

# 2021 CENSUS: RISE OF RENTER HOUSEHOLDS ACROSS HAMILTON'S COMMUNITIES

Hamilton's renter population has grown to record numbers. The 2021 Census counted 76,400 renter households in Hamilton, growing by more than 1,500 new renter households per year since 2016 (chart 1). This is a growth rate of 2.3% per year in renter households, more than double the growth rate of all households in Hamilton combined (1.0% annually), and five times the growth rate of owner households (chart 3).

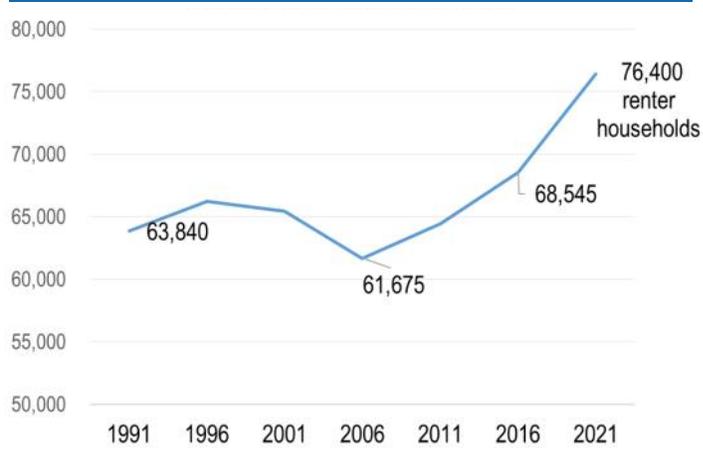
### Renters across Hamilton's communities

The proportion of renters among Hamilton's communities is largest in the lower city (55%), followed by the Mountain (31%) (chart 2). In all of Hamilton's communities, the renter population is growing. The suburban communities of Ancaster and Glanbrook have the smallest share of renters, but saw a 50% increase in the share of renters households from 2016 to 2021.

In contrast, ownership household growth is very low across Hamilton's communities (chart 3), and on the Mountain there has been a drop of about 800 owner households, a 2% decline in that population.

Record high housing ownership costs have reduced the number of households that can

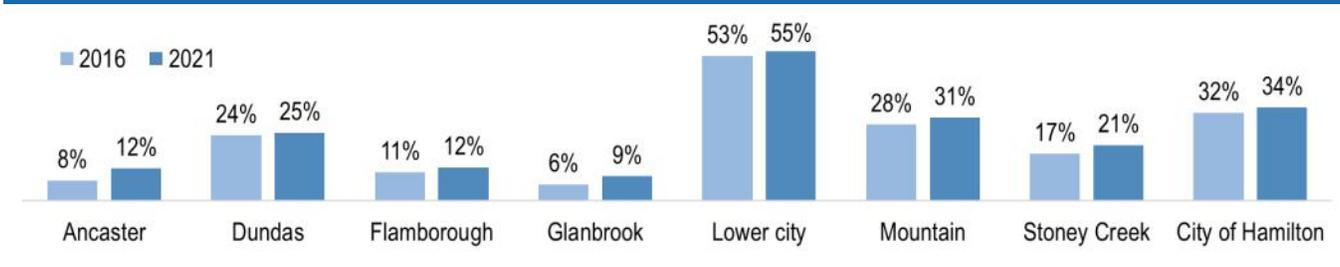
**Chart 1. Number of renter households, City of Hamilton, 1991-2021 Census of Canada, and 2011 National Household Survey, Statistics Canada**



afford to move from renting to owning. One major factor in high ownership costs is low interest rates have attracted many investor owners who are using housing as a profit-making enterprise, instead of for their own shelter needs.

