

Town of Port Hawkesbury

Municipal Housing Needs Report

2023

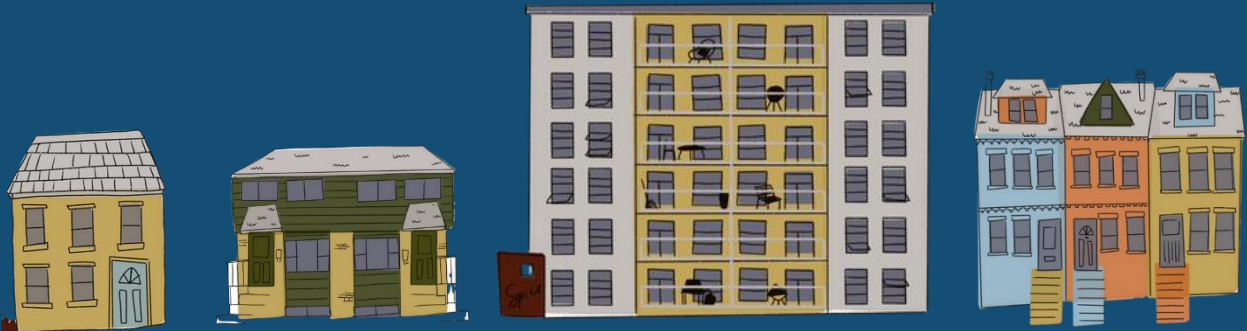


TABLE OF CONTENTS

1	Introduction	1
2	Key Findings	2
3	Housing Supply	5
	3.1 Market Housing	5
	3.2 Non-Market Housing.....	10
	3.3 Post-Secondary Student Housing	12
	3.4 Short-Term Rentals (STRs).....	12
4	Housing Shortage	14
5	Housing Affordability.....	16
	5.1 Homeownership	16
	5.2 Rental Market.....	19
6	Housing Need	21
	6.1 Housing Need by Tenure	21
	6.2 Housing Need by Household Type.....	22
7	Demographic Profile	24
	7.1 Population	24
	7.2 Households	26
8	Conclusion	29

1 Introduction

The purpose of a housing needs assessment is to understand the current and anticipated housing conditions across a given geography, in the case of this and accompanying reports, the conditions across the province of Nova Scotia and its municipalities. Generally, this work strengthens the ability of local stakeholders and governments to:

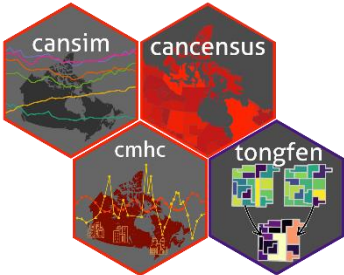
- Identify current and future housing needs and
- Identify existing and projected gaps in housing supply

Empowering municipalities and the province to become effective partners in housing provision requires reliable data to identify the stock necessary to meet current and future needs and how to drive related policy and investment. The insights generated by a needs assessment can help to inform ongoing land use and social planning initiatives at the local level, as well as provide hard evidence in support of advocacy to more senior levels of government.

The goal of this municipal report is to share appropriate, available, and accurate data to municipal governments so that they further understand their current housing situation and what they might anticipate. It is important to note that the same data methodologies and calculations are applied across each municipality, based on available data. This means that reports cannot consider all the nuanced conditions of individual communities that would be known best by municipal staff, stakeholders, and residents.

The report should be considered a form of base knowledge, intended for local review and discussion. Municipalities should use local information to provide additional context and information for discussion and decision-making as they see fit. For more details about methodologies, provincial trends, and definitions, please refer to the **Provincial Report**.

Note that all data references the municipality unless noted otherwise.



2 Key Findings

Housing shortage

As of the end of 2022, there was a gap between housing demand and the available supply of about 175 units, including both market and non-market housing.

Projections suggest that to keep pace with population growth, the municipality will need 235 new units by 2027 (including the existing shortage of 175) and 225 by 2032. Status quo construction will not be enough to meet the 2027 projected demand. About 5 new units could be completed annually based on historical construction trends. If that pace continues, it will leave a remaining gap of 210 units by 2027 and 175 by 2032.

"We want to be a town for everyone - not just where people can work and play - but where people can actually live."

Population

Between 2016 and 2021, the population of Port Hawkesbury negligibly changed, compared to the provincial growth rate of 5%. Growth that did occur was mostly among 65- to 84-year-old cohort.

Finance and Treasury Board (FTB) estimates suggest that the 2022 total population was 3,230 with a projected increase of 1% between 2022 and 2027. Senior populations should increase during that time, with decreases mostly occurring among non-senior populations - except potentially among 25- to 44-year-olds who may expand 3% over the next five years.

However, population growth may not continue between 2027 to 2032, with an anticipated 2% contraction.

Households

Between 2016 and 2021, there was an overall 5% increase in households, with non-census families (i.e., single persons or roommates) experiencing the largest increase - 33% since 2016. Households in Port Hawkesbury are also getting smaller. The share of 1-person households rose by 25% between 2016 and 2021.

Estimates suggest that total households reached 1,440 in 2022, with a potential increase of 2% from 2022 to 2027 (30 total). Household losses should predominantly occur among older working professional-led households (45- to 64-year-olds).

The greatest rate of growth should be among senior-led households. Similar magnitudes of growth are not expected to continue from 2027 to 2032.

Non-market housing

As of January 2023, Port Hawkesbury had a public-housing inventory of 10 units, of which 8 were for families and 2 for seniors.

Short-term rentals (STRs)

Less than 0.5% of the municipality's housing inventory may have been used as a short-term commercial rental in 2021 (the last full year of data). This means that upwards of 7 units might have been removed from the long-term market, though it is uncertain exactly how many would have been long-term rentals or purchased for permanent occupancy if not used as a STR.

Shelter costs

Average rents reported by the Property Valuation Services Corporation (PVSC) increased marginally from 2020 to 2021, reaching an average of \$594.

27

Survey Respondents from the
Town of Port Hawkesbury

Top Housing Challenges:

1. Finding housing at a price I can afford
2. I am not experiencing any challenges with finding affordable housing
3. Finding housing that is in good condition and not requiring repairs
4. Finding housing that allows my pets
5. Finding housing that is close to my place of work

If there were no limitation on housing, top choices would be:

1. House (single detached home, duplex, mobile home)
2. Apartment (rental)
3. I am already in housing that is suitable to my needs
4. Condominium
5. Community Housing

41%

of respondents have considered leaving
their community due to housing issues

30%

of respondents have faced discrimination
when trying to access housing

7%

of respondents do not feel safe in their
housing situation

Municipality's public survey responses

Port Hawkesbury's vacancy rate has decreased from 13.1% to 12.6% between 2018 and 2021, falling above the healthy range of 3% to 5%.

