Charlottetown Region Growth Study and Housing Needs Assessment

Housing Needs Assessment Report

Prepared for
City of Charlottetown, Town of Cornwall and Town of Stratford
May 16, 2022

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The housing market in Canada and the Capital Region is subject to ongoing and sometimes rapid change. Data and information in this report is the latest available at the time the report was prepared. Likewise, opinions expressed are current to the period immediately before completion of the document in May 2022 and may not be entirely reflective of the current economic environment and the challenges faced in the housing/rental market. Readers are encouraged to consider changes that have taken place and possibilities that have emerged since the completion of this assessment.

Prepared for:

City of Charlottetown, Town of Cornwall and Town of Stratford

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Table of Contents

Table of Contents

LIST OF TABLES

Table of Contents

LIST OF FIGURES

Table of Contents

Table of Contents

APPENDICES

EXECUTIVE SUMMARY

INTRODUCTION

As the home of a provincial capital with three strong growing municipalities, attractive and accessible exurban areas, the charm of its Island location, and many other exceptional attributes, the Charlottetown region is characterized by a variety of features that both exacerbate its current housing issues and provide opportunities for resolution. This report summarizes the results of project work carried out in two phases The first, called the Growth Study, developed an overview of housing issues nationally and in PEI; the state of the PEI economy; and population and housing estimates presented in three scenarios. The second, identified as the Housing Needs Assessment, incorporated the results of consultation work carried out by the consulting team to obtain the views of housing stakeholders in the region. It also assessed the supply of land available for residential development in the City of Charlottetown, and the Towns of Cornwall and Stratford, and developed recommendations for responses to the region's housing challenges.

HOUSING ISSUES

The Charlottetown region is experiencing significant pressures on its housing market. House prices have risen suddenly, and rental vacancy rates have fallen. The region has faced a wave of in-migration stimulated by provincial policy and encouraged by heretofore inexpensive real estate and the good fortune of Atlantic Canada in effectively handling the COVID-19 pandemic. While the Atlantic Provinces have sought growth and it has brought many benefits, its influence on housing costs has created concern with housing affordability and the challenge of managing and directing development.

ECONOMIC PROFILE

The economy of PEI has improved significantly over the past 20 years. It has, however, largely been catching up with the balance of Canada. The structure of the Island economy is not especially favourable to growth, although it is not a source of weakness either. PEI has generally had a higher rate of unemployment and a lower rate of employment (i.e., labour force participation less unemployment) relative to national levels. Only with the advent of COVID has the Island briefly coincided with national levels for both rates. The short period of comparable employment and unemployment rates has already ended, and the province appears to be returning to moderately lower levels of employment and higher levels of unemployment. The Island's recent demographic surge appears to have resulted from Provincial government promotion and the attraction for international and domestic immigrants of lower living costs, a draw that has been enhanced by the rise of remote work in response to the COVID pandemic.

CONSULTATION SUMMARY

To fully understand the housing issues that have arisen in the Charlottetown region, consulting team members undertook three consultation initiatives: interviews with municipal planners working with our client municipalities; similar interviews with a broader selection of stakeholders including representatives of Provincial government departments, real estate professionals, and representatives of organizations concerned with housing; and three focus groups with developers and builders, affordable housing advocates and providers, and members of the public recruited by the consultants. Interview topics included review of the population and housing estimates, exploration of leading housing concerns, and prioritization of housing issues identified through our background research. Estimates were presented to the focus groups for comment. Focus groups were then guided through a series of questions investigating their views on housing issues, the issues they considered most important, and potential responses to housing concerns.

POPULATION AND HOUSING TRENDS

The Capital Region is seeing significant shifts in its housing profile from single-detached housing to attached housing and apartments. The share of dwelling units accounted for by apartments in multi-unit structures has increased significantly and dwelling unit construction has accelerated in response to increased demand. Comparison to regions across Canada suggests that while the Capital Region has developed at a similar density to peer regions, further densification can be expected as population continues to expand.

FUTURE POPULATION AND HOUSING

Stantec developed population future estimates based on the trends reflected in Statistics Canada population estimates for 2011, 2016, and 2021. All estimates of natural increase incorporate long-term trends in births and deaths for PEI. Related migration estimates are developed for each relevant area within Queen County based on past census periods. Our initial estimates are based on the five years from 2011 to 2016; which was a period of solid growth for the Capital Region; our second reflects change in the extended period from 2011 to 2021, combining a strong initial period of growth with the unprecedented surge that has taken place since 2016; and the third and final period focuses on the very strong growth experienced since 2016. Our estimates of dwelling units in the region were developed from our population estimates. Dwelling unit profiles show the influence of differing age structure in the population under each scenario based on household formation rates.

The three scenarios generated produced the following results for Queens County and the Capital Region by the Horizon Year of 2041:

- **Scenario 1**, based on five years of strong growth in the region from 2011 to 2016, anticipates a population of 108,640 in Queens County in 48,345 dwelling units with 66,186 people in 32,461 units in the Capital Region

- **Scenario 2**, reflecting the extended period from 2011 to 2021, expects 140,599 residents in 61,178 dwelling units in Queens and 85,701 in 41,217 units in the Capital Region
- **Scenario 3**, extending the very strong growth experienced since 2016, yields 189,642 residents Queens in 80,759 dwelling units and 116,832 in 54,685 units the Capital Region.

We consider Scenario 2, which aligns well with predictions prepared by the Province of PEI Department of Economics, Statistics and Federal Fiscal Relations, the most likely future; however, Scenario 3 provides the best test of the region's capacity. Assessment of land supply and the potential number of residential units required in Scenario 3 indicates that the Capital Region municipalities of Charlottetown, Cornwall, and Stratford will be hard pressed by additional housing needs if the rate of growth experienced from 2016 to 2021 continues. Bringing needed dwelling units online quickly in a manner that is acceptable to established communities, however, requires the development of a framework for future growth.

CONCLUSIONS AND RECOMMENDATIONS

Research and consultation highlighted a range of housing issues confronting the Capital Region. The most prominent is clearly the supply of housing. All stakeholders agree that increased supply is required to accommodate households in need and reduce upward pressure on home prices and rents. Other concerns raised include the impact of short-term rentals, the need for new housing types, the encouragement of denser residential development, better enforcement of rent controls, and increased public and specialized housing.

Our recommendations are directed at our municipal clients who do not have the capacity or authority to address all aspects of housing issues. Our leading recommendation is to create an Intergovernmental Committee through which the Capital Region municipalities can collaborate with senior governments, regional partners, and housing stakeholders to address housing concerns. A key initiative should be to develop a regional growth strategy to locate residential development and ensure it is properly serviced and supported by necessary municipal infrastructure. Another leading purpose should be to improve housing data through consultation with senior government agencies and local initiatives. We also recommend employing municipal planning tools to encourage increased density of development and more inclusive housing solutions. We encourage the municipalities to support the Province to develop an effective rental registry and to provide additional housing information and support housing production of affordable and specialized housing units for populations in need.

1.0 INTRODUCTION

Housing is an economic bell weather, a key outlet for local entrepreneurship, and an important employment generator. More significant, though, housing is generally viewed as a necessity by the public and governments. It has, in fact, been recognized as a human right by the United Nations:

> The States Parties to the present Covenant [on Economic, Social and Cultural Rights] recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent. [1]

Canada is a signatory to the Covenant on Economic, Social and Cultural Rights. In endorsing the Federal Government's declared intention to develop and implement a National Housing Strategy Act, [2] the Canadian Human Rights Commission reinforced our national commitment and framed Canada's current challenge:

> Adequate housing is a fundamental human right that is recognized in international law, including the Covenant on Economic, Social and Cultural Rights, to which Canada is a party. Yet the fact remains that 1.7 million people in Canada are living in homes that are inadequate or unaffordable. Another 25,000 Canadians are chronically homeless. This is unacceptable in a country like Canada. [3]

The Vision contained in PEI's Housing Action Plan echoes this sentiment stating, "**All** Islanders [shall] have timely access to safe, accessible, appropriate, and affordable housing that meets the diversity of their needs and maximizes their ability to be healthy, productive, and successful." [4]

The challenge of fulfilling this vision has increased over the past five years. Canada was the fastest growing country in the G7 from 2016 to 2021 with a population increase of 5.8%. According to recently released Census data, PEI was the fastest growing province in Canada, increasing its population by 8.0%. The Charlottetown region, furthermore, has outpaced the province. Queens County grew by 9.7%

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1 United Nations International Covenant on Economic, Social and Cultural Rights, Article 11, Section 1, https://www.ohchr.org/en/professionalinterest/pages/cescr.aspx

2 The *National Housing Strategy Act* was passed on June 21, 2019, and came into effect on July 9, 2019 (see: https://laws-lois.justice.gc.ca/eng/acts/N-11.2/FullText.html).

