication (1955–2016).

1 This later became Investment in Affordable Housing (IAH)

- **Custom CMHC data (1990–2024)**: Based on completions data, subtracting privately initiated rentals from total rental starts, then adding separately enumerated co-operative units to identify residual non-market completions.

For the 1990-2018 period, where the data sets overlap it is evident that some non-market properties have been missed – likely coded as privately initiated. Where provincial data (mainly in BC, Ontario, and Quebec) showed additional unilateral activity not captured by CMHC, adjustments were made.

A caveat on these estimates

As described in Appendix A, it should be noted that this methodology generates a highest possible estimate and as such may overstate the scale of the non-market sector.

These historical programs have created a stock of non-market housing, in which roughly half are deeply affordable, with rents set on a rent geared to income (RGI) basis. These originated in the pre-1994 programs, when ongoing operating subsidies enabled RGI rents. Data from CMHC at the time the federal government was negotiating the transfer of administration to the provinces identified 350,000 homes as RGI targeted. The residual units and portfolios were often categorized as low end of market but were not RGI.

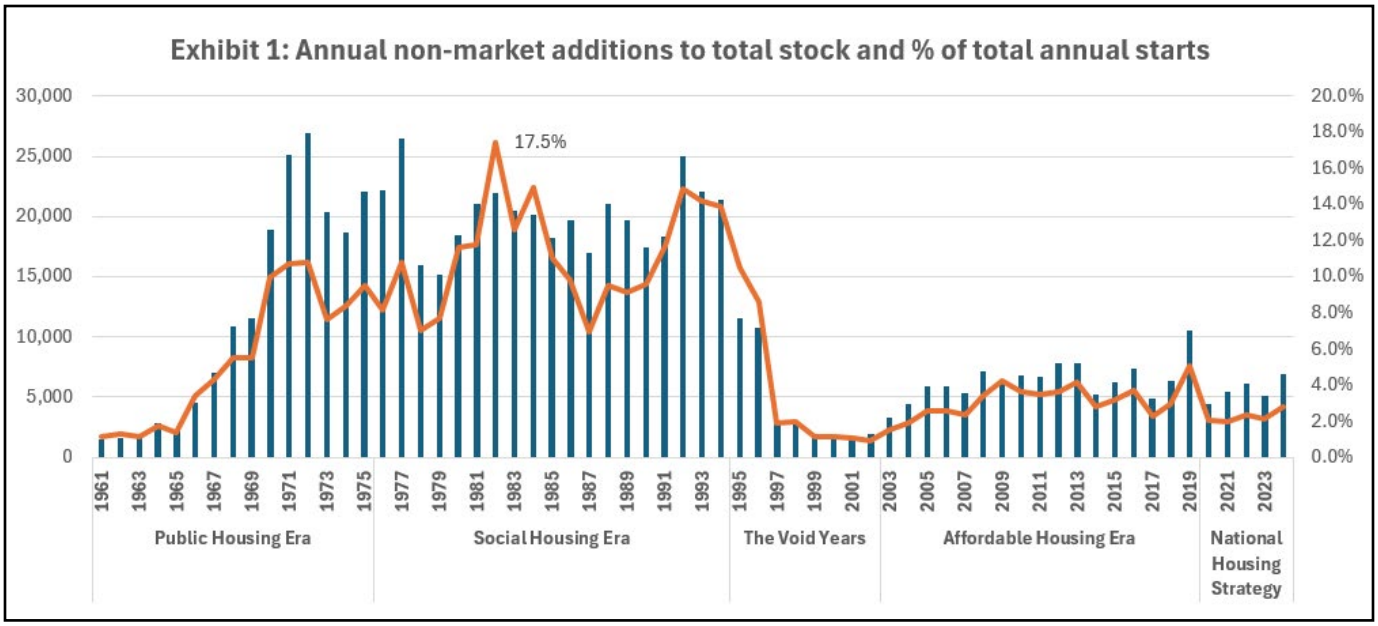
Since 2014, as long term subsidy agreements have expired, (alongside maturing mortgage payments) some of these are no longer viable at RGI levels so this part of the portfolio has declined (although most, but not all, units remain under non-profit operation with low end of market rents).