Median municipality home prices increased 68% from 2019 to 2022, following a 60% increase between 2016 and 2019. The rapid rise in prices is a combination of increased demand, low interest rates (until recently).

Affordability

In the municipality, affordability has fallen since 2016. At least 44% of all couples, 70% of all lone-parent households, and 94% of all single person households earned below the estimated income required to afford the 2022 median sale price of a local dwelling. For rentals, about 41% of renter households could not afford 2021 average local rents.

Housing need

When a household lives in a dwelling that requires more than 30% of its before-tax household income, is overcrowded, and needs major repairs - and no alternative exists - it is in Core Housing Need. In 2021, about 7% of the municipality's households (100 total) lived in Core Housing Need. Need is particularly prevalent among renter households (14% of households, or 75 total) and single/roommate households (17% or 90 total).

Generally, the number of people in and rates of Core Housing Need across segments has decreased since 2016. However, comparing 2021 rates to 2016 rates (particularly for affordability) is difficult given the influence of the Canada Emergency Response Benefit (CERB) on incomes. Overall, the municipality reported a lower rate of Core Housing Need than that of Nova Scotia overall (10%).

3 Housing Supply

3.1 Market Housing

As of the 2021 Census, there were 1,523 private dwellings across the Town of Port Hawkesbury, 93% of which were occupied by usual residents (those who live in municipality permanently). The rest of the inventory may either be occupied solely by foreign residents and/or by temporarily present persons or be unoccupied dwellings. For those dwellings occupied by usual residents, Table 3-1 summarizes the total dwellings and distribution by structure type for the district. The greatest share of current supply is held by the single-detached home (58%), followed by apartments (a combined 27%).

Table 3-1: Total & Share of Dwellings Occupied by a Usual Resident by Structure Type

Total	Single-detached	Semi-detached	Row house	Duplex apt	Apt (< 5 storeys)	Apt (5+ storeys)	Movable	Other
1,415	820	105	5	70	310	0	110	0
100%	58%	7%	0%	5%	22%	0%	8%	0%

Source: 2021 Census



Port Hawkesbury's public survey responses

"The town acts as service area to about 40,000 people, but [the] tax base is only 5,000. This means the town has a higher tax rate than surrounding areas, so developers are incentivized to build around but not in town directly."

3.1.1 Construction Activity

The pace of construction is represented by the annual total units permitted, units started, and units completed - these are separate but related phases of the same unit construction process.

A permit signifies the anticipated future housing to be built, a start reflects how many permits led to a shovel in the ground, and a completion represents how many units were actually added to the occupiable supply. Construction takes time and its pace varies depending on the building type. Consequently, the number of units permitted in one year cannot be directly linked to starts or completions in another. The **Provincial Report** offers a detailed explanation of each element.

Table 3-2 shows the number units permitted in the municipality. Note that 2022 data reflects an extrapolated September 2022 total and that negative numbers mean more demolitions occurred than new builds. Starts and completions data is not available.

Table 3-2: Construction Activity by Dwelling Type

Units permitted							
	2010	2017	2018	2019	2020	2021	2022*
Total	5	0	0	0	3	6	0
Single	4	0	0	0	1	2	0
Semi	0	0	0	0	0	0	0
Row	0	0	0	0	0	0	0
Apartment	0	0	0	0	1	2	0
Other	1	0	0	0	1	2	0

* 2022 units permitted extrapolated from September 2022 YTD to date totals to reflect entire year.
 Source: Statistics Canada Custom CSD Tables 34-10-0001, 34-10-0066

"Developers don't want to develop in Cape Breton. I'm being told it's 30% more expensive to develop here than on mainland."

"[The Town needs] high-density housing and infrastructure support is most critical for that. We're expecting a boom with hydrogen production re: green energy paradigm shift."

Table 3-3 summarizes the change in unit size and tenure between the 2016 and 2021 Censuses. The distribution of new units shows what sizes are most occupied by renter and owner households. These Census results indicate that the long-term rental supply is growing at a faster pace than ownership relative to percent change for all dwelling types - owner occupied dwellings decreased by 2% and renter occupied dwellings increased 18%. Relatedly, there has been an influx of equal distribution increase in all rented unit sizes.

Table 3-3: Change in Units by Size & Tenure between Census Periods

	Total	Studio / 1-bedroom	2-bedroom	3+ bedroom
Owned dwellings				
Owned (2016) - 65% of total HHs	875	10	85	785
Owned (2021) - 61% of total HHs	860	0	85	760
Change in units	-15	-10	0	-25
Share of change	100%	29%	0%	71%
Rented dwellings				
Rented (2016) - 35% of total HHs	470	70	240	155
Rented (2021) - 39% of total HHs	555	100	270	185
Change in units	85	30	30	30
Share of change	100%	33%	33%	33%

Source: Statistics Canada Tables 98-400-X2016220 & 98-10-0240

Note that not all additional units in the table necessarily reflect a new unit, and some may represent conversions from rental to ownership or vice versa. Between 2016 and 2021, total dwellings (not only occupied by a usual resident) decreased from 1,554 to 1,523 - a 31-unit decrease. This suggests that a higher share of the inventory may have been taken up for long-term permanent tenancy in 2021 versus 2016.

Table 3-4: Change in Total Dwellings versus Dwellings Occupied by Usual Residents

Dwellings	2016	2021	% change
Total dwellings (a)	1,554	1,523	-2%
Dwelling occupied by a usual resident (b)	1,345	1,415	5%
Share (b / a)	87%	93%	

Source: Statistics Canada 2016 & 2021 Census

3.1.2 Housing Accelerator Fund Considerations

The Housing Accelerator Fund (HAF) is a program introduced by the Canada Mortgage & Housing Corporation (CMHC) with the objective to bolster the housing supply at an accelerated pace. Local governments within Canada - including First Nations, Métis and Inuit governments who have delegated authority over land use planning and development approvals - are eligible to apply to the HAF. Interested municipalities can find the HAF's pre-application reference material [here](#). Note that a Housing Needs Assessment (such as this one) is required as part of a complete application (though not needed immediately for the initial submission).