3 Canadian Human Rights Commission, "STATEMENT - A fundamental human right: CHRC welcomes national housing strategy legislation," April 12, 2019, https://www.chrc-ccdp.gc.ca/eng/content/statement-fundamental-human-right-chrc-welcomes-national-housing-strategy-legislation.

4 Prince Edward Island, *Housing Action Plan for Prince Edward Island*, undated, p. 3, https://www.princeedwardisland.ca/sites/default/files/publications/pei-housing-action-plan_2018-2023.pdf.

and, although the City of Charlottetown grew slightly less than the province (7.5%), the Towns of Cornwall and Stratford, respectively, added 22.9% and 12.5% to their populations.[5]

A critical direct consequence of this influx of population has been an unprecedented upsurge in housing demand. The issues the municipalities of Charlottetown's Capital Region (i.e., the City of Charlottetown, and the Towns of Cornwall and Stratford) now face have been in the forefront for some time in several of Canada's largest urban centres, most notably Toronto and Vancouver. They have spread to other communities recently because of the widening range of immigrant destinations, shifting domestic demographics, and the challenges of both renting and owning in the face of home prices that have escalated beyond the reach of many residents even many with good-paying employment. Medium-sized cities and regional centres are now experiencing housing shortages that were previously confined to our largest, fastest growing centres, in part because residents in those very large centres have begun to seek alternative places to live that are more affordable and, perhaps, more evenly paced.

The issues arise from positive and negative trends. In Prince Edward Island, international immigrants, inter-provincial movers, and movers from rural areas of the Island into its primary urban centre have created demand for housing that has, at least in the short-term, overwhelmed the housing market in the Capital Region. All three streams of newcomers are endorsing the Capital Region. Charlottetown, Cornwall, and Stratford offer jobs, lifestyles, services, and amenities that are drawing new residents. Rural residents may well be attracted by a wider range of housing types available in the urban region as well as by more varied employment, while immigrants from other provinces and countries are likely drawn by what, to them, are lower housing costs, among other factors. All undoubtedly consider the lifestyle available in the Capital Region where urban amenities are available in a renowned natural setting.

The result, nevertheless, is recent pressure on the local housing market. In 2019, the National Post reported:

> As of [fall 2018], the vacancy rate in Charlottetown is 0.2 per cent, the lowest ever recorded in the city by the Canada Mortgage and Housing Corporation. This rate compares to a 1.1 per cent vacancy rate in Toronto. The average rent for a two-bedroom apartment in Charlottetown is $921, and the median price of a single detached home is approximately $285,000, an 18 per cent increase from last year. In the Greater Toronto Area, tenants have faced a housing shortage for more than a decade, but now the crisis of the 905 has entered the 902. [6]

Among 26 Census agglomerations with populations over 50,000 people for which Canada Mortgage and Housing Corporation (CMHC) reported vacancies, Charlottetown ranked first in the country at the time. The rate was 1.0% the preceding year, which ranked second. In 2019, it rose to 1.2% which moved the region down to fifth. The most recent data for 2020 shows vacancy rose to 2.5% placing the region twelfth

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5 All growth rates based on the 2021 Census of Canada, https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=9810000203.

6 Meagan Campbell, "One of the most severe housing crises in Canada is currently unfolding in an unexpected place: Charlottetown, P.E.I.," *National Post*, July 2, 2019, https://nationalpost.com/news/canada/charlottetowns-housing-crisis#:~:text=As%20of%20last%20fall%2C%20the,cent%20vacancy%20rate%20in%20Toronto.

on the list. While the trend is positive, 2.5% is just over the 2.0% minimum vacancy rate indicative of a healthy housing market.[7]

The current pandemic has been a factor in recent developments. Contacts with ViewPoint Realty with whom Stantec has worked in Halifax have told us that despite a lull in activity when the lockdown began, transactions in Nova Scotia in 2020 were up 40% over 2019. In Atlantic Canada, they suggest that while international immigration was curtailed through the pandemic, the success of the Atlantic Provinces in suppressing the incidence of COVID-19 stimulated many former Atlantic Canadians and individuals with affinities to the region located in Central and Western Canada to return or act on a long-standing interest in living here. Many accustomed to much higher priced real estate markets have bid up Atlantic Canadian prices. PEI has experienced the fourth largest housing price increase (18.1%) among Canadian provinces since 2019. [8]

Overall, many reasons can be cited for issues that are currently challenging housing markets in the Charlottetown region and around the world. Frequently cited causes range from financialization to short-term rental (e.g., Airbnb) to the diminished role of the public sector in housing provision. Each community, of course, has its own unique features and special challenges. PEI, we have read and been told, is also influenced by its relatively small construction sector, which has limited the ability of developers and builders to satisfy demand.

Regardless of the causes, dealing with housing challenges is critical to continued success in the Capital Region as well as the welfare of community members. PEI and Charlottetown have reaped the benefits of initiatives to retain domestic population and attract immigration. The local economy is stronger, and the aging of the province's population has been significantly countered. Without adequate housing, however, newcomers cannot be accommodated, and longer-term residents may be forced to leave, undoing PEI's progress over the past decade.

Our effort for this assignment has been directed at identifying specific keys for the Capital Region and developing solutions geared to its unique challenges. As the home of a provincial capital with three strong growing municipalities, attractive and accessible exurban areas, the charm of its Island location, and many other exceptional attributes, the Capital Region is characterized by a variety of features that both exacerbate its current issues and provide opportunities for resolution. This report summarizes our project work. It provides an overview of housing issues nationally and in PEI; the state of the PEI economy; population and housing estimates presented in three scenarios; an assessment of the land supply available for residential development in relation to our estimates of future need; and our conclusions with recommendations to address the issues identified.

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7 See: "Canada Mortgage and Housing Corporation, vacancy rates, row and apartment structures of three units and over, privately initiated in census agglomerations of 50,000 and over, weighted average," https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3410013101&cubeTimeFrame.startYear=2001&cubeTimeFrame.endYear=2020&referencePeriods=20010101%2C20200101

8 Emma Davie, "Booming Halifax housing market shows no signs of slowing down," Oct 17, 2020, https://www.cbc.ca/news/canada/nova-scotia/nova-scotia-halifax-housing-market-boom-continues-1.5764853.

Our clients for this assignment are the City of Charlottetown, and the Towns of Cornwall, and Stratford. The Province of PEI has helped fund the project and has been an important participant in the conduct of our work as an active participant on the Project Steering Committee, an important source of information, and a reviewer, along with the municipalities, of project outputs Our focus is on municipal action; however, we recognize the roles of the Provincial and Federal governments in delivering housing funding, policy, and programs on which municipalities can draw both inspiration and assistance.

We would like to note that the geographies to which we refer in this study vary. While data on housing in Canada is not in short supply, local housing information often lacks necessary detail. This is particularly true for PEI and the Charlottetown region, which as relatively small entities are sometimes excluded from national data collection exercises and, where they are included, sometimes present difficulties for sampling data. Ideally, we would like to assess issues based on data specific to the three Capital Region municipalities either collectively or individually.

A great deal of housing data, however, is only produced at the provincial or census metropolitan (CMA)/census agglomeration (CA) levels. The Charlottetown region is a recognized CA. The CA, which is illustrated in **Figure 5-1**, below, includes substantial areas beyond the three Capital Region municipalities. Unfortunately, as well, considerable valuable statistical information is only available for CMAs as opposed to CAs. Charlottetown, furthermore, is among the country's smallest CAs and is occasionally dropped from compilations of CA data by Statistics Canada and Canada Mortgage and Housing Corporation. Private organizations such as the Canadian Real Estate Association, similarly, do not report some data for the Charlottetown or the Capital Region that is available for large centres.

For these reasons, we have occasionally resorted to national-level data to describe and assess housing issues but more frequently to provincial-level statistics. Where possible, we have used CA data as it is a more precise reflection of the circumstances in the Capital Region. Sometimes CA data is only available for all CAs on the Island (i.e., Summerside as well as Charlottetown) and we have referred to that data when we considered it the best available option. We should also note that many data items collected for the Charlottetown CA and sub-areas within the CA, are considered less reliable than for larger communities in Canada because of sample size issues.

Where possible, we have favoured data specific to the three Capital Region municipalities, which are census subdivisions in Statistics Canada's statistical framework. Most data items of interest for census subdivisions are available for national census years. The most recent fully processed census was conducted 2016. A new national census was completed in 2021, but Statistics Canada only began to release data in early 2022. This report reflects initial 2021 census numbers and estimates, which include total population and dwelling units for municipalities. These numbers have been taken into account where possible in our analysis and future estimates below. We have adjusted census numbers where data is available to support the necessary estimates, particularly for the population and housing estimates presented in **Chapter 6.0** below, and have referred to data such as building permit statistics provided by the municipalities to further enhance our understanding of the specific circumstances of Charlottetown, Cornwall, and Stratford. Statistics Canada will release additional data gradually over the course of 2022 with critical housing data scheduled for release in September.