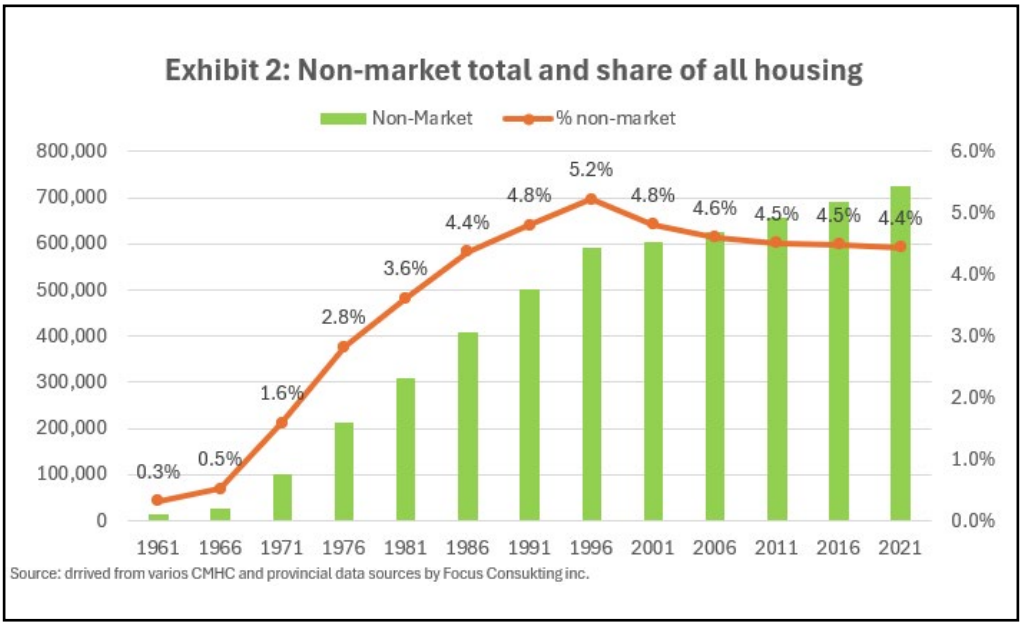
A number of non-market properties have undergone redevelopment, taking advantage of opportunities to intensify and add units to existing social housing sites. In such cases the original units in the base count were demolished and replaced. However, there is no aggregate data on the number of demolished units, so there is likely some double counting of these units.

Under the 2001-2019 Investment in Affordable Housing (IAH) initiative private proponents were eligible for funding, provided they committed to preserving rents at affordable levels. Delivered via Provincial and Territorial programs, there was inconsistent enforcement, and some have now reached the end of the compliance period so will no longer be restricted to affordable levels. It is presumed that most of these were identified in the CMHC coding as privately initiated so may or may not be counted as non-market.

Resulting estimate

This methodology yields an estimated **742,194 non-market homes** as of 2024 (Appendix A Table 1). This count excludes units in communities with a population under 10,000 and more recent additions on reserve. Adding 38,290 band homes funded under non-profit programs raises the total to **780,484 units**.





When cumulative additions are compared against census housing stock totals (Exhibit 2), the long-term trajectory becomes clear. While the absolute number increased, the overall housing stock (mostly market units) grew faster and as a consequence, the relative share of non-market has declined from a peak.

The non-market share of all housing peaked at 5.2% in 1996 (5.3% including band housing). Since then, its relative share has steadily declined, down to 4.4% in 2021. Adding additions since 2021 and comparing to the increase in the overall stock, the share at the end of 2024 remains at 4.4%.

Counterfactuals: What Could Have Been

Had Canada maintained even modest annual growth in non-market supply, the sector's scale today would be much larger:

- **At 5% of annual starts since 1996**: The stock would now exceed **1 million homes** (vs. 742,000 actual).
- **At 20% of starts**: Reflecting current need, Canada would now have over **1.7 million non-market homes**, equal to **10% of all housing stock**.