An applicant is required to provide two projections to CMHC. The applicant must calculate their own projections based on reasonable assumptions and data sources, including Statistics Canada and/or its own administrative data. There is no prescribed formula; however, projections should be based on a three-year period ending September 1, 2026. The two projections are:

- The total permitted housing units projected without program funding.
- The total number of permitted housing units projected with program funding. This second projection is known as the “housing supply growth target.”

Table 3-5: Unit Change by Estimated HAF Dwelling Type & Tenure, 2016 & 2021 Census

	Total	Single ^a	Missing middle ^b	Multi-unit ^c
Total dwellings				
Total (2016)	1,345	815	525	0
Total (2021)	1,415	825	595	0
Change in units	70	10	70	0
Share of change	100%	13%	88%	0%
Owned dwellings				
Owned (2016)	875	730	145	0
Owned (2021)	860	725	140	0
Change in units	-15	-5	-5	0
Share of change	100%	50%	50%	0%
Rented dwellings				
Rented (2016)	470	85	380	0
Rented (2021)	555	100	455	0
Change in units	85	15	75	0
Share of change	100%	17%	83%	0%

a Single means single-detached homes, which are buildings containing 1 dwelling unit, which is completely separated on all sides from any other dwelling or structure.

b Missing middle refers to ground-oriented housing types that exist between single-detached and mid-rise apartments. This includes garden suites, secondary suites, duplexes, triplexes, fourplexes, row houses, courtyard housing, low-rise apartments (less than 4 storeys). Note that this definition for low-rise does not match the Statistics Canada cut off less than 5 storeys.

c Multi-unit refers to apartments that are 4-or-more storeys. The HAF further defines these by whether they are in close proximity to rapid transit or not, which is not possible to summarize based on the data available.

Source: Statistics Canada Tables 98-400-X2016220 & 98-10-0240

For additional guidance, Table 3-5 summarizes the growth by unit type (more closely defined with HAF application requirements) and tenure between 2016 and 2021. The table demonstrates that single-detached dwellings were the most notable form of occupied housing added to the long-term market.

CMHC does not prescribe a formula for projections, leaving this decision up to the municipality who would know best about on-the-ground construction activity (not only by the numbers but also through discussions with local builders/developers).

Table 3-6: Example of Simple HAF Permit Projection

	Historical share of new housing	Possible annual units permitted	Estimated 3-year units permitted ^a	Estimated 3-year unit demand ^a	Gap that HAF can help reduce
Total	100%	5	15 (A)	205 (B)	190
Single	13%	0	0	25	25
Missing middle	88%	5	15	180	165
Multi-unit	0%	0	0	0	0

Relationship between units permitted and shortage	
C: Estimated September 2023 housing stock: ^b	1,535
Projected permitted unit growth over 3 years without HAF (A / C x 100):	1.0%
Projected permitted unit growth over 3 years needed to meet demand (B / C x 100):	13.4%
% increase in units permitted to meet shortage (B / A - 1) x 100:	1267%

Relationship between units permitted and HAF requirements (rounded up to nearest 5)	
D: Estimated September 2023 housing stock: ^b	1,535
E: Projected annual units permitted (based on '16-'21 average - see Table 3-2)	5
Required units permitted over 3 years to meet minimum 1.1% average annual growth rate ^c (D x 1.1% x 3 years)	55
Required additional units permitted over 3 years to meet minimum 10% increase ^d over historical average (E x 10% x 3 years)	5

^a Units permitted between September 2023 and September 2026; 3-year unit demand includes 2022 shortage

^b 2021 Census (Statistics Canada) + 2021 permits + 2021 permits x 2/3 (September 2023 estimate)

^c Average annual units permitted (min. 1.1%) = Total number of units permitted with HAF support / 3 years / Total dwelling stock (results rounded up to nearest 5)

^d Increase in units permitted (min. 10%) = (Projected average housing supply growth rate with HAF) / Projected average housing supply growth rate without HAF - 1 (results rounded up to nearest 5)

A simple example includes using most recent permitting data (the five-year average between 2017 and 2021), applying the historical shares of new construction between 2016 and 2021, and comparing the potential units permitted to the estimated total demand over the three years (based on Housing Shortage data - Section 4). The results, shown in Table 3-6, are for discussion purposes and not a prescribed logic - the

municipality can form its own approach based on other data provided and internal resources.

Note that the final column provides the straight-lined shortage anticipated by the end of the HAF. This may not represent the total possible intervention by the HAF, as this depends on the choices made by the municipality. Rather, it highlights the total shortage the HAF can help reduce. Furthermore, values are rounded to the nearest 5.

3.2 Non-Market Housing

3.2.1 Public Housing

Of the 11,200 total inventory of publicly owned dwelling units (as administered by the Nova Scotia Provincial Housing Authority), 10 were in Port Hawkesbury - 8 were reserved for families while 2 were for seniors.

Table 3-7: Public Housing Inventory, January 2023

		Total	Family	Senior
Total unit inventory		10	8	2
Inventory by unit size	Studio	0	0	0
	1-bedroom	0	0	0
	2-bedroom	0	0	0
	3+ bedroom	0	0	0
	Not reported	10	8	2
Inventory by dwelling type	Single family	1	1	0
	Row	0	0	0
	Apartment	8	6	2
	Not reported	1	1	0

Source: Derived from Ministry of Municipal Affairs & Housing data

3.2.2 Rent Supplements

As of March 2023, 57 households in the Inverness Census Division (no data is specifically available for the Town of Port Hawkesbury) were receiving rent supplement support, equivalent to 88 total people. About 23% were families, 47% were seniors, and 30% were classified as non-elderly households.

Table 3-8 further details the percentage share of rent supplements that served a specific vulnerable population.

Table 3-8: Rent Supplement Demographics, Inverness Census Division, March 2023

	Total	Family	Senior	Non-elderly
Total rent supplements	57	13	27	17
People benefiting	88	39	29	20
Average HH size	1.5	3.0	1.1	1.2
Average dependents	0.4	1.8	0.0	0.0
Share of supplements serving a vulnerable group:				
Indigenous person(s)	0%	0%	0%	0%
Person(s) w/ a disability	18%	15%	7%	35%
At risk of homelessness	25%	46%	11%	29%
Homeless	0%	0%	0%	0%
Newcomer(s)	0%	0%	0%	0%
Mental health / addictions	21%	38%	7%	29%
Racialized person(s)	0%	0%	0%	0%
Veteran(s)	0%	0%	0%	0%
Fleeing domestic violence	5%	15%	0%	6%
Young adults	7%	15%	0%	12%

Source: Derived from Ministry of Municipal Affairs & Housing data

3.2.3 Non-Profit & Co-operative Housing and Shelters

Formal datasets related to third-party affordable housing organizations and their unit inventories are limited. The **Provincial Report** offers some discussion about what shelters exist provincially, with some detail by Economic Region.