The aging population is a factor as well, with growing numbers of older household owners selling and moving to retirement buildings and other rental accommodation that better suit their needs for accessibility and support. In 2021,

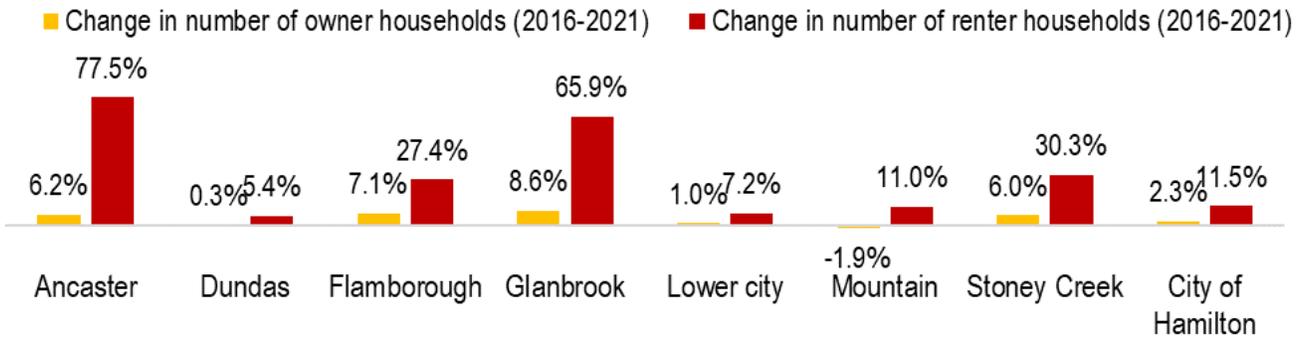
**Chart 2. Proportion of all households that are renter households, Hamilton communities, 2016 and 2021 Census, Statistics Canada**



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**Chart 3. Population change by housing tenure, Hamilton communities, 2016 and 2021 Census, Statistics Canada**



there were 13% more renters in Hamilton aged 65 and over than in 2016 (Census data, Statistics Canada).

**Hamilton and neighbouring communities**

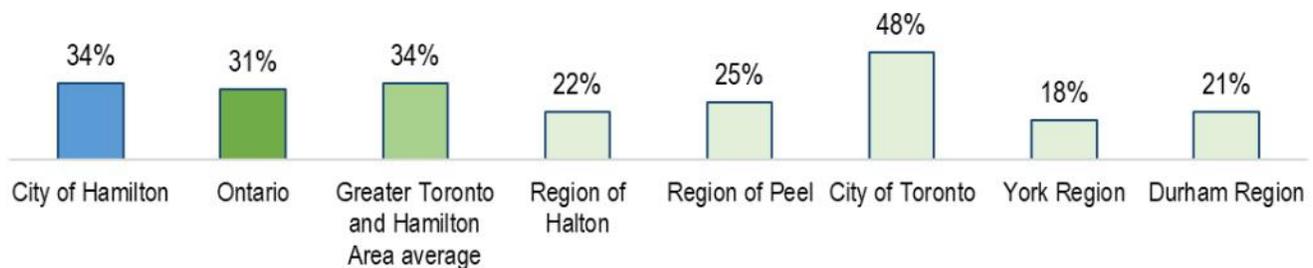
Comparing rental housing proportions across the Greater Toronto and Hamilton area (GTHA) in 2021, just over one third of Hamilton households were renter households (34%), the second highest percentage among GTHA municipalities, after Toronto, and higher than the average across Ontario (31%) (chart 4).

The differences between growth in renter and ownership households across the GTHA, illustrated in chart 5, shows that Hamilton has