Doubling the Stock: Targets and Timelines

Advocates have called for doubling the current stock, which implies getting to 1.5 million homes. This would require producing an additional 750,000 units. For context:

- It took **30 years (1960s–1990s)** to create roughly 600,000 homes.
- Replicating that pace would require **25,000 non-market units annually for 30 years**.
- An ambitious target of **50,000 per year** could achieve the goal in 15 years.

The Community Housing Transformation Centre has set out an ambitious vision in its 2024-28 Strategic Plan to unite the sector around a 20% housing market share by leveraging its strengths. Thats a double-double![2]

The target of 20% is not without merit. Since core need was initiated in 1986, the percentage of households in core need has been just under 15%. Adding this to the peak number of 5.2% generates a total of 20% as an ideal proportion of all housing to meet the stated goal of the National Housing Strategy and the National Housing Strategy Act of adequate housing for all. Setting such targets is straightforward on paper. Achieving them, however, requires substantial commitments, including:

- rethinking program design and delivery models,
- defining affordability standards clearly,
- securing stable, large-scale funding and financing, and
- sustaining strong political commitment across governments.

2 For readers less familiar with Canada, a double-double is an iconic reference a nationwide chain of coffee shops whose feature product is coffee with two creams and two sugars, hence the ''double-double''.

Appendix A: Data Sources and Methodology

The Lack of a Definitive Count

Canada has no single, authoritative count of its social and non-market housing stock. As a result, the country is often excluded from international comparisons. **The Scotiabank (2023)** assessment cited 655,000 homes, though its methodology was not disclosed.

Historically, most estimates relied on CMHC's **Canadian Housing Statistics (CHS)**, which reported units funded under federal or federal–provincial cost-shared programs. However, CHS excluded units funded through unilateral provincial or territorial programs, meaning actual totals were understated.

The Census has also provided indirect data since 2011, asking households whether they live in subsidized housing. In 2021, 579,100 households self-reported living in such housing (3.9% of all households). While this proportion aligns with estimates for other "Anglo-colony" countries (U.S., Australia, New Zealand), it is far below levels in many European OECD members that built large public housing portfolios after WWII. Self-reporting also introduces potential errors, as households may misclassify their housing (for example in mixed income and pre-1994 properties, many households paid a near market rent, rather than rent geared to income, so likely report that they pay a market rather than a subsidized rent).

With the launch of the **National Housing Strategy (NHS)** in 2018, CMHC and Statistics Canada began new efforts to develop ongoing data collection. The **Social and Affordable Housing Survey (SAHS)** aims to mirror the Rental Market Survey (RMS) for private rental housing, building a database of social and affordable housing units. This relies on administrative records from project funding and subsidy agreements, but remains incomplete, notably missing Quebec.

Sources and Methodology Used in This Brief

This analysis builds on previous research while generating a new data series from a custom request to CMHC:

1. **Canadian Housing Statistics (CHS, 1955–2016):**
   - Reported commitments, starts, and completions under National Housing Act programs.
   - Included both new construction and acquisitions (especially common in the 1970s and 1980s).
2. **Custom CMHC dataset (1990–2024):**
   - Identified "privately initiated" purpose-built rentals.
   - Non-market completions were estimated as the residual (non-private) portion, with co-operatives added separately.
   - Provides overlap with CHS during the "void years" (post-1993 federal withdrawal) when unilateral provincial activity was undercounted.
   - When this derived completions file is compared to data identifying unilateral provincial activity (mainly in BC, Ontario and Quebec) it is evident that the completions data has missed some non-market properties—likely due to incorrect coding as privately initiated.

3. **Provincial sources:**
    - Used to fill gaps where CHS or custom CMHC data omitted unilateral provincial programs (notably Ontario, BC, Quebec).

This triangulation allowed adjustments to improve accuracy and create a more complete national series.