2.0 HOUSING ISSUES

Given the importance of housing to comfort and security of all members of society, it is a leading public policy concern. The focus of concern until recently in Canada, though, has been on a few large urban markets – most notably Toronto and Vancouver – where housing prices have been far above the balance of the national market. In the past five years, however, the issues faced in the country's largest cities have spread to smaller centres, partly because residents of the major centres have sought new locations that provide relief from high housing costs, and, most recently, because technological changes implemented and tested in response to the ongoing COVID-19 pandemic have made alternatives economically viable. The impact of this change on Atlantic Canada has been particularly pronounced as our traditionally stable housing markets have seen sudden, large price increases and major pressures on supply.

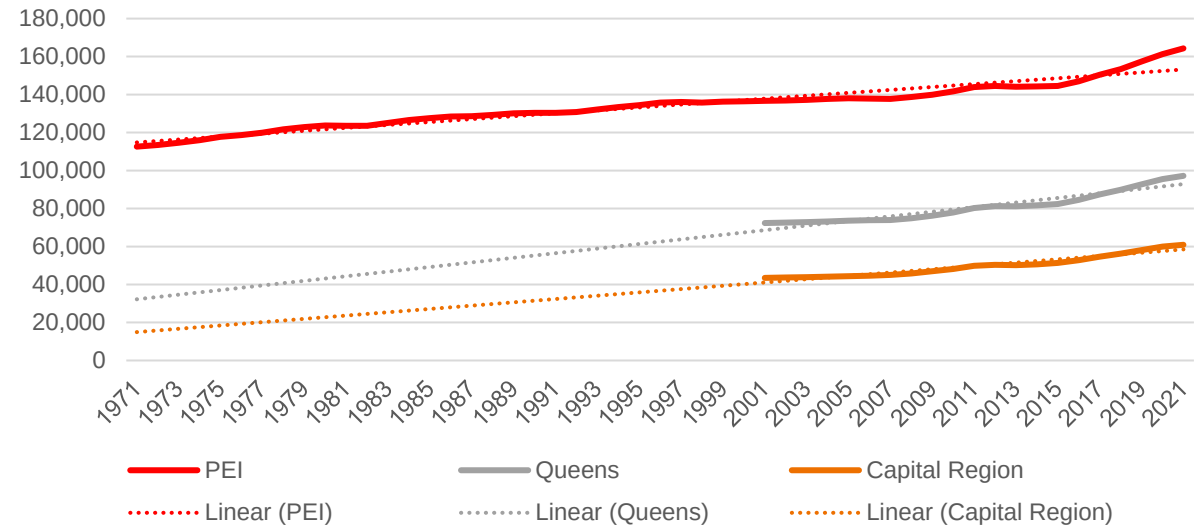
The Charlottetown area, with the Capital Region municipalities of Charlottetown, Cornwall, and Stratford at its centre, has been impacted significantly. It has been a leading destination for new migrants to the Atlantic region and has seen record increases in house prices as well as unprecedented low vacancy rates for rental accommodation. While many residents have benefited from substantial increases in home equity, others face challenges finding, affording, and retaining accommodation. New homebuyers, tenants seeking new accommodations of forced out of current accommodations, arriving immigrants, persons with low incomes, and the mentally and physically challenged have been notably affected.

2.1 HOUSING TRENDS

Population has grown in PEI since the 1970s, although the rate of growth was generally slow from 1980 to 2010. Annual growth rates during the three decades beginning in 1980 rarely exceeded a full percentage point in any one year. In several years, the Island's population declined. Since 2010, however, population growth exceeded a percentage point in seven years and fell back just once (in 2013). Queens County and the Charlottetown CA have followed a similar pattern but with stronger growth rates, frequently more than two percentage points in a year (**Figure 2-1**).

As population has risen, household size has declined, although the decline in the number of persons per dwelling unit is tied more to changes in the age composition of the population than the increase in numbers. The number of persons per dwelling unit has declined reliably from the 1881 Census of Canada when it was 5.3 for the entire country to its current levels. From 2001 to 2021, average household size fell by 0.13 persons per occupied dwelling unit for Canada, 0.27 for the province of PEI, and 0.18 persons for the Capital Region. The average household size in Canada stood at 2.47 persons per dwelling unit according to the 2021 Census. The average for PEI was 2.49 and for the Capital Region was 2.33. The long-term decline in the number of people per household has increased the number of dwelling units required and influenced the type of units needed. It has exerted pressure on the housing supply even when population has declined and has exacerbated the impact of population increases when they have occurred.

Figure 2-1 Population Growth and Change, PEI, Queens and Capital Region, 1971-2020



	PEI			PEI (cont'd)		Queens		Capital Region	
Year	**Pop.**	**% Change**	**Year**	**Pop.**	**% Change**	**Pop.**	**% Change**	**Pop.**	**% Change**
1971	112,591		2001	136,665	0.14%	72,362		43,488	
1972	113,460	0.77%	2002	136,880	0.16%	72,574	0.29%	43,697	0.48%
1973	114,620	1.02%	2003	137,227	0.25%	72,860	0.39%	43,887	0.43%
1974	115,962	1.17%	2004	137,680	0.33%	73,221	0.50%	44,115	0.52%
1975	117,724	1.52%	2005	138,064	0.28%	73,574	0.48%	44,376	0.59%
1976	118,648	0.78%	2006	137,867	-0.14%	73,875	0.41%	44,651	0.62%
1977	119,902	1.06%	2007	137,711	-0.11%	73,968	0.13%	45,017	0.82%
1978	121,684	1.49%	2008	138,749	0.75%	74,860	1.21%	45,767	1.67%
1979	122,885	0.99%	2009	139,891	0.82%	76,220	1.82%	46,955	2.60%
1980	123,735	0.69%	2010	141,654	1.26%	77,859	2.15%	48,184	2.62%
1981	123,551	-0.15%	2011	143,963	1.63%	80,223	3.04%	49,825	3.41%
1982	123,588	0.03%	2012	144,530	0.39%	81,233	1.26%	50,390	1.13%
1983	125,102	1.23%	2013	144,094	-0.30%	81,163	-0.09%	50,224	-0.33%
1984	126,563	1.17%	2014	144,283	0.13%	81,683	0.64%	50,619	0.79%
1985	127,619	0.83%	2015	144,546	0.18%	82,382	0.86%	51,376	1.50%
1986	128,436	0.64%	2016	146,969	1.68%	84,545	2.63%	52,784	2.74%
1987	128,641	0.16%	2017	150,402	2.34%	87,421	3.40%	54,667	3.57%
1988	129,289	0.50%	2018	153,396	1.99%	89,868	2.80%	56,259	2.91%
1989	130,153	0.67%	2019	157,419	2.62%	92,695	3.15%	58,132	3.33%
1990	130,404	0.19%	2020	161,329	2.48%	95,482	3.01%	59,947	3.12%
1991	130,369	-0.03%	2021	164,318	1.85%	97,211	1.81%	60,906	1.60%
1992	130,827	0.35%							
1993	132,177	1.03%							
1994	133,437	0.95%							
1995	134,415	0.73%							
1996	135,737	0.98%							
1997	136,095	0.26%							
1998	135,804	-0.21%							
1999	136,281								
2000	136,470								

Source Statistics Canada Estimates

Two distinct demographic shifts have influenced household size. From the mid-1960s, birth rates declined resulting in fewer children in families. Since that time, the major influences have been increasing longevity and the passage of the large proportion of the population born in the Baby Boom (i.e., 1946 to 1966) from childhood into late middle age and now senior status. From 2001 to 2021, the national median age increased from 37.2 to 41.1 years, while PEI rose from 37.6 to 42.4.

The Capital Region municipalities are generally younger based on 2016 median ages. Median ages are not available for the municipalities in 2001, but the median age for the Charlottetown CA, which reasonably approximates the Capital Region (with abutting rural communities) increased from 37.3 to 39.2. Demographic analysis and estimates presented in **Chapters 5.0** and **6.0** below, demonstrate how this influence has affected population growth in PEI, Queens County, and the Capital Region, as well as how recent changes brought on by increased immigration are beginning to counter it.

From 2001 to 2016, the proportion of dwelling units classified as single-detached in Canada has declined from 56.6% to 53.6%. The Canada-wide shift of nearly four percentage points is almost entirely explained by increases in the proportions of duplex, rowhouse, and high-rise apartment units, which, respectively, enlarged their share of housing by 1.4, 1.3, and 0.8 percentage points over the period. No other category of housing lost or gained more than a single percentage point (**Table 2-1**).

