

Contributors

Jean-François Perrault
 SVP & Chief Economist
 Scotiabank Economics
 416.866.4214
jean-francois.perrault@scotiabank.com

Census Confirms Progress on Housing Supply Remains Elusive

- Statistics Canada’s Census confirms that the supply of homes has not kept up with population growth over the 2016–21 period.
- Using Statistics Canada’s population estimates, and not the Census population counts, which undercount the number of residents by more than a million individuals, the ratio of homes to population fell during the 2016–21 period. This is true at the national level, as well as in most provinces and the majority of the 20 largest Census Metropolitan Areas.

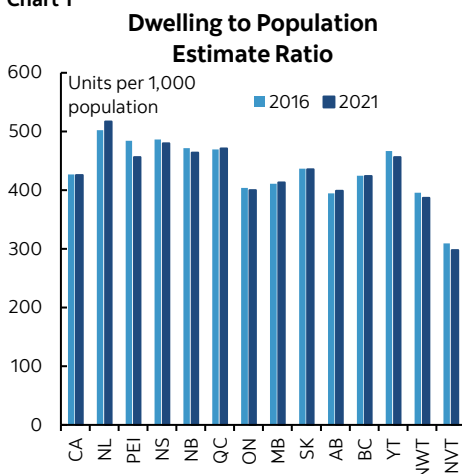
The key to increasing affordability lies in a better alignment of homes in relation to population. While some commentators have pointed to the Census as proof that the situation is getting marginally better, a more detailed look at the number suggests otherwise. Despite registering the slowest rate of population growth since 1972, the Census reveals that the imbalance between supply and demand for housing has increased nationwide, in most provinces and the 20 largest Census Metropolitan Areas. We do not appear to be making progress.

Key to this assessment is the choice of population growth estimate. The Census’s population count, [as explained by Statistics Canada](#), chronically undercounts population by roughly 1 million residents. Statistics Canada’s population estimates, which are separate from the Census, adjust for this undercounting. The population estimates are also the only ones available on a monthly, quarterly and annual basis. For these reasons, we used this measure of population in our previous work on this subject and continue to believe they represent the best basis for analysis.

Using the 2021 Census for the total number of private dwellings in relation to the 2016 and 2021 population estimates, the ratio of homes to population has declined marginally at the national level, meaning no progress has been made in closing the gap between the number of dwellings and residents. This is also true for most provinces (chart 1), and the majority of the 20 largest Census Metropolitan Areas (chart 2). This contrasts with the inferences made when using the Census population counts, which in our view are misleading for the reason noted above.

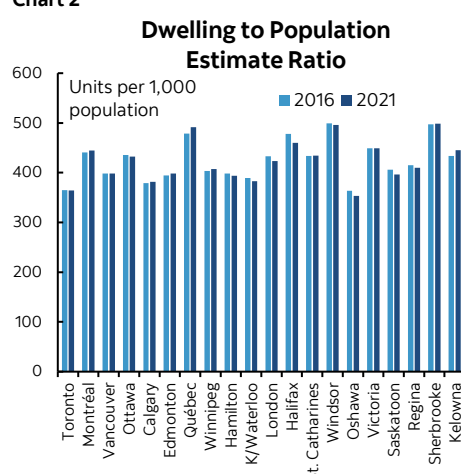
We remain hopeful that the focus on increasing the supply of dwellings by all levels of government will lead to a better balance between supply and demand in time. The most recent Census is a clear indication that we have yet to make progress in meeting the housing needs of Canadians.

Chart 1



Sources: Scotiabank Economics, Statistics Canada.

Chart 2



Sources: Scotiabank Economics, Statistics Canada.

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