A 2021 study of homelessness by the Affordable Housing and Homelessness Working Group¹ indicated that at least 419 people (aged 16 or older) identified as experiencing homelessness across the six counties of eastern Nova Scotia. At least 64 children were identified, for a total of 483 persons. Key conclusions from this study were:

- More than half of those persons 16 or older lived with a mental illness or addiction.
- About 42% received income assistance.
- About 32% were between 16 to 29 years old and 29% were 30 to 39 years old.
- About 14% of survey respondents were Indigenous.

¹ Affordable Housing and Homelessness Working Group. (2021). Service-Based Homelessness County 2021. https://www.endhomelessnesstoday.ca/images/Report_-_Service-Based_Homelessness_Count_for_Eastern_Nova_Scotia_2021.pdf

Of the 419 persons that are sixteen years and over that were experiencing homelessness, 43 were reported being in the Guysborough, Inverness (including Port Hawkesbury), Richmond, & Victoria areas, of which 14% were unsheltered, 14% were accessing emergency shelters, and 44% were provisionally accommodated.

3.3 Post-Secondary Student Housing

The Town of Port Hawkesbury is home to Nova Scotia Community College's (NSCC's) Strait Area campus. NSCC enrolled about 10,100 students in 2021-2022 across Nova Scotia, distributed across their 14 campuses. In 2022, the Strait Area campus had an enrolment exceeding 500 students. Local on-campus housing exists, providing 46 student rooms - a combination of 1-bedroom and 3-bedroom suites.

While there is no detailed data about NSCC students, the presence of a student population in a town of 3,210 (as per the 2021 Census) does impose additional stress on the local housing market. This is especially true for considerable rental markets like Port Hawkesbury - 39% of its households living permanently in the municipality (which would not reflect most of the student population) were renting their housing.

3.4 Short-Term Rentals (STRs)

Between 2018 and 2022, there has been a decrease of 3 dwellings used as short-term rentals. In 2022, 9 were entire homes or apartments, of which 5 were potentially² "commercial" units - meaning they were available/reserved more than half of the year.

If 2021 commercial units are compared to the 2021 dwelling stock (1,523 - as per the Census), less than 0.5% of the municipality's housing inventory may have been used as a short-term commercial rental.

²Noted as "potentially" since 2022 data is only up to September.

Table 3-9: Short-Term Rental Activity & Inventory

	Data by year				Percent change		
	2018	2020	2021	2022	'18-'20	'20-'22	18-'22**
Total unique STRs	19	22	20	16	+16%	-27%	-16%
Entire home/apt	5	10	10	9	+100%	-10%	+80%
Hotel room	0	0	0	0	n.a.	n.a.	n.a.
Private room	14	12	10	7	-14%	-42%	-50%
Shared room	0	0	0	0	n.a.	n.a.	n.a.
Avg annual revenue	\$3,504	\$2,696	\$3,687	\$3,315	-23%	+23%	-5%
Total market ('000s)	\$67	\$59	\$74	\$53	-11%	-11%	-20%
Commercial STRs*	3	9	7	5	+200%	-44%	+67%

* A commercial STR is one that was listed as available and/or has been reserved more than 50% of the days in a calendar year.

** 2022 data reflects as of September 2022. Commercial STRs use 9 months for their calculations versus a full year.

Source: derived from AirDNA data

4 Housing Shortage

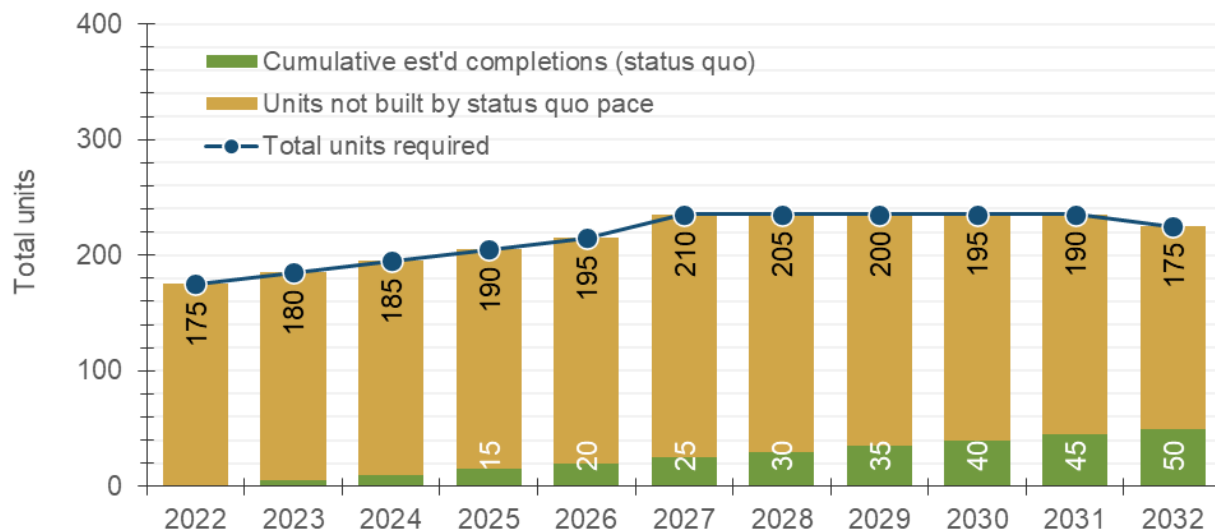
Based on demographic modeling results (see **Provincial Report** for details), the municipality’s potential housing shortage (as of the end of 2022) may be 175 units.³ Note that this estimate represents the sum of all units, be they rented or owned in terms of their tenure, or market or non-market housing.

Figure 4.1 offers a high-level summary of the trajectory of the housing shortage over the next decade under a base population growth scenario provided by Nova Scotia’s Department of Finance and Treasury Board.

In five years, the municipality may have a total dwelling demand (existing shortfall plus anticipated demand) of about 235 units, with a decrease to 225 by 2032.

Based on the recent pace of construction, demand could outpace anticipated new supply. About 5 new units could be completed annually over the next decade. That leaves a remaining gap of 210 units by 2027. By 2032, the remaining gap could be 175 units. Note that construction trends follow the method used in the provincial report, being average historical permits adjusted by 5% to account for permit withdrawals or cancellations. Results are rounded to the nearest 5.⁴ For Port Hawkesbury, the anticipated completions reflect 2021 results instead of a five-year average.

