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GRENFELL
CAMPUS



Housing Needs in Western Newfoundland

Policy Brief

Key Highlights

Many tenants in Western Newfoundland report feeling satisfied with their rental experiences; however, an analysis of monthly incomes suggests that 44% of the 109 tenant participants are experiencing core housing need (spending 30% or more of their before-tax income on housing, and/or living in housing needing major repairs, and/or living in unsuitable housing). This is a higher proportion of renters than indicated in previous studies of renters in small centres in NL (Statistics Canada, 2020)

Homelessness is also a challenge, with much of the homeless population being hidden. This study identified 51 homeless individuals who lived with family and friends, in shelters, in transitional housing, or in short-term temporary rentals, and few unsheltered. Factors contributing to their experiences of homelessness were varied, but unaffordable housing played a critical role. Many relied on income support, although service providers describe the income support rates as inadequate considering the high cost of rent in the region.

Background

Housing is a basic necessity and impacts all facets of life including mental health, family life, and economic decisions. Access to affordable housing and homelessness have both been identified as challenges in Western Newfoundland. These challenges in the region are attributed to a complicated web of factors and thus require a multi-faceted and multi-level approach to devise and implement lasting solutions.

The impact of Covid-19 on housing in Atlantic Canada has revealed vulnerabilities in the housing sector. Job losses, social distancing requirements and associated stresses have further contributed to housing insecurity. But these housing challenges have been present in western Newfoundland for some time due to low vacancy rates and the high cost of rent in the region.

This research study was a collaboration between the Community Mental Health Initiative (CMHI) and Grenfell Campus, Memorial University. Funded by Reaching Home, the study generated up-to-date, regionally-specific data about housing needs. The study area included the Bay of Islands and Humber Valley regions including Corner Brook, Deer Lake, and Pasadena, among others. The study included a tenant survey, landlord survey, service-based count, World Café session, and discussions with service providers all conducted between 2019 and 2022.

Key Issues

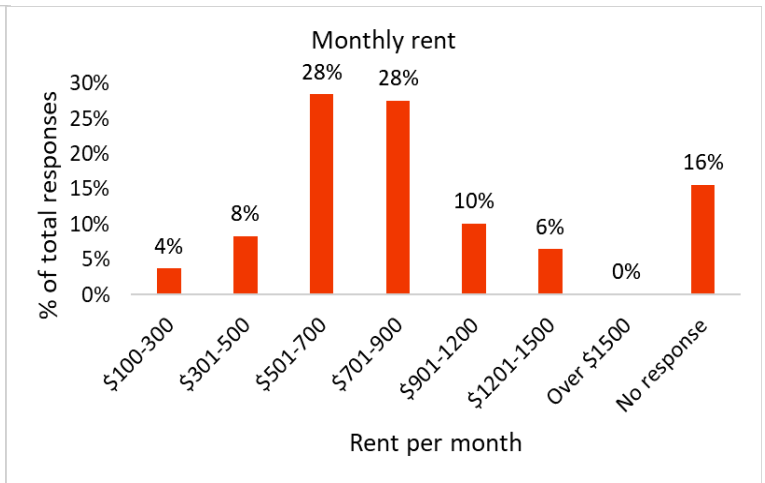
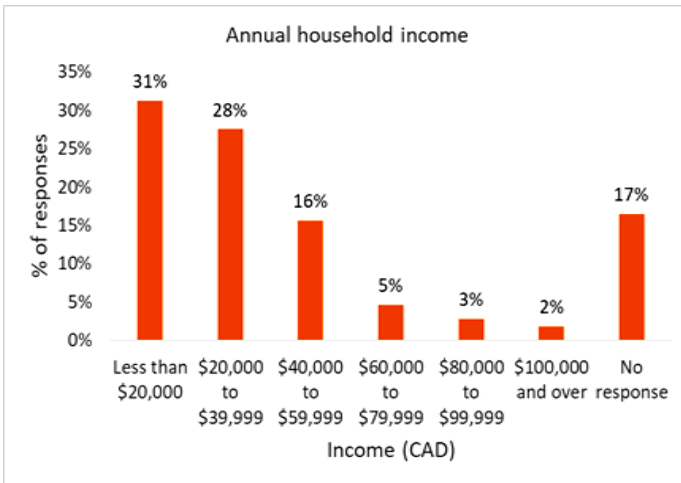
Core housing Need

