

News & Comment

Home-ownership rate highest on record

ROMA LUCIW

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Canada's home-ownership rate is at its highest level on record, with people in the Atlantic provinces most likely to purchase their personal castles while Quebecers are the least likely, according to the latest national census data.

Figures from the 2006 census, released Wednesday by Statistics Canada, show that more than two-thirds - 68.4 per cent - of all Canadian households owned the place they lived in, the highest since this information was first collected in 1961.

Willa Rea, a Statscan housing analyst, said the rate has climbed more sharply since 1996. "Low interest rates have been the main driving factor of home ownership," she said, noting that mortgages have plummeted from above 18 per cent in the early 1980s to around 5 per cent in the early 2000s.

Canada's housing market has been booming in recent years, with sales and prices soaring across the country. But that does not appear to have dented demand for homes. Previous data from Statscan have shown that an increasing number of Canadians are shunning financial markets and investing in their homes.



"More and more, people feel as if this is a good investment," Ms. Rea said. "When you see the price of houses going up, and if you at all are interested [in the] investment aspect of home ownership, then it is a positive reinforcement for you."

The Statscan census does not contain information on who is doing the buying.

Provincially, Newfoundland and Labrador boasted the highest home-ownership rate at 78.7 per cent, followed by New Brunswick at 75.5 per cent and Prince Edward Island at 74.1 per cent. Alberta's rate stood at 73.1 per cent, Ontario at 71 per cent, Saskatchewan at 71.8 per cent and British Columbia at 69.7 per cent.

At 60.1 per cent, Quebec had the lowest rate among the provinces, although it had risen 2.2 per cent from 2001. Nunavut trailed the territories with a home-ownership rate of just 22.7 per cent, a 1.5 per cent drop from five years earlier.

The bustling housing market has sparked a boom in construction. Not surprisingly, the Statscan census data showed that a larger proportion of Canadians are living in new homes.

In 2006, around 8.5 per cent of households were living in dwellings built in the last five years, up from 7.1 per cent from 2001 but well below the 16.5 per cent rate in 1981, when the massive Baby Boomer demographic segment was in the process of leaving the parental home in favour of their own abodes.

Homeowners were much more likely to live in newer dwellings than renters, with 10.3 per cent of owners calling a new residence home compared with 4.5 per cent of renters.

The census also asked Canadians whether the place they lived was in need of major repairs, such as fixing defective plumbing, electrical wiring, or requiring structural work. The proportion of Canadian households who said their home needed major repairs fell to 7.5 per cent in 2006 from 8.2 per cent in 2001.

Other than Saskatchewan, which saw a small increase, each of the provinces shared in this decline. Ontarians continue to feel their homes are in the least need of major repair in the country, at just 6.6 per cent.

--By Globe and Mail (www.globeandmail.com)