Figure 4.1: Anticipated Unit Gap based on Total Units Required and Estimated Completions, Demographic Model Results



³ The allocation of unit shortages is based on results for the Census Division, apportioned to its respective municipalities based on their share of local household change between 2016 and 2021.

⁴ All municipalities use the same approach for consistency. However, for smaller municipalities, the combination of fewer units permitted and rounding practices can under or over represent anticipated construction activity. As such, greater attention should be directed to the projected demand, instead of anticipated supply, which can be later cross-reference with internal municipal data.

Table 4-1 summarizes possible guides for constructing unit sizes over the next half-decade. As previously described, about 235 new units may be needed to meet demand by 2027. Based on historical preferences,⁵ about 30% could be studio/1-bedroom dwellings (75 units), 40% 2-bedroom dwellings (95), and 30% 3+ bedroom dwellings (70). This includes the existing unit shortfall. Results are rounded to the nearest 5.⁶

Table 4-1: Estimated Current & Anticipated Unit Shortfall by Unit Size, 2022 to 2027

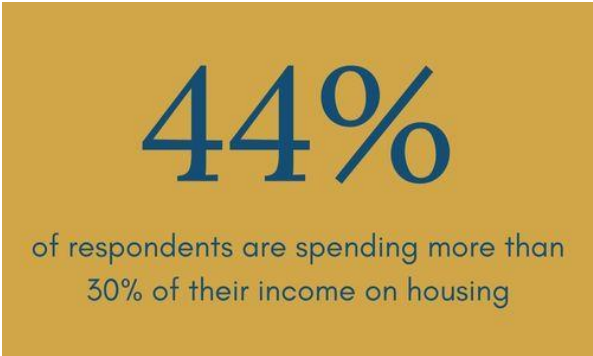
	Total	Studio + 1-bedroom	2-bedroom	3+ bedroom
A: Current shortfall (end of 2022)	175	55	70	50
B: Anticipated demand by 2027	60	20	25	20
C: Total units required by 2027 (A + B)	235	75	95	70
D: Anticipated 5-year supply (status quo pace*)	25	5	10	5
E: Total shortfall	210	70	85	65
F: Total extra units required annually (E / 5 years)	45	15	20	15

* The distribution of supply is based on household preferences, not actual anticipated build out.

⁵ In this case, unit sizes reflect the preference for unit size, not the historical distribution of unit sizes in the existing inventory. Briefly, historical distributions of household sizes by household family types are used to estimate required bedrooms. The estimated share of unit sizes is then distributed into forecasted demand calculations. More explanation about how preference distribution can be found in the Housing Shortage section of the Provincial report.

⁶ All municipalities use the same approach for consistency. However, for smaller municipalities, the combination of fewer units permitted and rounding practices can under or over represent anticipated construction activity. As such, greater attention should be directed to the projected demand, instead of anticipated supply, which can be later cross-reference with internal municipal data.

5 Housing Affordability



Municipality’s public survey responses

5.1 Homeownership

Housing is becoming more expensive. This is not simply a claim of observing the appreciation of property as a commodity but also as an increase relative to other periods, levels of income, and availability.

5.1.1 Market Activity

Median sale prices across Nova Scotia have seen increases since 2016, with significant increases since 2019. Port Hawkesbury’s median sale price has increased from \$90,000 to \$242,000 between 2016 and 2022. This represents a 169% change in sale price.

Table 5-1: Median Sale Prices by Dwelling Type & Select Years

	Price				Percent Change		
	2010	2016	2019	2022	'10-'16	'16-'19	'19-'22
Total	\$107,000	\$90,000	\$143,763	\$242,000	-16%	+60%	+68%
Single	\$109,000	\$121,250	\$143,763	\$254,750	+11%	+19%	+77%
Semi	\$150,000	-	-	\$194,875	-	-	-

Source: NSAR MLS®

The increase in price can, at least in part, be attributed to an increase in demand. Figure 5.1 illustrates the sale-to-list-price ratio compared to the median days a dwelling was on the market. The number of days on market is a general indicator of market demand (fewer days means more interest and more days means less interest). As the number of days on the market decreases, there is generally a rise in sale prices (and sale to list price ratios). This is no different for Port Hawkesbury. With recent declines in the median days on the market, the median sale to list price ratio has gradually increased since 2019.

Figure 5.1: Historical Median Days on Market vs. Median Sales-List Price Ratio



Source: NSAR MLS®

5.1.2 Homeownership Affordability

Table 5-2 details the percentage share of households, separated by household types, that could afford a home based on their respective income levels versus the median sale prices from 2022. The affordability threshold is the same used by Statistics Canada and CMHC - 30% of before-tax household income spent on shelter costs. Shelter cost calculations include the direct and indirect costs related to shelter. More detail is provided in the **Provincial Report**. Note that income bracket distributions are based on Census Division data.⁷

Lone parents and single persons are least likely to have income levels necessary to afford to own a home. Semi-detached homes are the most financially accessible type of dwellings available on the market based on available data. Even so, 53% of lone-parent households and 86% of single-person households fall below the income necessary to afford the median sale price of a semi-detached local home.

⁷ Since Census Division data is used, readers will notice estimate similarities between municipalities belonging to the same Census Division.

Table 5-2: Estimate of Sales Affordability by Income Level (All Households)

		2022 median sale price:			\$254,750	\$194,875
		% of HHs below income level			Single Detached Dwelling	Semi Detached
Income level	Attainable sales price	Couples	Lone parents	Single persons		
\$50,000	\$149,500	14%	32%	74%	no	no
\$55,000	\$164,500	19%	42%	79%	no	no
\$60,000	\$179,500	22%	47%	83%	no	no
\$65,000	\$194,500	27%	53%	86%	no	no
\$70,000	\$209,500	30%	60%	87%	no	yes
\$75,000	\$224,000	36%	62%	90%	no	yes
\$80,000	\$239,000	40%	66%	92%	no	yes
\$85,000	\$254,000	44%	70%	94%	no	yes
\$90,000	\$269,000	48%	75%	95%	yes	yes
\$95,000	\$284,000	52%	77%	96%	yes	yes
\$100,000	\$299,000	57%	77%	97%	yes	yes
\$105,000	\$314,000	60%	80%	97%	yes	yes
\$110,000	\$329,000	63%	83%	97%	yes	yes

Homeownership	Total Dwelling	Single Detached Dwelling	Semi Detached
Est'd income needed to buy median home	\$80,900	\$85,200	\$65,200
% of total households below income	60%	64%	50%