Statistics Canada (2017) states that a household is in 'core housing need' if its housing falls below at least one of the adequacy, affordability or suitability standards, including that a household spends 30% or more of its total before-tax income to pay rent.

The present study established that 44% of the 109 participants in the tenant survey were in core housing need. The largest proportion of tenants were in core housing need due to housing being unaffordable (31% of all tenants).

On average, tenants paid \$951.25 per month for their rent and utilities in the region. The majority (59%) of households earned less than \$40,000 per year (about \$3171.75 per month), which means that housing and utilities cost more than 30% of these tenants' household income before tax.

Although the majority of rentals only needed regular maintenance, some units were noted as in need of major and minor repairs. A total of 13% of tenants were in core housing need due to inadequate housing (major repairs needed). Nearly half (47%) of the landlords surveyed, had made modifications to their rentals to improve accessibility for seniors/persons in wheelchairs, though only a small portion of units overall were livable and visitable for persons requiring wheelchairs. This suggests that access to suitable housing is also a challenge for some tenants.



Access to essential services

Most rentals were felt to be in close proximity to grocery stores, parks and green spaces, recreational facilities, medical services, social programs and community agencies, and mental health services. However, tenants indicated limited access to public transportation and laundromat services.

Renters in Corner Brook and Bay of Islands region indicated better access to medical services when compared to Deer Lake and Pasadena. Public transit and laundromat services were seen as inaccessible across the study region, but least accessible in the Deer Lake area.

Vacancy Rate

According to CMHC, in 2021, the vacancy rate in the Corner Brook area was 1.4% compared to 3.4% province-wide. Consequently, it is more difficult to find accommodation in the Corner Brook area when compared to other areas of the province. Landlords who participated in this study disclosed that half of their rental units were vacant for less than a month in a given year. This indicates that the demand for housing locally is high. Most rental agreements are also month-to-month, which suggests less stable housing arrangements.

Homelessness

Two counts of homelessness identified 51 individuals experiencing homelessness in the region. These individuals (who were identified as mostly single persons (78%), males (57%) and predominantly within the ages of 16-18 and 30-39 years) are generally described as “hidden” as they are sheltered in (or with) transitional homes, family, friends, or short-term rentals. Several depended on income support (38%) and employment insurance (15%) for their income. Considering the average cost of rent (\$951.25), the support provided through these sources are inadequate to cover the cost of housing and other living expenses, leaving them to seek housing services from shelter providers.

These individuals were experiencing homelessness due to many factors including that they had low incomes, had experienced family breakdown or conflict, and that the cost of rent was too high. Access to suitable unit size was also limited, as many units are too large for single persons or small families. It was felt that the demand for services exceeds local service provider capacity.

Recommendations for Policy Makers

- Income support rates are not meeting the needs of residents most in need. As such, there is a need to revisit the legislation and consider alternatives and increased rates.
- There is a need to increase the number of public housing units, particularly those that accommodate individuals and small families.
- Increasing residence spaces at the university could help reduce pressure on rental housing stock in western Newfoundland communities.
- Increasing the number of direct and emergency funding programs, and more funding through existing programs would enable service providers to better support clients in their emergency housing needs (e.g. late rent payment, major repairs, etc.).
- Incorporating universally accessible design guidelines into new-builds (e.g. creating new policies/ regulations, information campaigns) could help improve the proportion of accessible housing available.
- Continuing to invest resources in local service providers would help increase capacity to expand services and their effectiveness in their region.

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Link to report [here!](#)