While smaller households have shifted to smaller ground-level units at the national level, in the Capital Region, which has moderately smaller proportion of households in single-detached units than Canada but considerably less than PEI, the major shift has been to low-rise apartments. High-rise apartment buildings with five or more storeys are not a factor anywhere on the Island. While the share of national households living in low-rise apartments declined slightly from 18.7% to 18.0% between 2001 and 2016, they increased from 12.9% of the Island's housing stock in 2001 to 15.2% (2.3 points) by 2016 and rose from 29.0% of all units in the Capital Region to 31.5% (1.5 points). Rowhousing has also experienced a significant increase in both the province and the Capital Region, gaining and 1.2 and 1.3 percentage points, respectively, to reach 3.7% of the housing stock in both cases. The share of flats in duplexes, on the other hand, increased by just 0.2 percentage points in the Capital and declined by 0.1 percentage points across the province (**Table 2-1**).

With significantly smaller households than Cornwall and Stratford, Charlottetown has a much higher proportion of apartment units at 37.7%, including a small number of high-rise units, compared to 5.9% in Cornwall and 19.5% in Stratford. The city also has a higher proportion of attached dwelling units than Stratford with 16.2% relative to 13.1%; however, 19.5% of units in Cornwall are semis, rowhouses, or flats. The proportions of households in single-detached structures declined significantly in all three municipalities as proportions in apartments and attached housing rose.

Leading to the recent period in which home prices and rents have escalated abruptly, **Table 2-2** reflects the relative stability of housing markets. Comparison of 2016 to 2001 indicates the percentage of Canadians who own their own home declined from 67.8% to 63.6%, while homeownership in PEI declined from 73.3% to 70.3%, and fell from 57.4% to 54.6% in the Capital Region. Affordability measures, however, changed little for both homeowners and renters.

Table 2-1 Housing and Household Profiles, Charlottetown CA, PEI and Canada, 2001 and 2016

2016	Charlottetown	Cornwall	Stratford	Capital Region	PEI	Canada
Occupied private dwellings	16,100	2,025	3,820	21,945	59,470	14,072,080
Structural Type						
Single-detached house	7,170	1,350	2,575	11,095	41,185	7,541,495
% of all dwellings	*44.5%*	*66.7%*	*67.4%*	*50.6%*	*69.3%*	*53.6%*
Apartment, 5 or more storeys	40	0	0	40	55	1,391,040
% of all dwellings	*0.2%*	*0.0%*	*0.0%*	*0.2%*	*0.1%*	*9.9%*
Semi-detached house	1,490	200	355	2,045	3,365	698,800
% of all dwellings	*9.3%*	*9.9%*	*9.3%*	*9.3%*	*5.7%*	*5.0%*
Row house	530	165	115	810	2,230	891,305
% of all dwellings	*3.3%*	*8.1%*	*3.0%*	*3.7%*	*3.7%*	*6.3%*
Apartment or flat in a duplex	540	30	30	600	950	784,300
% of all dwellings	*3.4%*	*1.5%*	*0.8%*	*2.7%*	*1.6%*	*5.6%*
Apartment, less than 5 storeys	6,040	120	745	6,905	9,050	2,539,390
% of all dwellings	*37.5%*	*5.9%*	*19.5%*	*31.5%*	*15.2%*	*18.0%*
Other single-attached house	35	0	0	35	90	36,005
% of all dwellings	*0.2%*	*0.0%*	*0.0%*	*0.2%*	*0.2%*	*0.3%*
Movable dwelling	265	165	0	430	2,550	189,755
% of all dwellings	*1.6%*	*8.1%*	*0.0%*	*2.0%*	*4.3%*	*1.3%*
Household Size						
1 person	5,705	400	835	6,940	16,295	3,969,790
% of all households	*35.4%*	*19.8%*	*21.9%*	*31.6%*	*27.4%*	*28.2%*
2 persons	5,665	735	1,430	7,830	22,905	4,834,605
% of all households	*35.2%*	*36.3%*	*37.4%*	*35.7%*	*38.5%*	*34.4%*
3 persons	2,295	360	645	3,300	9,010	2,140,640
% of all households	*14.3%*	*17.8%*	*16.9%*	*15.0%*	*15.2%*	*15.2%*
4 or more persons	2,435	530	905	3,870	11,265	3,127,045
% of all households	*15.1%*	*26.2%*	*23.7%*	*17.6%*	*18.9%*	*22.2%*
Persons in private households	34,765	5,320	9,630	49,715	139,685	34,460,060
Average household size	2.2	2.6	2.5	2.3	2.4	2.5
Median Age	42.8	39.8	40.5	N/A	44.5	41.2

Table 2-1 (cont'd)

2001	Charlottetown	Cornwall	Stratford	Capital Region	PEI	Canada
Occupied private dwellings	13,370	1,545	2,215	17,130	50,795	10,820,050
Structural Type						
Single-detached house	6,550	1,095	1,775	9,420	37,290	6,120,380
% of all dwellings	*49.0%*	*70.9%*	*80.1%*	*55.0%*	*73.4%*	*56.6%*
Apartment, 5 or more storeys	30	0	0	30	40	979,470
% of all dwellings	*0.2%*	*0.0%*	*0.0%*	*0.2%*	*0.1%*	*9.1%*
Semi-detached house	1,175	90	145	1,410	2,485	502,095
% of all dwellings	*8.8%*	*5.8%*	*6.5%*	8.2%	*4.9%*	*4.6%*
Row house	340	60	5	405	1,280	538,365
% of all dwellings	*2.5%*	*3.9%*	*0.2%*	*2.4%*	*2.5%*	*5.0%*
Apartment or flat in a duplex	395	20	5	420	840	451,490
% of all dwellings	*3.0%*	*1.3%*	*0.2%*	*2.5%*	*1.7%*	*4.2%*
Apartment, less than 5 storeys	4,575	100	285	4,960	6,560	2,028,325
% of all dwellings	*34.2%*	*6.5%*	*12.9%*	*29.0%*	*12.9%*	*18.7%*
Other single-attached house	55	5	0	60	175	39,550
% of all dwellings	*0.4%*	*0.3%*	*0.0%*	*0.4%*	*0.3%*	*0.4%*
Movable dwelling	250	175	5	430	2,120	160,375
% of all dwellings	*1.9%*	*11.3%*	*0.2%*	*2.5%*	*4.2%*	*1.5%*
Household Size						
1 person	4,240	230	335	4,805	11,580	2,622,180
% of all households	*31.7%*	*14.9%*	*15.1%*	*28.1%*	*22.8%*	*24.2%*
2 persons	4,410	480	745	5,635	16,785	3,420,660
% of all households	*33.0%*	*31.1%*	*33.6%*	*32.9%*	*33.0%*	*31.6%*
3 persons	2,145	345	425	2,915	9,000	1,828,255
% of all households	*16.0%*	*22.3%*	*19.2%*	*17.0%*	*17.7%*	*16.9%*
4 or more persons	2,580	495	710	3,785	13,425	2,948,965
% of all households	*19.3%*	*32.0%*	*32.1%*	*22.1%*	*26.4%*	*27.3%*
Persons in private households	31,035	4,400	6,295	41,730	133,070	28,390,685
Average household size	2.3	2.8	2.8	2.6	2.6	2.6
Median Age	N/A	N/A	N/A	N/A	37.7	37.6

Source Census of Canada 2001 and 2016

The widely accepted measure of affordability or "core housing need" in Canada and internationally is that households should not have to spend more than 30% of their income on accommodation and related costs. The percentage of Canadian homeowners spending more than 30% of their income on housing expenses rose slightly from 16.4% to 16.6% from 2001 to 2016. Canadian renters facing the same affordability challenge, on the other hand, decreased from 42.8% to 40.0% (**Table 2-2**). Homeowners on the Island and in the Charlottetown CA in 2016 were less likely than other Canadians to fall below the affordability standard. In the province, 11.1% of homeowners and 36.3% of tenants spent more than 30% of their income on housing, improvements in both cases from 2001 when the measures were 12.0% for homeowners and 40.9% for tenants.