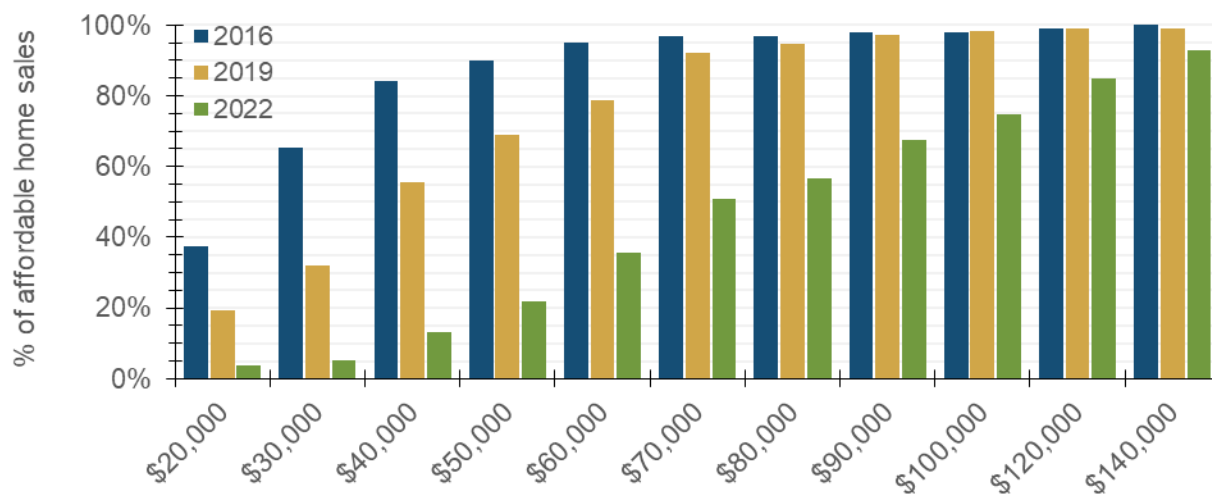
Source: Derived from Statistics Canada tables (see Provincial Report), Bank of Canada, NSAR MLS®

About 60% of all local households earned an income below what would be needed (around \$80,900) to purchase the median home in 2022. This highlights the importance of housing interventions to address the shortage identified above to reduce typical housing prices to reasonably affordable levels.

Figure 5.2 presents the levels of affordability for respective household income levels between 2016 and 2022 for Inverness Census Division (no data is specifically available for the Town of Port Hawkesbury). It illustrates the percentage of home sales in each year that would be affordable (30% of household income) at a given income level.

While there were already signs of decreasing affordability from 2016 to 2019, the municipality suffered a significant shock from 2019 to 2022. For instance, a \$70,000 income could afford 92% of home sales in 2019. In 2022, this fell to 51%.

Figure 5.2: Estimated % of Households that can / cannot Afford Sale Prices, Inverness Census Division



Source: Derived from Statistics Canada Custom Census 2021 Tables, Bank of Canada, NSAR MLS®

5.2 Rental Market

5.2.1 Market Activity

Table 5-3 reports the rental data for Port Hawkesbury. The overall average rent in 2021, per PVSC data, was \$594. This is a marginal increase in rents from 2018. There have been similarly marginal increases across average rents for all unit sizes.

Table 5-3: Overall Rental Vacancy and Average Rents by Unit Size and Select Years

	Price				Percent Change		
	2018	2019	2020	2021	'18-'19	19-'20	20-'21
Total	\$593	\$593	\$593	\$594	0%	0%	+0%
Studio	\$547	\$547	\$547	\$548	0%	0%	+0%
1-bed	\$588	\$588	\$588	\$589	0%	0%	+0%
2-bed	\$635	\$635	\$635	\$636	0%	0%	+0%
3-bed	\$677	\$677	\$677	\$678	0%	0%	+0%
Vacancy	13.1%	13.1%	13.1%	12.6%			

Source: PVSC Custom Tables

Port Hawkesbury's vacancy rate has decreased from 13.1% to 12.6% between 2018 and 2021, falling above the healthy range of 3% to 5%.

5.2.2 Rental Affordability

Table 5-4 details the percentage share of **renter** households that can afford 2021 average rent for various unit types. It should be noted that the affordability reported is based on the ability to afford the rent for the entire unit, not split between tenants. Furthermore, the affordability threshold is the same used by Statistics Canada and CMHC – 30% of before-tax household income spent on shelter costs. Shelter cost calculations include the direct and indirect costs related to shelter. More detail is provided in the **Provincial Report**.

Table 5-4: Estimated Rent Affordability by Income Level (Renter Households)

Renting	Average	Studio	1-bed	2-bed	3+ bed
Est'd income needed to rent average unit	\$35,500	\$32,700	\$35,200	\$38,000	\$40,500
% of renter households below income	41%	31%	41%	41%	47%

Source: Derived from Statistics Canada Custom Census 2021 tables, PVSC

Approximately 41% of local renter households earned an income below what would be needed (about \$35,500) to afford the average rental unit. Readers will notice that the financial barriers to own appear to be significantly higher than to rent. While this may be the case, it is important to recognize the data source impacts to this discussion.

Sales data for homeownership only considers asking prices, not the existing mortgages held by homeowners at the same time. Rental data includes both asking and occupied rents, meaning that the rents reported underrepresent what households would pay changing units.

6 Housing Need

Three housing indicators are used to evaluate housing need: adequacy (housing condition), suitability (enough space), and affordability. Core housing need is a specific condition of housing where a household falls under one of the aforementioned indicators and cannot find reasonable housing without spending 30% or more of their before-tax income. Deep unaffordability (also known as “severe” unaffordability) is when a household is spending 50% or more of their before-tax income on housing.

Generally, housing indicators and Core Housing Need data demonstrate the number and share of households particularly impacted by precarious living conditions. These are the households that increased supply or non-market interventions would positively impact most, as many might not have the means or supports to escape these conditions without intervention.

6.1 Housing Need by Tenure

Table 6-1 shows the share of households currently living in conditions that meet the three housing criteria, separated by tenure.

In Port Hawkesbury, overall households living in unaffordable dwellings decreased by 10% between 2016 and 2021. Those living in unsuitable dwellings increased by 29% and those living in inadequate dwellings increased by 22%. Notwithstanding a 26% decrease between census periods, 25% of all renter households lived in unaffordable dwellings as of 2021.