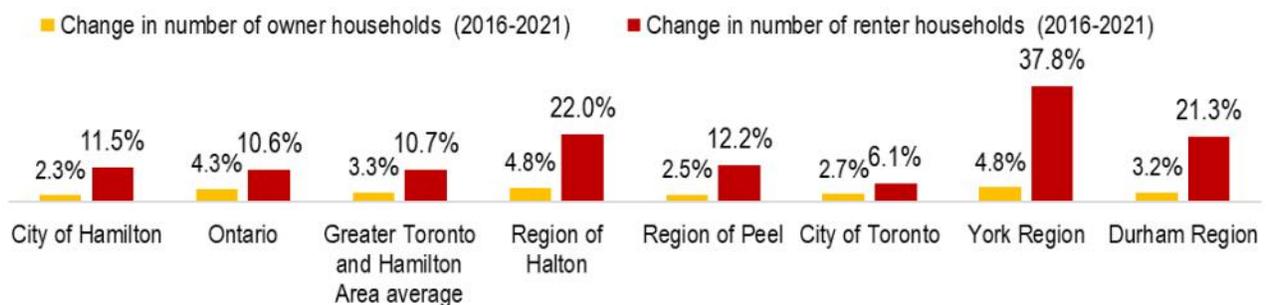
the lowest rate of ownership growth across the GTHA, tied with Region of Peel. Hamilton’s rate of growth among renter households is higher than the GTHA and the provincial average.

The growth in Hamilton’s renter population highlights the need for stronger city and provincial policies that give more voice and rights to tenants and protect and grow the rental housing stock. The SPRC’s previous reports *Out of Control: Ontario’s acute rental housing crisis – Lessons from Hamilton and Quebec City*, and *Hamilton’s Rental Landscape* provide additional context and point to ways to make Hamilton a more renter-friendly city.

**Chart 4. Proportion of private households that are renter households, City of Hamilton, Ontario, and Greater Toronto and Hamilton Area municipalities (GTHA), 2021 Census, Statistics Canada**



**Chart 5. Growth of private ownership and rental households, City of Hamilton, Ontario, and Greater Toronto and Hamilton Area municipalities (GTHA), 2016-2021 Census, Statistics Canada**



# GROWTH IN RENTER HOUSEHOLDS OUTPACING CONSTRUCTION OF PRIMARY RENTAL UNITS

The popularity of rental accommodation has been outpacing completion of new primary rental market housing units in Hamilton for at least 15 years. New renter households include families and individuals such as: renters moving to Hamilton from other communities; new immigrants to Canada settling in Hamilton; young adults starting their own households; and older adults moving from ownership to rental in their senior years, among many other household types.

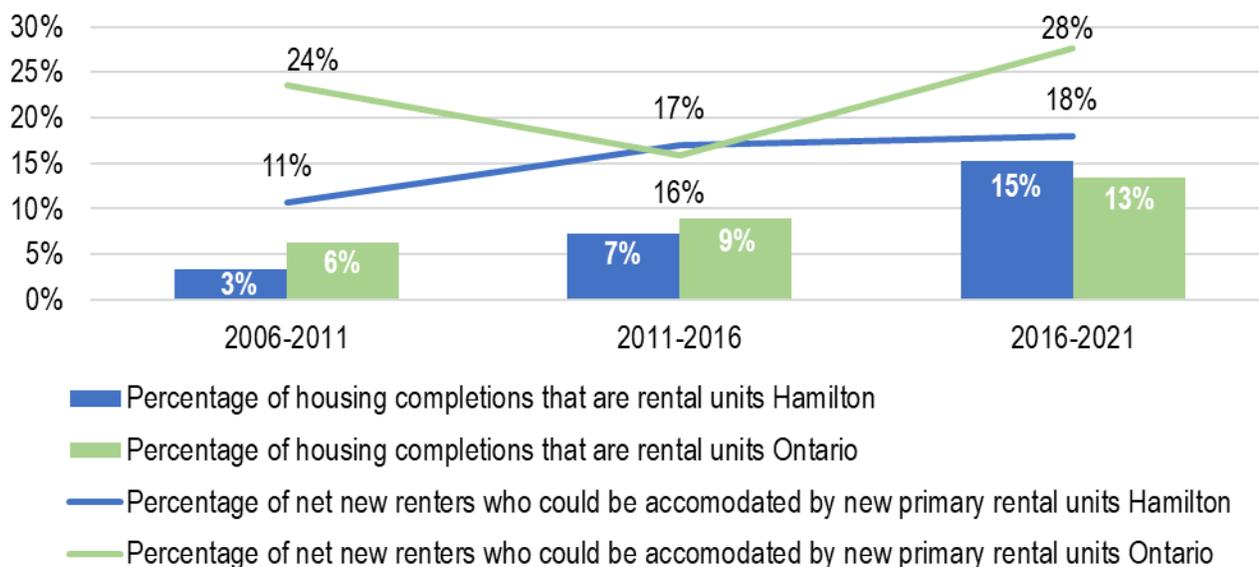
On average, in the last five years, new housing units intended for the rental market are only 15% of the total of new completed housing units in Hamilton (chart 1). Purpose built rental housing dwellings are “primary rental market” units. Chart 1 also compares census data on net new renter households with CMHC data on rental housing unit completions, showing that only 18%