Table 2-2 Housing Tenure and Affordability, Capital Region Municipalities, Capital Region, PEI and Canada, 2001-2016

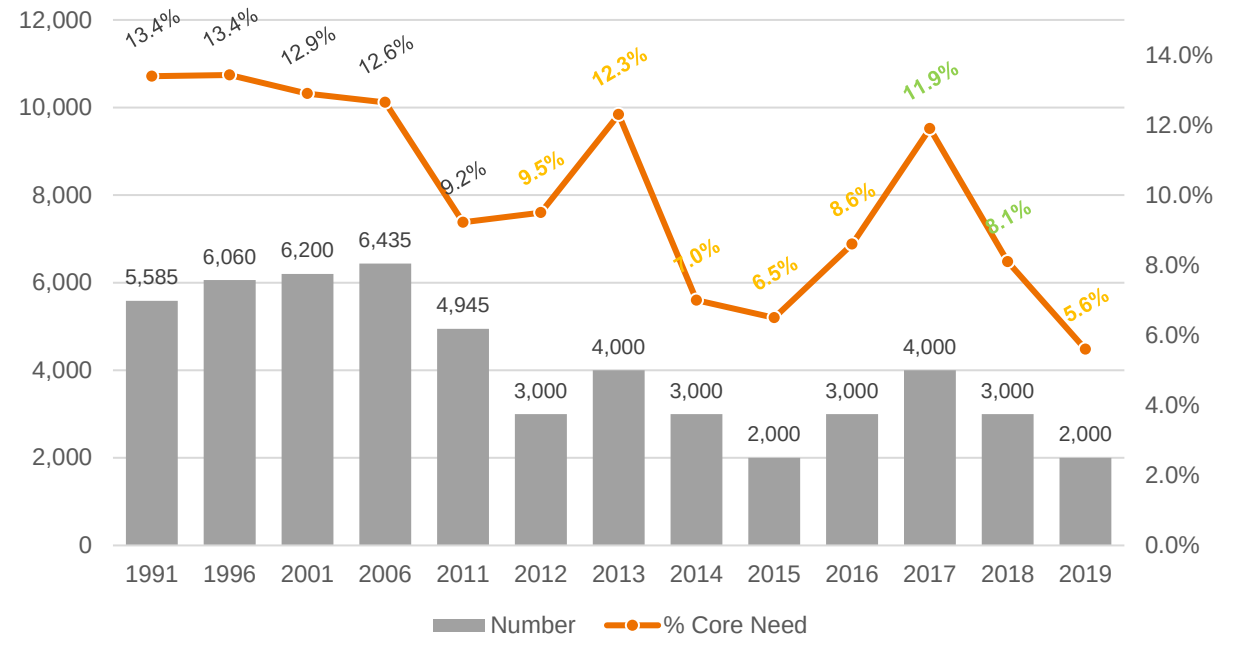
2016	Charlotte-town	Cornwall	Stratford	Capital Region	PEI	Canada
Owner	7,760	1,500	2,730	11,990	41,780	9,541,320
% of all dwelling units	*48.2%*	*73.9%*	*71.5%*	*54.6%*	*70.3%*	*67.8%*
Renter	8,345	530	1,090	9,965	17,575	4,474,530
% of all dwelling units	*51.8%*	*26.1%*	*28.5%*	*45.4%*	*29.6%*	*31.8%*
Band housing	0	0	0	0	115	56,230
% of all dwelling units	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.2%*	*0.4%*
Average owner's major monthly payments	$1,115	$1,082	$1,205	$1,131	$932	$1,313
Average monthly gross rent	$863	$1,001	$979	$883	$818	$1,002
Average household income (2015)	$70,857	$86,965	$95,789	N/A	$74,210	$92,764
Median household income (2015)	$200,284	$199,941	$240,102	N/A	$61,163	$70,366
Average value of dwelling	$239,450	$212,407	$286,259	N/A	$197,966	$341,556
Avg. owners annual payments/ avg. household income	18.9%	14.9%	15.1%	N/A	15.1%	17.0%
Avg. annual gross rent / Avg. household income	14.6%	13.8%	12.3%	N/A	13.2%	13.0%
Avg. dwelling value / Avg. household Income	3.38	2.44	2.99	N/A	2.66	3.68
Owners spending 30% or more of household income on shelter costs	1,010	160	335	1,505	4,638	1,583,859
% of owners	*13.0%*	*10.8%*	*12.3%*	*12.6%*	*11.1%*	*16.6%*
Gross rent spending 30% or more of household income on shelter costs	3,395	165	400	3,960	6,380	1,789,812
% of tenants	*40.7%*	*30.8%*	*37.0%*	*39.7%*	*36.3%*	*40.0%*
2001						
Owner	6,885	1,220	1,735	9,840	37,170	6,877,780
% of all dwelling units	*51.5%*	*79.0%*	*78.5%*	*57.4%*	*73.3%*	*63.6%*
Renter	6,490	325	475	7,290	13,530	3,905,145
% of all dwelling units	*48.5%*	*21.0%*	*21.5%*	*42.6%*	*26.7%*	*36.1%*
Band housing	0	0	0	N/A	N/A	37,125
% of all dwelling units	*0.0%*	*0.0%*	*0.0%*	*N/A*	*N/A*	*0.3%*
Average owner's major monthly payments	$734	$693	$851	$750	$605	$754
Average monthly gross rent	$580	$569	$639	$583	$543	$595
Average household income (2000)	$48,776	$58,298	$65,886	N/A	$48,097	$56,070
Median household income (2000)	$38,288	$54,587	$59,046	N/A	$40,512	$48,432
Average value of dwelling	$125,367	$102,526	$138,991	N/A	$100,675	$147,877
Avg. owners annual payments/ avg. household income	18.1%	14.3%	15.5%	N/A	15.1%	16.1%
Avg. annual gross rent / Avg. household income	14.3%	11.7%	11.6%	N/A	13.5%	12.7%
Avg. dwelling value / Avg. household Income	2.57	1.76	2.11	N/A	2.09	2.64
Owner's spending 30% or more of household income on shelter costs	985	85	205	1,275	4,310	1,129,000
% of owners	*14.3%*	*7.1%*	*11.8%*	*13.0%*	*12.0%*	*16.4%*
Gross rent spending 30% or more of household income on shelter costs	2,935	140	105	3,180	5,520	1,670,775
% of tenants	*45.4%*	*43.1%*	*21.9%*	*43.6%*	*40.9%*	*42.8%*

Source Census of Canada 1996 and 2016

In the Capital Region portion, affordability varied considerably. In 2016, 40.7% of homeowners in Charlottetown and 13.0% of renters, spent more than 30% of their income on shelter, down from 14.3% and 45.4% in 2001. Affordability was less of a concern in Cornwall and Stratford where homeowners spending more than 30% of their income on housing accounted for 10.8% and 12.3%, respectively, and renters in the same situation represented 30.8% and 37.0%, respectively. In Cornwall, renters facing affordability challenges declined from 43.1% in 2001 but the proportion of homeowners increased from 7.1%. In Stratford, renters with affordability issues increased significantly from 21.9% to 37.0% and owners from 11.8% to 12.3%.

While core housing need is the primary concern of many housing observers, particularly those involved with social housing, data for PEI and the Capital Region suffers from serious limitations. CMHC develops estimates of households spending more than 30% of their income on housing from its annual surveys but not for CSDs like Charlottetown, Cornwall, and Stratford. Statistics are available for PEI's CAs (i.e., PEI's urban households); however, the data quality for PEI is routinely rated by CMHC as poor because of the small samples taken and relatively high levels of non-response. Annual statistics from 2011 through 2019 in **Figure 2-2** are rated either "Acceptable" for 2017 and 2018 or "Use with caution" for the remaining years based on the estimated degree of variance in the sample. Data for the census years from 1991 to 2011 is not so qualified but it is notable that PEI recorded the highest non-response rate of any province in the 2011 NHS (33.4% compared to a national average of 26.1%).

Figure 2-2 Number of Urban Households in Core Housing Need, PEI Census Agglomerations (CAs), 1991-2019



Source Census of Canada 1991 to 2006, National Household Survey 2001, and CMHC 2012-2019 (Numbers in **green** are "Acceptable," number in **amber** are "use with caution." See report text for discussion of data quality issues).

Finally, CMHC core housing need estimates are typically significantly below Statistics Canada estimates because the two organizations use significantly different approaches to calculate numbers and percentages. Specifically, Statistics Canada numbers are a percentage of households that require more than 30% of their income to afford median housing in their community, whereas CMHC estimates are based on the ability of households to obtain "acceptable housing" for 30% of their income.[9]

Setting these serious concerns aside, the data from both sources suggests that the percentage of urban PEI households in core housing need has been falling significantly. Although the numbers in need rose moderately from 1991 through 2006, the percentage in need fell as population increased. Since 2011, the percentage has trended downward, at times steeply. While the rates of 12.3% recorded in 2013 and 11.9% recorded in 2017 are close to levels previously recorded by the census and NHS, the surprising drop from 2017 to 2019 has taken the level to less than half earlier historic levels. Many would undoubtedly question this finding, which is based on questionable data, and does not consider the past three years in which the COVID pandemic has impacted the Capital Region's housing market.

To assess affordability for the entire population, we divided annual owner's major expenses and annual gross rents by annual household income. For both owners and renters in Canada, PEI, and the Capital Region municipalities, the relationship of housing costs to income was remarkably stable over the period. For Canada, between 2001 and 2016, average major payments by owners increased from 16.1% of average income to 17.0%, while PEI was static at 15.1% both years. Changes for renters were also moderate. Across Canada, the percentage of average annual household income required to cover average annual gross rents rose from 12.7% to 13.0%, while in PEI, they fell from 13.5% to 13.2%.

