

## Canada's 'us and them cities': data shows most homes are too small – or too big

The Guardian – May 27, 2017

In their bid to temper Canada's overheated housing markets – some of which rank among the world's least affordable – authorities in the country have slapped taxes [on some foreign buyers](#) and [taken aim at vacant homes](#).

Now one group of analysts is recasting the crisis in a new light; exploring the dichotomy between the millions of empty bedrooms across the country and the many families struggling to live in cramped accommodation.

When the Canadian Centre for Economic Analysis began delving into data on the country's housing market some three years ago, one pattern kept cropping up. “We started to notice that there seems to be a misfit in the geometry of the population and the housing stock,” said the centre's Paul Smetanin. The data suggested that in Ontario – Canada's most populous province – 70% of people were living in homes that were either too big or too small for their family.

On Tuesday, [the centre released a wide-ranging report](#) that, among other findings, laid bare the extent of the issue. Across Ontario there are five million empty bedrooms. Nearly two-thirds of the province's households live in homes that are bigger than what they need, with more than 400,000 homes that count three or more empty bedrooms.

The contrast between the haves and the have-nots is particularly acute in Canada's largest city. In Toronto and the surrounding area, said Smetanin, “for every bedroom that a household actually needs, there's almost six empty bedrooms”.

Some 2.2 million bedrooms sit empty, while it would take only about 350,000 bedrooms to house the nearly 20% of city residents – many of whom are families – who lack adequate space and shelter.

“If this was happening in the food supply or water supply, you would find that there would be a visceral response by government and others to fix the problem,” said Smetanin. “But housing is a very slow burn ... it's like a trainwreck in slow motion.”

A similar picture exists across the country, he said. Ottawa – Canada's capital city – is also the country's capital of overhousing, with about 80% of owners living in homes with extra bedrooms.

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In Vancouver – [where the housing market ranks as one of the world's least affordable](#) – [800,000 bedrooms sit empty](#). It would take just 120,000 of these bedrooms to meet the needs of the many families and residents living in spaces that are too small. “So while the media is dominated by housing affordability concerns, there's sort of this lingering contradiction.”

Smetanin pointed to several factors to explain the phenomenon. “We live in a country that’s obsessed with ownership,” he said, with Toronto, Ottawa and Vancouver boasting some of the [highest home ownership rates in the world](#). “When you have a look at the baby boomers and empty nesters that are sitting in very large homes and they own their own homes, they’ve got nowhere else to go.”

This inertia has been exacerbated by city planning that has emphasised the construction of detached homes and condos and all but ignored “gentle density” options such as duplexes and townhomes, he said. “So even if they wanted the right size, they’ve got nowhere else to go because it doesn’t exist.”

Solutions could include more zoning for secondary suites in single-family neighbourhoods and building more – and more diverse – rental housing. “We definitely need more rental and more choice in the system,” he said. “Because it seems that the ownership pendulum has swung too far.”

The result is that a city like Toronto has now become a tale of two cities, divided by a generational gap and the unintentional hoarding of bedrooms. Those over 65 – 85% of whom are overhoused – are living in low-density neighbourhoods where the population is shrinking, while the hundreds of thousands of young people, larger families and newcomers to the city are packed into high-density apartments in fast-growing neighbourhoods.

The concept of overhousing and all of its ramifications is still in its infancy, said Smetanin. “It’s something that no one is talking about,” he said. “I would be fascinated to see if there are levels of overhousing that occur across Europe – whether this is a sort of Western global phenomenon – or if this is just limited to Canada and the United States.”

Left unchecked, however, the phenomenon – and the deepening inequality that it hints at – has the potential to wreak havoc on cities, he said. “Where will it end up? You’ll get an us and a them. And that’s part of the concern. Who wants to live in an us-and-them city?”