Table 6-1: Housing Need Criteria by Tenure, 2021

		Total	Owner	Renter
Total Households:		1,390	845	550
Households living in inadequate conditions	Total households	110	45	65
	<i>Change since 2016</i>	+22%	-36%	+225%
	Share of households	8%	5%	12%
Households living in unsuitable conditions	Total households	45	-	35
	<i>Change since 2016</i>	+29%	-	+40%
	Share of households	3%	-	6%
Households living in unaffordable conditions	Total households	225	80	140
	<i>Change since 2016</i>	-10%	+33%	-26%
	Share of households	16%	9%	25%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

Table 6-2 shows the municipality's households currently meeting the conditions of Core Housing Need and those in deep unaffordability, as well as the changes in those categories between 2016 and 2021. Since 2016, there has been a 47% decrease in overall Core Housing Need, with decreases across the tenure. Notwithstanding, 7% of all households faced core need in 2021.

Since 2016 there has been an overall decrease of 33% to households living in deep unaffordability, but 9% of all renters remain in these conditions.

Table 6-2: Core Housing Need & Deep Unaffordability by Tenure, 2021

		Total	Owner	Renter
Total Households:		1,390	845	550
Households living in Core Housing Need	Total households	100	25	75
	<i>Change since 2016</i>	-47%	-38%	-52%
	Share of households	7%	3%	14%
Households living in deep unaffordability	Total households	70	25	50
	<i>Change since 2016</i>	-33%	+25%	-44%
	Share of households	5%	3%	9%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

6.2 Housing Need by Household Type

Table 6-3 and Table 6-4 present information related to housing indicators and Core Housing Need, respectively, by household type.

Generally, renter and single person / roommate households experience parallel issues when it comes to housing. About 34% of single person / roommate households faced financial challenges related to shelter in 2021.

Lone parents also faced considerable housing challenges, reporting the highest rate of unsuitability (10%). Diverging from trends seen across the province, couples with children saw the highest rate of inadequacy at 12%.

Table 6-3: Housing Need Criteria by Household Type, 2021

		Couple w/o child(ren)	Couple w/ child(ren)	Lone parent	Single / roommates
Total Households:		350	290	155	530
Households living in inadequate conditions	Total households	25	35	15	25
	<i>Change since 2016</i>	-17%	-	-40%	+25%
	Share of households	7%	12%	10%	5%
Households living in unsuitable conditions	Total households	-	-	15	-
	<i>Change since 2016</i>	-	-	-	-
	Share of households	-	-	10%	-
Households living in unaffordable conditions	Total households	20	-	-	180
	<i>Change since 2016</i>	0%	-	-	+29%
	Share of households	6%	-	-	34%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

Since 2016, single persons / roommate households living in Core Housing Need decreased 18%, reaching a 17% share of all related households in 2021. Further, 10% of single persons lived in deeply unaffordable conditions as of 2021, despite a 21% decrease.

Table 6-4: Core Housing Need & Deep Unaffordability by Household Type, 2021

		Couple w/o child(ren)	Couple w/ child(ren)	Lone parent	Single / roommates
Total Households:		350	290	155	530
Households living in Core Housing Need	Total households	-	-	-	90
	<i>Change since 2016</i>	-	-	-	-18%
	Share of households	-	-	-	17%
Households living in deep unaffordability	Total households	-	-	-	55
	<i>Change since 2016</i>	-	-	-	-21%
	Share of households	-	-	-	10%

Source: Statistics Canada Custom Census 2016 & 2021 Tables

7 Demographic Profile

7.1 Population

7.1.1 Current Population

Between 2016 and 2021, the population of Port Hawkesbury hardly changed, compared to the provincial growth rate of 5%. Table 7-1 below illustrates the municipality's population change compared to provincial changes.

The municipality grew across three of the defined age cohorts between 2016 and 2021, with noticeable growth among 15-24-year-olds. Growth was greatest (in number and percent change) among 65- to 84-year-olds.

Table 7-1: Total Population by Age Cohort (2021) & Five-Year Percentage Change

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Nova Scotia	Total	136,710	106,185	234,180	276,990	192,285	23,035	969,380
	Share	14%	11%	24%	29%	20%	2%	100%
	5yr %Δ	+2%	-1%	+9%	-2%	+19%	+6%	+5%

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Town of Port Hawkesbury	Total	425	395	700	895	690	90	3,210
	Share	13%	12%	22%	28%	21%	3%	100%
	5yr %Δ	-12%	+3%	+1%	-2%	+5%	0%	0%

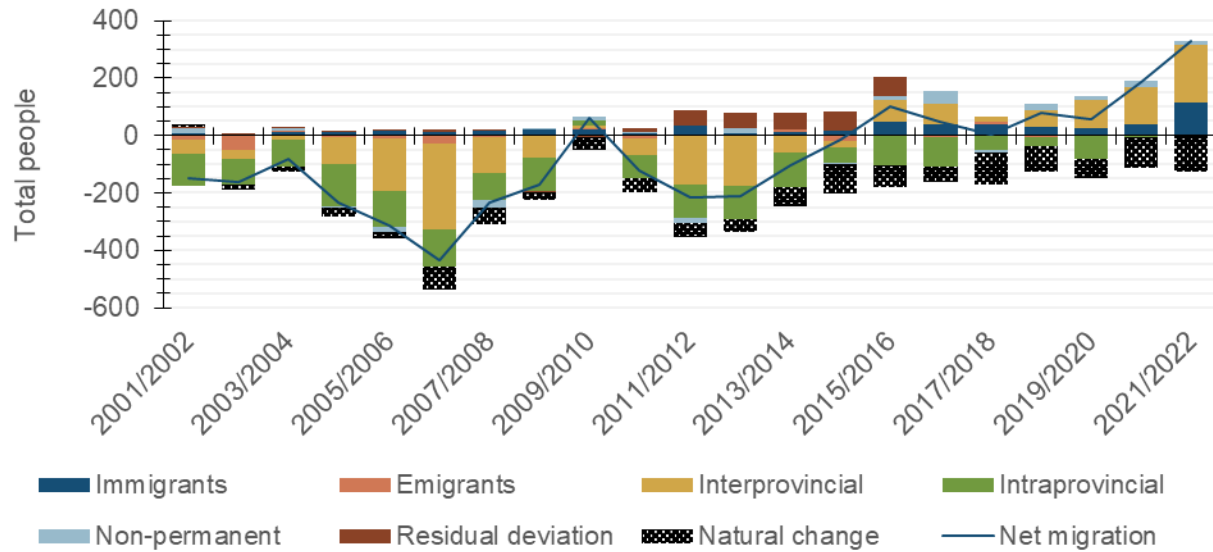
Source: Statistics Canada Census 2016 and 2021

7.1.2 Migration

Shown in Figure 7.1 is the net-migration for the **entire** Inverness Census Division (data is not available at the municipal level - the entire Census Division includes all related urban and rural municipalities) between 2001/02 and 2021/22, inclusive of totals for intra-provincial and international migration, as well as emigration.