Similar stability is apparent within the Capital Region over the 2001 to 2016 period. Homeownership costs and rents were highest in Charlottetown where the proportion of income required to satisfy housing costs is above the national average at 18.9% for owners and 14.6% for renters up from 18.1% and 14.3% in 2001. In Cornwall, the relationships between housing costs and incomes were close to the provincial norm, with Cornwall owners paying 14.9% of household income and renters 13.8%, while the respective proportions for Stratford were 15.1% and 12.3%. Like Charlottetown, percentages of income required for housing rose marginally, except for homeowners in Stratford for whom the share of income required from housing declined moderately from 15.5% to 15.1%, likely reflecting the shift to apartments and ground level attached units in the Town over the period.

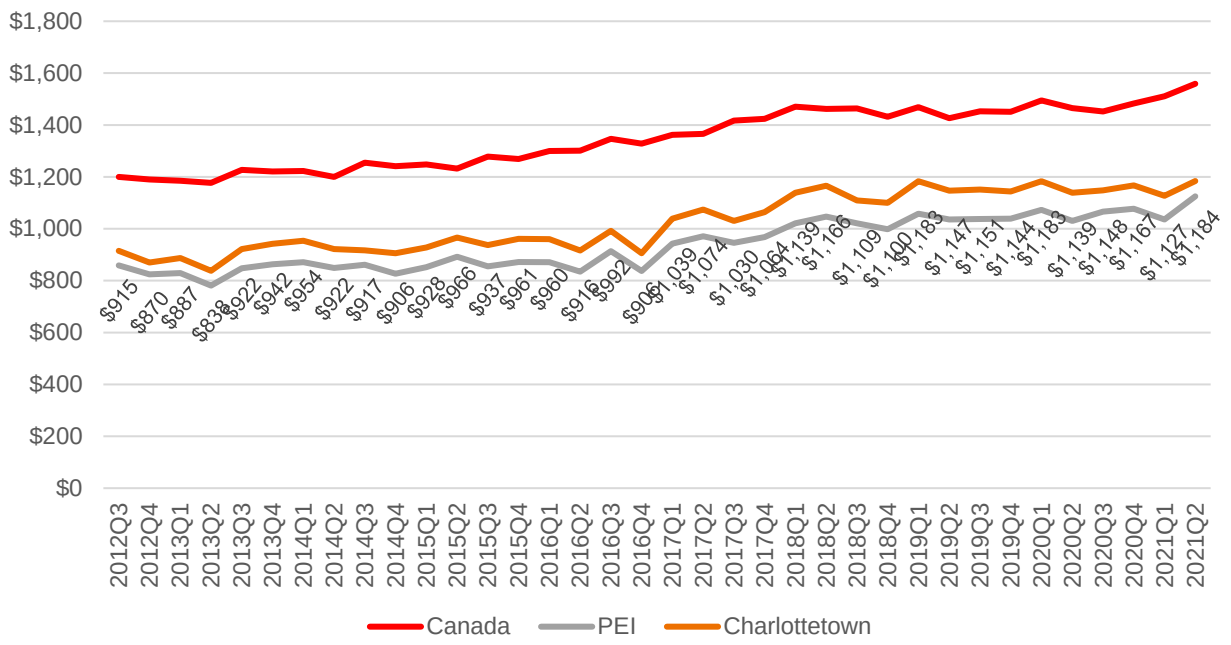
The most striking shift in a cost factor over the period was price. Whereas the average home cost of $147,877 in Canada represented 2.64 times the national average household income in 2001, it rose to 3.68 times the national average by 2016 (39.4% increase). Across the Island, the ratio was more moderate, but rose from 2.09 to 2.66 (27.7%). In the City of Charlottetown, increases were greater with the ratio of price to income rising from 2.57 to 3.38 of by 31.5%. In Cornwall and Stratford, home prices

[9] Footnotes in CMHC tables state, "A household is in core housing need if its housing is below one or more of the adequacy, suitability and affordability standards, and it would have to spend 30% or more of its before-tax household income to access local housing that meets all three standards. Adequate housing does not require any major repairs, according to residents. Suitable housing has enough bedrooms for the size and makeup of resident households, according to National Occupancy Standard (NOS) requirements. Affordable housing costs less than 30% of before-tax household income."

are more moderate but increases in price relative to income from 2001 to 2016 were larger with the ratio for Cornwall increasing by 38.6% and for Stratford by 41.7%.

The argument is made that increases in price have been driven by falling mortgage rates, which have kept the monthly payments of homebuyers much lower than one might expect based on price increases. While the decline in mortgage rates cannot be denied, total mortgage costs have definitely risen, as illustrated in **Figure 2-3** representing typical mortgage costs in Canada, PEI, and the Charlottetown CA from mid-2012 to mid-2021. From the beginning of the period shown to its end, costs for holders of new mortgages in Charlottetown have increased by 27.5%, while costs for all Islanders have risen by 25.4% and costs for Canadians have gone up 23.6%. Application of the Consumer Price Index for each area, reduces the increase from the nominal changes, but it is still 9.8% for Canadians as a whole, 14.1% for Islanders, and 15.8% for residents of the Charlottetown CA[10] – very substantial increases that carry with them the ongoing concern that increases in interest rates from their historic lows, which are now underway, will quickly inflate payments to levels that many mortgage holders may find difficult to manage.

Figure 2-3 Average Scheduled Monthly Payments for New Mortgage Loans, Charlottetown CA, PEI and Canada, Q2 2012-Q2 2021



Source CMHC

[10] Mortgage costs for Canada were adjusted to constant 2002 dollars using the national CPI for all items, for PEI using the provincial CPI, and for Charlottetown using the Charlottetown and Summerside CPI.

2.2 HOUSING PRICES

The previous data from the 2001 and 2016 censuses reflects a calm before the storm. The years since 2016 have seen marked price increases in PEI and across Canada. As population growth has gained momentum over the past five years, average home prices in PEI have risen steadily and dramatically:

> … CMHC data indicate that average home prices [in PEI] were just over $160,000 in both 2014 and 2015, rose to almost $180,000 in 2016, climbed into the mid-$190,000s in 2017, and are expected to top $200,000 in 2018 and to be in the $215-225,000 range in 2019. In all, CMHC projects that average housing prices will rise by close to 25% between 2016 and 2019.[11]

Between 2019 and 2020 PEI experienced the largest increase in house prices of any province in Canada. Over the course, of a single year, according to Canadian Real Estate Association (CREA) data in **Table 2-3**, which may not be strictly comparable to the CMHC estimates cited in the preceding quote, indicates average home prices in PEI hit more than $250,000 in 2019, an increase in one year of 22.5% that was almost equivalent to the 25% increase CMHC expected to reach in four years from 2016 to 2019. PEI moved from the ninth most expensive provincial real estate market to sixth. CREA's PEI price average of $307,547 for 2020, in fact, suggests a gain of roughly 70% on the Island from 2016.

Table 2-3 Changes in Average House Prices, Canada and Provinces, 2019-2020

Geography	Jan/22	Rank	% of Canada	Dec/20	Rank	% of Canada	Dec19	Rank	% of Canada	Change 20-22	Change 19-20
Canada	$748,439			$607,280			$518,761			23.2%	17.1%
PEI	**$351,890**	**6**	**47.0%**	**$307,547**	**6**	**50.6%**	**$250,989**	**9**	**48.4%**	**14.4%**	**22.5%**
Nova Scotia	$392,828	5	52.5%	$319,726	5	52.6%	$261,376	8	50.4%	22.9%	22.3%
Ontario	$998,629	2	133.4%	$751,508	2	123.7%	$625,755	2	120.6%	32.9%	20.1%
Quebec	$474,941	3	63.5%	$401,010	3	66.0%	$337,419	4	65.0%	18.4%	18.8%
BC	$1,040,888	1	139.1%	$843,819	1	139.0%	$753,588	1	145.3%	23.4%	12.0%
New Brunswick	$275,000	10	36.7%	$198,172	10	32.6%	$177,531	10	34.2%	38.8%	11.6%
Manitoba	$338,772	7	45.3%	$303,573	7	50.0%	$284,663	5	54.9%	11.6%	6.6%
Newfoundland	$324,800	8	43.4%	$282,600	8	46.5%	$266,000	7	51.3%	14.9%	6.2%
Alberta	$443,398	4	59.2%	$394,652	4	65.0%	$383,390	3	73.9%	12.4%	2.9%
Saskatchewan	$285,700	9	38.2%	$275,066	9	45.3%	$270,589	6	52.2%	3.9%	1.7%

Source Canadian Real Estate Association

Fortunately, the rate of price increases has subsided moderately in the past year. The most recent available CREA data for January 2021 indicates the rate of increase from December 2020 to January 2022 was 14.4%, which is substantial but less than two-thirds of the increase from 2019 to 2020 and the fourth lowest of the ten provinces over the 13-month period. Notwithstanding an overall increase in PEI home prices of 40.2% since 2019 and significant increases in the years from 2016 to 2019, the average

[11] Province of Prince Edward Island, "Housing Data and Trends: Poverty Reduction Action Plan Backgrounder," May 17, 2018, p. 6.

cost of a home on the Island is valued at less than half the national average (47.0%) and is actually less expensive in relative terms than it would have been in 2019 when it stood at 48.4% (**Table 2-3**).

