Housing affordability among senior residents in St. John’s, Newfoundland (1991-2011)

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Outline

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Background

- Housing costs have risen rapidly in St. John’s in relation to incomes.
- Age is an important predictor for how large share of household income is required to cover housing cost.
Housing affordability entails that housing costs secure an adequate and suitable dwelling, while remaining income also covers non-housing necessities.

Focus has shifted from linkages (Kendig 1984) to decoupling (Winter & Stone 1998) between life course events and transitions in the housing market.

There are policy orientated reports (ASHRA, 2010; Starr et al, 2014), otherwise housing affordability for older persons is an under-researched topic in Newfoundland.
Objective & Research question

Objective:
Explore housing affordability patterns for senior residents in St. John`s, NL 1991-2011.

Research question:
How do housing affordability patterns for seniors differ from those of non-seniors?
Data & Methods

Data:

Methods:
• Descriptive data analysis (Stata).
• Literature, policy document and public media review.
• Archival research.

Sample population
St. John’s NL (CMA)

Definitions:
Senior is a person (primary household maintainer) aged 65 years or above.

- Excluded:
  - Institutionalised persons
  - Farm households
  - Households with no reported income or housing cost, or those with housing costs exceeding income.

Number of households

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<tr>
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<th>1991</th>
<th>2006</th>
<th>2011</th>
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<td>n</td>
<td>52985</td>
<td>67965</td>
<td>75700</td>
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Percentage of seniors

- Seniors (Household maintainers)
- Seniors (Total population)
Findings - Household structure

- One person household
- Couple household
- One person + additional person(s)
- Couple + additional person(s)

Year Comparison:
- 1991 - Senior
- 2006 - Senior
- 2011 - Senior
- 1991 - Non-senior
- 2006 - Non-senior
- 2011 - Non-senior
Findings – Household incomes (inflation adjusted)
Findings - Income quartiles
2006

Seniors

Non-seniors

1st Income quartile
2nd Income quartile
3rd Income quartile
4th Income quartile
Findings – Housing tenure

- Renter - Non-senior
- Renter - Senior
- Owner (no mortgage) - Non-senior
- Owner (no mortgage) - Senior
- Owner (mortgage) - Non-senior
- Owner (mortgage) - Senior

1991
2006
2011
Findings - condominiums

- Senior, no mortgage
- Senior, mortgage
- Non-senior, no mortgage
- Non-senior, mortgage

Comparison for the years 2006 and 2011.
Findings – Housing costs by tenure (median non-senior/median senior)

- Renter
- Owner, no mortgage
- Condo owner, no mortgage
- Mortgaged owner
- Mortgaged condo owner

Findings – Housing affordability

Renters

Owners, no mortgage

Owners, with mortgage

Seniors
Non-seniors
Findings – Housing quality

Home needs major repairs

Non-senior  | Senior
---|---
1991 | 6.0% | 6.0%
2006 | 5.0% | 5.0%
2011 | 4.0% | 4.0%

Shortage of a bedroom

Non-senior  | Senior
---|---
1991 | 18.0% | 18.0%
2006 | 16.0% | 14.0%
2011 | 12.0% | 10.0%
Limitations Census data

• Self-reported housing quality. Problems may be understated (O’Dell, Smith & White 2004). Renters unlikely to complain (ASHRA, 2010). Some female home owners intimidated by contractors/tradespeople (Ryser & Halseth, 2011; Starr et al., 2014). 20% senior housing needs major repairs (ASHRA, 2010).

In addition:
• Does not provide information on size of debt, or wealth, and social networks.
• Does not address housing problems such as lack of accessibility, safety, security, privacy, difficulties with maintenance, need of assistance, and accessible transportation (ASHRA, 2010; Blackwood 2005).
Analysis

• Many (but not all) seniors at risk of housing affordability stress.
• Health status and income differences generate wide range of housing needs.
• Vulnerable when (food, energy, property taxes, interest rates) costs increase (Kirkpatrick, & Tarasuk. 2007; O’Neill, Jinks, & Squire, 2006; Ryser & Halseth, 2011).
• Private market does not provide housing for low income earners, or those with fixed incomes (Carver 1948).
Funding Affordable housing?

Federal government
- Returned with a funding program AHI in 2001 (renamed IAH since 2011).

Other options
- Non-profits raising funds (different sources).
- Social impact bonds marketed to private investors who are interested in a social and financial return (Starr, et al. 2014).
Affordable housing provision

• **Strong interest & advocacy support** for affordable housing NL (Beaton, 2004; DWNA, 2007; Keogh, 2006).

• **Collaborations** between different levels of government with community / faith groups, and the private sector.

• **Innovative solutions and new models** such as co-housing (Starr et al., 2014), re-development of existing buildings (Johnson 2016).
Conclusions

• Seniors with lower incomes are more likely to experience housing affordability stress than non-seniors.

• This generates health risks, social risks, and financial risks.

• Therefore provision of affordable & accessible housing requires collaborative effort, and it should be combined with neighborhood planning to provide accessible services & amenities.
References


Downtown West neighborhood Association, DNWA. (2007).


Thank You

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