Between 2016 and 2021, net-migration steadily increased from annual inflows to a two-decade high in 2021/2022, with a total of 328 newcomers in that year.

Figure 7.1: Historical Components of Migration, Inverness Census Division



Source: Statistics Canada Table 17-10-0140

7.1.3 Anticipated Population

The municipality's anticipated population is derived from applying the historical share of local total populations by age cohort to the regional projections by age cohort produced by the Department of Finance & Treasury Board (FTB) in February 2023. In other words, results assume that the municipality will represent the same share of the region's population over the projection horizon.⁸ This does not consider nuanced population changes by community.

Table 7-2: Anticipated Total Population by Age Cohort and Five-Year Percent Change

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2027	Total	400	375	760	800	805	115	3,255
	Share	12%	12%	23%	25%	25%	4%	100%
	5yr %Δ	-5%	-5%	+3%	-9%	+13%	+28%	+1%

		0 to 14	15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2032	Total	380	355	690	755	865	150	3,195
	Share	12%	11%	22%	24%	27%	5%	100%
	5yr %Δ	-5%	-5%	-9%	-6%	+7%	+30%	-2%

Source: derived Department of Finance & Treasury Board February 2023

⁸ Since a municipality represents the same share of its region (i.e., Census Division) over time for projections (population and households), similar rates of growth will exist for each of the municipalities within the region. Therefore, readers reviewing multiple reports may notice a likeness between them.

Estimates suggest that the 2022 total population was 3,230 with a projected increase of 1% between 2022 and 2027. Senior populations should increase during that time, with decreases mostly occurring among non-senior populations - except potentially among 25- to 44-year-olds who may expand 3% over the half-decade.

Population growth may not continue between 2027 to 2032, with an anticipated 2% contraction. Growth that is anticipated ought largely to be coming from senior populations. This demonstrates a required long-term need to meet the needs of an expanding senior age group.

7.2 Households

7.2.1 Current Households

Table 7-3 illustrates the various characteristics of households in Port Hawkesbury. The tables show tenure splits for maintainer by age cohort, household types, and household sizes respectively, as well as the 5-year percent change in those populations. The primary household maintainer is the person within a household who pays the rent, mortgage, taxes, or other major expenses for the dwelling. For households in which multiple incomes are present, the first name listed on a census questionnaire is taken to be the primary maintainer.

"There's no options for seniors to downsize. They're overhoused."

Between 2016 and 2021, there was an overall 5% increase in households, with tenures split into 61% owners and 39% renters. Non-census families (i.e., single persons or roommates) experienced the largest increase - 33% since 2016. Households in Port Hawkesbury are also getting smaller with a 25% increase in 1-person households.

Table 7-3: Households by Tenure & Characteristics (2021) & Five-Year Percentage Change

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
Household Maintainer Age	Total	15	415	510	425	50	1,415
	Owner	-	44%	64%	69%	100%	61%
	Renter	-	56%	36%	31%	0%	39%
	5yr %Δ	-67%	+15%	-2%	+13%	+25%	+5%

		Couple w/o Child	Couple w/ Child	Lone Parent	Non-census*	Other**	Total
Household Type	Total	355	300	155	545	65	1,415
	Owner	83%	75%	47%	42%	67%	61%
	Renter	17%	25%	53%	58%	33%	39%
	5yr %Δ	-11%	+2%	-6%	+33%	-13%	+5%

		1-person	2-person	3-person	4-person	5+ person	Total
Household Size	Total	470	485	245	125	85	1,415
	Owner	45%	67%	65%	81%	71%	61%
	Renter	55%	33%	35%	19%	29%	39%
	5yr %Δ	+25%	-7%	+14%	-31%	+42%	+5%

* Non-census means single persons or persons living with a roommate

** Other households are one-census-family households with additional persons or multiple-family households

Source: Statistics Canada Custom Census 2016 & 2021 Tables

Note that the percent change of households can increase faster than population (or even if there is population decline). As residents age, their likelihood of forming or leading a household increase. For instance, a child growing up and moving out of their family home turns one household into two. This can also occur if there is notable growth among smaller household sizes.

7.2.2 Anticipated Households

A similar apportionment as for the anticipated population is performed for anticipated households. Note that anticipated households are a major input to housing demand calculations, but do not equate exactly to demand. Housing demand projections incorporate adjustments to reflect total dwellings (not only those occupied by a usual resident which projections would solely consider).

Estimates suggest that total households reached 1,440 in 2022, with a potential increase of 2% from 2022 to 2027 (30 total). Household losses should predominantly

occur among older working professional led households (45- to 64-year-olds). The greatest rate of growth should be among senior-led households.

Similar magnitudes of growth are not expected to continue from 2027 to 2032. However, senior-led households (particularly those with a maintainer aged 85+) should continue to grow.

From 2022 to 2032, about 115 new senior-led households might choose to live in the municipality, again reinforcing the need for senior appropriate or generally accessible housing over the foreseeable future.

Table 7-4: Anticipated Households by Maintainer Age and Five-Year Percentage Change

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2027	Total	15	445	455	475	80	1,470
	Share	1%	30%	31%	32%	5%	100%
	5yr %Δ	+0%	+2%	-9%	+8%	+60%	+2%

		15 to 24	25 to 44	45 to 64	65 to 84	85+	Total
2032	Total	15	410	430	500	105	1,460
	Share	1%	28%	29%	34%	7%	100%
	5yr %Δ	+0%	-8%	-5%	+5%	+31%	-1%

Source: derived from Statistics Canada 2016 Census, Department of Finance & Treasury Board February 2023

8 Conclusion

The above information provides context for the Town of Port Hawkesbury's housing conditions. Recent increases in demand, coupled with limited growth in recent supply, have led to higher-than-expected local housing prices.

The current estimated unit shortage for Port Hawkesbury is 175 units. Demand, which includes the shortage, is estimated to increase to 235 by 2027. Using current construction trends, about 5 units could be introduced to the market annually over the next 5 years, leaving a remaining gap of 210 units by 2027. Unless completions exceed the estimated annual rate of construction, ongoing trends can be expected to continue.