The surge in both national and PEI housing prices since 2019 came as a surprise to most. The dominant feature of 2020 and 2021, has been the COVID-19 pandemic. To suppress the spread of the virus, governments around the world have enforced strict rules to reduce interaction among people. Workplaces have been restricted or closed and human gatherings have been limited. The Atlantic Provinces have been very successful in combatting the disease. Thanks to the benefits of isolating geography as well as strong enforcement of restrictions and disciplined adherence by the public, the four provinces have the lowest numbers of cases and deaths per capita among Canada's ten provinces.

Requirements for isolation impacted housing markets in two steps. Initially, pandemic restrictions suppressed real estate activity, but markets adapted, and activity resumed. Growing familiarity with remote communication as the pandemic set in facilitated transactions over distances and allowed interested buyers from outside Atlantic Canada to view real estate online and through video links.

A variety of reasons are cited for the real estate surge in the middle of the economic slowdown forced by the pandemic. The most prominent is the suppression of other forms of consumption owing to restrictions on access to retail outlets, restaurants, and entertainment venues, which has resulted in increased levels of saving.[12] With more capital available and very low interest rates, many Canadians have chosen to invest in property. Early in 2022, there is no sign that either influence has dissipated. Concerns with COVID continue with the rise of the Omicron variant yet housing prices continue to increase with CREA reporting new record high prices on large volumes of house sales at the end of 2021.[13]

In Atlantic Canada, the trend has been reinforced by two locally specific factors: lower housing costs and the lifestyle of the region. The Atlantic Provinces were the four cheapest real estate markets in Canada before COVID lockdowns began across Canada in early 2020. While all except New Brunswick have moved up the ladder in the past year, they remain a bargain compared to Canada's four most populous provinces (Ontario, Quebec, BC, and Alberta) (**Table 2-3**, above).

Motivations for moving are not purely economic, however. Real estate contacts have told us that the bulk of buyers coming to the region from outside have connections to Atlantic Canada. Many are older natives of the region who have finally decided to move back home. Others have connections with Atlantic Canada through a family cottage, relatives, or university attendance that have created an affinity for the region. Both groups have apparently acted on frequently long-standing desires to live here. Some may also have been attracted by the good performance on the Atlantic Provinces in responding to COVID, which has reinforced their reputation as safe and secure places to live. For many, lowering housing costs has come as a bonus.

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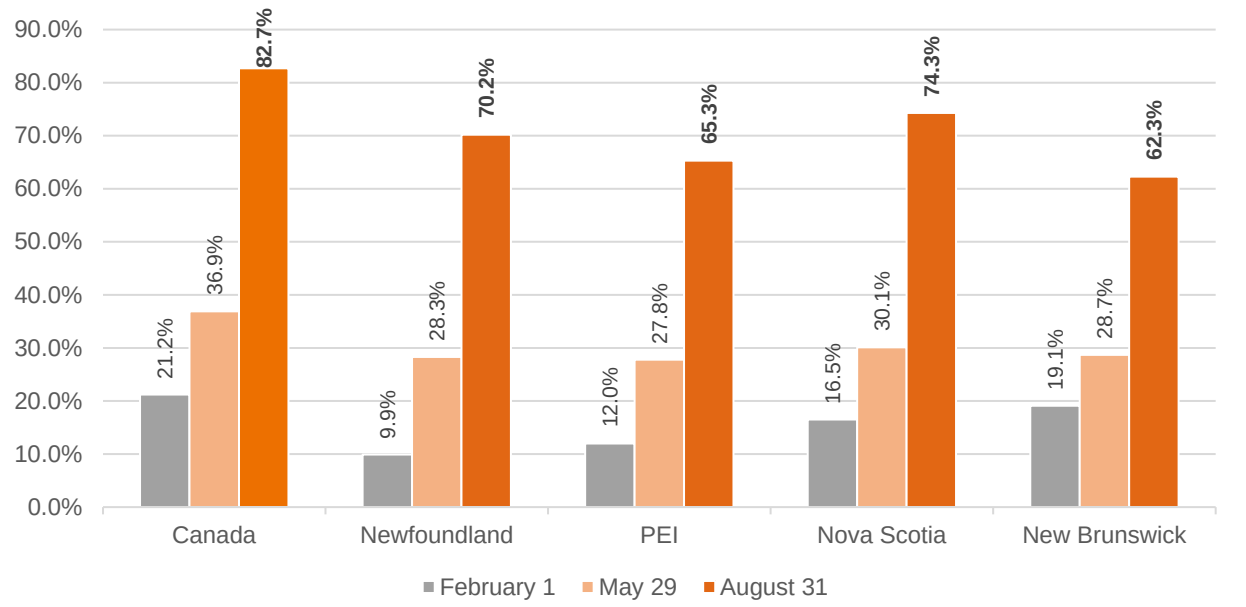
[12] Jesse Snyder and Victor Ferreira, "Household savings in Canada skyrocket during pandemic as Ottawa doles out billions in emergency benefits," *National Post*, Nov 18, 2020, https://nationalpost.com/news/politics/household-savings-in-canada-skyrocket-during-pandemic-as-ottawa-doles-out-billions-in-emergency-benefits.

[13] Pete Evans, "Average Canadian house price hit all-time high of $720,850 in November," *CBC News*, December 15, 2021, and Don Pitts, "Plenty of room for house price to rise as interest rates stay low," *CBC News*, July 7, 2021.

Remote work in itself has many positives. Telecommuting has long been advocated by planners to mitigate the impacts of sprawl. Limitations imposed by lockdowns have also forced many to employ remote forms of communication to meet individually and in groups. These advances have not only supported remote work but have also created alternative approaches such as electronic group meetings and public engagement sessions that can work better in some circumstances than traditional face-to-face communication. A further influence is the continued rise of electronic retailing and service provision, which benefits smaller markets such as Atlantic Canada by providing access to a range of products and options previously confined to larger centres.

Over the course of 2020, the increase in the proportions working remotely was dramatic, although not as large in PEI as in other Atlantic Provinces or Canada as a whole (**Figure 2-5**). The proportions are also exaggerated by increased unemployment among service workers and others whose work is not portable over the period.[14] Nevertheless, remote work has now been tested thoroughly and proven more than acceptable for many forms of employment. The practice seems likely to be more common in future, particularly as some employers move to take advantage of the trend by reducing their office space. Workers who have made inter-provincial moves seem particularly unlikely to revert to previous arrangements and continued acceptance may well stimulate further movement to attractive and less costly markets like the Capital Region.

Figure 2-4 Share of Businesses with Workers Working Remotely, Canada and Atlantic Provinces, 2020

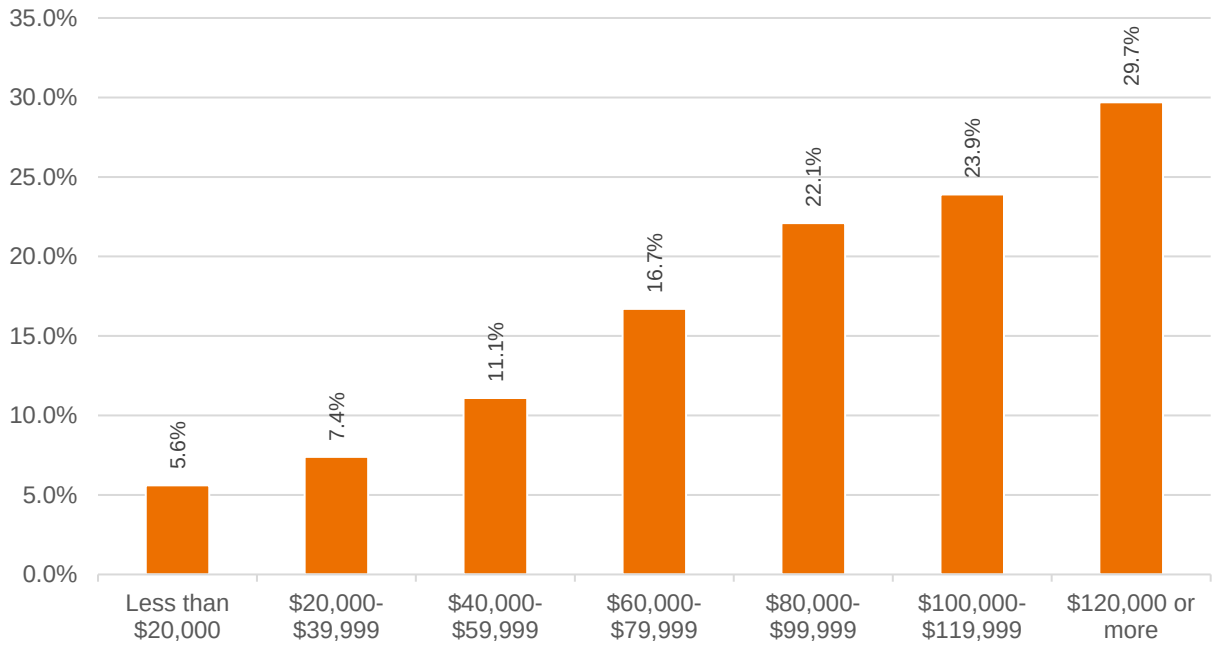


Source Service Canada (from Jill Snow, "The Impact of Covid-19 on Affordable Housing," March 31, 2021, https://www.youtube.com/watch?v=wXSTqdwIba0)

[14] Statistics Canada's seasonally adjusted unemployment rate for PEI rose from 8.0% in February 2020 to 14.1% in May but fell back to 10.7% in August. Rates for Canada at the same points were 5.7%, 13.7%, and 10.2%.