of net new renters were accommodated by the growth in new primary rental housing in the 2016 to 2021 period. Hamilton lags behind Ontario on this measure — new primary rental housing was available for approximately 28% of renters on average across the province in this same time period.

### Secondary rental units filling the gap

The majority of new renter households are, therefore, having to find accommodation in the “secondary rental market”, as there aren’t enough new primary rental market units for the large and growing population of new renter households in Hamilton. Secondary units are units in housing not initially built as rental housing, including private homes rented out, basement or attic units created as income properties within an owner-occupied home, or condo units rented out by investor owners, for

**Chart 1. Comparisons between growth in rental housing completions and net new rental households, City of Hamilton and Ontario, 2006-2021 Census data, Statistics Canada, and CMHC Starts and Completion Survey (2006-2021)**



example. The secondary rental market is preferred by some renters, as there is more variety in the units available, and there are units in all neighbourhoods in Hamilton, unlike primary, purpose-built, rental units which don't exist at all in many neighbourhoods, especially in suburban areas.

Secondary units are subject to the same Rental Tenancy Act (RTA) regulations and protections as units in the primary rental market. Many secondary units are owned by "small landlords", property owners renting out a single unit or just a handful of units. These small landlords are sometimes not as familiar with the RTA as property owners and managers in the primary rental market. Secondary unit tenants are often first time tenants, and may be less aware of their tenant rights, or how to enforce them. Secondary housing units may also be more likely to have absentee landlords residing out of town, or even out of province, without effective property management services to access for maintenance and repairs. Conversely, some small landlords offer more flexibility than is available in the primary market, with payment plan options for example when a tenant experiences a temporary lay off.

Chart 2 shows that the secondary rental market has grown by over 4,000 units since 2016. Despite the need for more rental units in Hamilton, the city continues to have a high rate of unoccupied housing within the stock of existing private residential units. In 2021, there

were over 9,500 unoccupied units in Hamilton (chart 2).

### Returning vacant units to housing people

Unoccupied units include a wide variety of housing. The City's new Vacant Building Registry by-law will help to track this portion of Hamilton's housing stock, with the goal of returning vacant units to be occupied housing. For example, one type of vacant unit is rental housing that is either too expensive or in a poor state of repair. These type of units stay vacant for long periods because tenants do not want to or can not afford to live there. Unoccupied units may also include housing currently undergoing major renovations.

A large portion of unoccupied units are investor-owners putting units on the short term rental market, which changes the use from residential to housing tourists instead of local tenants. A [recent staff report](#) to Planning Committee of City Council revealed that prior to the pandemic there were around 1,000 short term rental market operators in Hamilton, with about two thirds offering entire homes or apartments. About 10% of hosts operate multiple listings for multiple units. City of Hamilton planning staff are preparing a by-law to limit short term rentals of entire units to a maximum of 28 days a year. This will help encourage more investor-owners to return their units to the residential rental market, or sell them to owner-occupied households.

**Chart 2. Rented dwellings by market type, and unoccupied dwellings (rental or ownership), City of Hamilton, 2016 and 2021 Census, Statistics Canada, and CHMC Rental Market Survey (November 2016 and 2021).**