Gaps, Omissions, and Limitations

Despite these efforts, some gaps remain:

- Small communities: Data exclude units in centres under 10,000 population.
- On-reserve housing: CHS starts and completions data did not count band housing. Separate CMHC reporting identified 22,400 on-reserve units as of 2001, with another 15,890 added by 2016, for a total of 38,290. More recent additions are unreported but may number 10,000 or more.
- Redevelopment/replacement units: Some legacy social housing has been demolished and replaced (e.g., Toronto's Regent Park). Replacement units may be double counted in completions data, overstating net additions. Similar redevelopment elsewhere is difficult to track without detailed records.
- Some commitments under IAH were made to private proponents with term-limited affordability requirements (typically for 20 years). As these are privately owned and operated and the affordability conditions expire, they are not considered ''non-market'' but they augment affordable supply in the short term.

Estimating Annual and Cumulative Totals

The approach taken here was to:

- assemble annual data from CHS and the custom CMHC series,
- cross-check against provincial reports and Suttor (2016) for unilateral provincial initiatives,
- adjust for known undercounts and anomalies, and
- compile a continuous annual series of non-market housing completions (1955–2024).

From these annual flows, cumulative totals were calculated and benchmarked against census housing stock counts, producing estimates of both absolute stock and share of total housing over seven decades.

References

Community Housing Canada (2024) How much Community Housing is there? https://communityhousingcanada.ca/how-much-community-housing-is-there/

Canadian Housing Statistics (CHS), Multiple years 1955-2016, CMHC
CMHC Housing Market Portal
https://www03.cmhc-schl.gc.ca/hmip-pimh/en#Profile/1/1/Canada

Fallis, G (2021) George Fallis: Supply isn't the whole housing problem. The growing demand for 'more house' is, too. Op-ed in the national Post July 28, 2021.
https://financialpost.com/opinion/george-fallis-supply-isnt-the-whole-housing-problem-the-growing-demand-for-more-house-is-too

Kavcic, R (2021) Canadian Housing Fire Needs a Response. BMO Economics Special Report March 30, 2021,
https://economics.bmo.com/en/publications/detail/c76a7448-4306-4a50-a335-3a7c98fcbe9e/

Leishman and Ong (2024), The economics of housing supply: Key concepts and issues Parliament of NSW Research Office

Pomeroy, Steve 2020 *Why Canada Needs an Acquisition Strategy*, Focus Consulting Inc.

Pomeroy, S (2021) *Want to solve the housing crisis? Address super-charged demand*. The Conversation Nov 25, 2021.
https://theconversation.com/want-to-solve-the-housing-crisis-address-super-charged-demand-169809

Suttor (2016) *Still Renovating: A History of Canadian Social Housing Policy*. McGill-Queens University Press

Young, R, (2023) *Canadian Housing Affordability Hurts Scotiabank Global Economics Insights and Views*

Acknowledgements

I wish to acknowledge the valuable contributions of a number of colleagues who shared detailed data files from earlier research to assist in compiling this assessment. To Greg Suttor who poured over annual copies of CHS to extract historic commitments data; to Paul Connelly who had obtained details on unilateral Ontario projects from 1988-96 ; Allan Gaudrault who assembled data on unilateral Quebec commitments post-1994; and to BC Housing which provided annual details of commitments in BC.

Table 1: Estimated annual and cumulative non market additions

	Suttor new starts	Suttor Acquisitions	Suttor total	Adjusted CMHC complete (see notes)	Larger of suttor or CMHC adjusted	Estimated annual totals	Cummulative total
1951	1,549	0	1,549			1,549	1,549
1952	1,058	0	1,058			1,058	2,607
1953	808	0	808			808	3,415
1954	2,135	0	2,135			2,135	5,550
1955	995	0	995			995	6,545
1956	1,260	0	1,260			1,260	7,805
1957	2,156	0	2,156			2,156	9,961
1958	0	0	0			0	9,961
1959	2,329	0	2,329			2,329	12,290
1960	1,511	0	1,511			1,511	13,801
1961	1,427	0	1,427			1,427	15,228
1962	1,634	0	1,634			1,634	16,862
1963	1,687	0	1,687			1,687	18,549
1964	2,878	0	2,878			2,878	21,427
1965	2,235	0	2,235			2,235	23,662
1966	3,000	1,576	4,576			4,576	28,238
1967	5,700	1,334	7,034			7,034	35,272
1968	10,400	434	10,834			10,834	46,106
1969	11,100	493	11,593			11,593	57,699
1970	17,400	1,531	18,931			18,931	76,630
1971	23,100	1,998	25,098			25,098	101,728
1972	24,400	2,474	26,874			26,874	128,602
1973	17,900	2,521	20,421			20,421	149,023
1974	15,400	3,283	18,683			18,683	167,706
1975	17,800	4,217	22,017			22,017	189,723
1976	18,000	4,197	22,197			22,197	211,920
1977	22,100	4,411	26,511			26,511	238,431
1978	10,900	5,050	15,950			15,950	254,381
1979	12,000	3,212	15,212			15,212	269,593
1980	17,400	1,064	18,464			18,464	288,057
1981	18,800	2,208	21,008			21,008	309,065
1982	18,100	3,872	21,972			21,972	331,037
1983	19,400	1,050	20,450			20,450	351,487
1984	19,100	998	20,098			20,098	371,585
1985	16,200	2,054	18,254			18,254	389,839
1986	16,900	2,749	19,649			19,649	409,488
1987	16,100	887	16,987			16,987	426,475
1988	20,100	1,000	21,100			21,100	447,575
1989	18,800	900	19,700			19,700	467,275
1990	16,500	900	17,400	14,517	17,400	17,400	484,675
1991	16,300	800	17,100	18,319	18,319	18,319	502,994
1992	23,200	1,200	24,400	24,974	24,974	24,974	527,968
1993	21,100	1,000	22,100	21,106	22,100	22,100	550,068
1994	11,600	9,833	21,433	15,440	21,433	21,433	571,501
1995	6,000	3,465	9,465	11,599	11,599	11,599	583,100
1996	3,700	663	4,363	10,765	10,765	10,765	593,865
1997	2,500	255	2,755	2,762	2,762	2,762	596,627
1998	2,500	215	2,715	1,739	2,715	2,715	599,342
1999	1,000	128	1,128	1,729	1,729	1,729	601,071

	Suttor new starts	Suttor Acquisitions	Suttor total	Adjusted CMHC complete (see notes)	Larger of suttor or CMHC adjusted	Estimated annual totals	Cummulative total
2000	1,400	200	1,600	1,717	1,717	1,717	602,788
2001	1,400	200	1,600	1,795	1,795	1,718	604,506
2002	1,400	200	1,600	2,258	2,258	1,936	606,442
2003				2,092	2,092	3,286	609,728
2004				2,702	2,702	4,406	614,134
2005				4,793	4,793	5,837	619,971
2006				5,239	5,239	5,876	625,847
2007				3,922	3,922	5,316	631,163
2008				4,750	4,750	7,146	638,309
2009				4,142	4,142	6,278	644,587
2010				5,437	5,437	6,841	651,428
2011				5,802	5,802	6,727	658,155
2012				7,185	7,185	7,817	665,972
2013				6,394	6,394	7,827	673,799
2014				4,965	4,965	5,225	679,024
2015				5,289	5,289	6,192	685,216
2016				5,153	5,153	7,358	692,574
2017				3,653	3,653	4,915	697,489
2018				5,259	5,259	6,337	703,826
2019				5,318	5,318	10,492	714,318
2020				4,390	4,390	4,390	718,708
2021				5,389	5,389	5,389	724,097
2022				6,088	6,088	6,088	730,185
2023				5,122	5,122	5,122	735,307
2024				6,887	6,887	6,887	742,194

'Adjustment 1 for Quebec 1995-2001 total 4,302 (1,438 acquisition; 2,864 new). Averaged at 717/year 1994-2001
'Adjustment 2 for Quebec 2002-2018 total 16,648 averaged at 1041/yr over 2002-18
'Adjustment for Ontario unilateral 1989-1995 total 37,927; averaged at 6,321 per year for 1989-1995
'Adjustment for BC 1994-2018, missing 27,642, with annual differences identified and applied