These pandemic influences have levelled the playing field for the Maritimes, to some extent, making virtues of regional features such as our relative isolation from the rest of North America that have inhibited development in the past. They are not without their downside. While telecommuting may reduce some impacts of sprawl, for example, it will not eliminate them. A dispersed settlement pattern is still more expensive to service with municipal piped networks, utilities, and facilities such as schools and recreation centres. It also raises personal living costs given that vehicle ownership and operation continue to be a necessity for most outlying residents. Remote work, furthermore, is primarily a benefit to high income workers who have traditionally had more portable jobs (**Figure 2-5**). While higher income households are a benefit to the province in most ways, they are able to bid higher prices for available housing. The arrival of remote workers in the Capital Region from Central and Western Canada is clearly a contributing factor to rising home prices and rents. Further in-migration of this group should benefit the local economy through increased expenditure, but will can be expected to maintain pressure both rents and house prices.

Figure 2-5 Percentage of Workers Working Some Scheduled (non-overtime) Hours at Home by Income Category, Canada, 2016



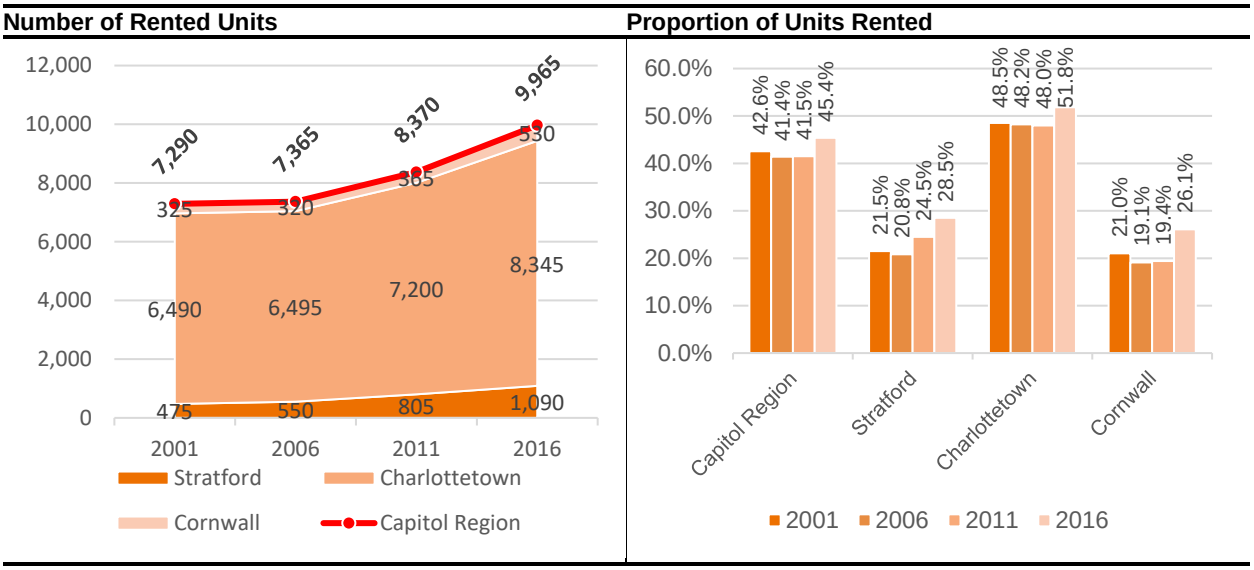
Source Statistics Canada, General Social Survey (from Jill Snow, "The Impact of Covid-19 on Affordable Housing," March 31, 2021)

Reduction of direct interaction among people in the long-term may also impact economic sectors such as conventional retailing and restaurants, which have traditionally relied on close interactions between employees and patrons as well as among patrons themselves. A decline in interpersonal engagement could have far-reaching effects from loss of jobs – at least in businesses with traditional formats – to psychological impacts. Planners will likely face significant challenges after the pandemic dealing with these shifts. In PEI, where the province's small population is tightly integrated and where tourism and hospitality are prominent economic sectors, the challenge may well be larger than elsewhere.

2.3 HOUSING RENTS

According to the 2016 Census, Prince Edward Island had 59,740 occupied dwelling units of which 17,575 (29.6%) were rented to provide accommodation for 34,225 people or 24.4% of all Islanders. the Capital Region accounted for 9,965 rental units in the same count or 56.7% of the Island's rental stock. The great majority of rentals were in the City of Charlottetown (83.7%). Stratford accounted for only 10.9% and Cornwall just 5.3% (**Figure 2-6**). According to census counts, the proportion of dwelling units rented grew significantly between 2001 and 2016 from 42.6% to 45.4%; however, it appears to have fallen back even more substantially in the middle of the period with the 2006 and 2011 censuses finding 41.4% and 41.5% of units rented, respectively (**Figure 2-6**). While the proportions renting were less in all three municipalities in 2006 and 2011, all three saw large increases from 2011 to 2016, with very large proportionate increases in Stratford and Cornwall (4.0 and 6.7 percentage points, respectively). Observation since 2016 suggests, the number and share of rental units have continued to increase.

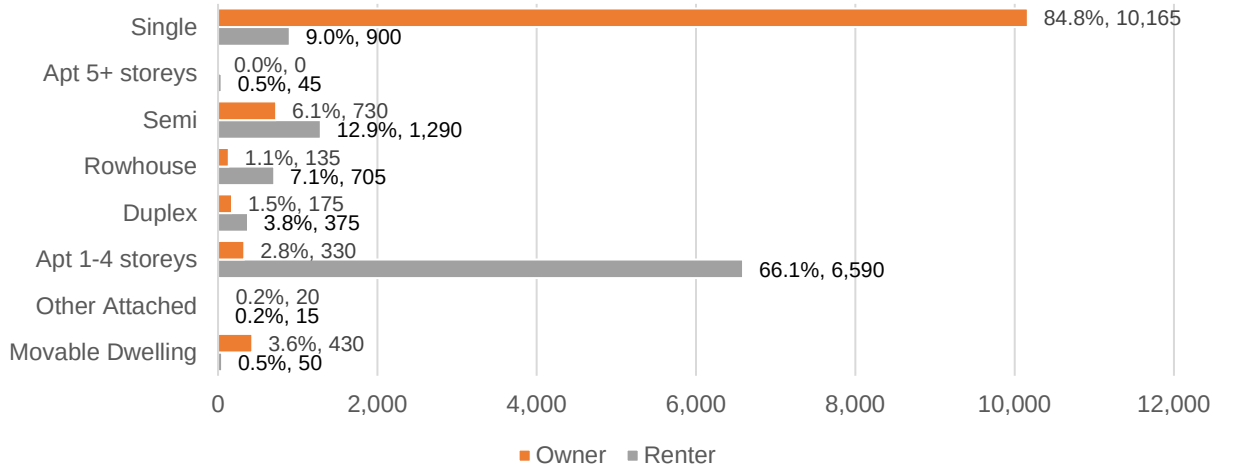
Figure 2-6 Rented Private Dwellings, Capitol Region, 2001-2016



Source Census of Canada

Rented units are most often found in multiple-unit buildings, although attached dwellings (i.e., semi-detached and rowhouse units) are also an important factor. Whereas nearly 85% of owned units were single-detached houses in 2016, they accounted for just 9.0% of rental units in the Capital Region (**Figure 2-7**). Another 0.5% are movable dwellings, which are also detached structures. More than 70% of rented units in the Capitol Region were apartments in multiple-unit buildings or duplexes (7,010 or 70.5% of all rented units). The largest single category of rental accommodation was low-rise apartments in buildings less than five storeys high, which accounted for nearly two-thirds (66.2%) of all rented units. Semis and rowhousing comprised another fifth (20.1% combined). Duplexes made up 3.8% of rental units, and high-rise apartments, which are rare in PEI, accounted for just 0.5%.

Figure 2-7 Owned and Rented Dwelling Units by Structural Type, Capitol Region, 2016



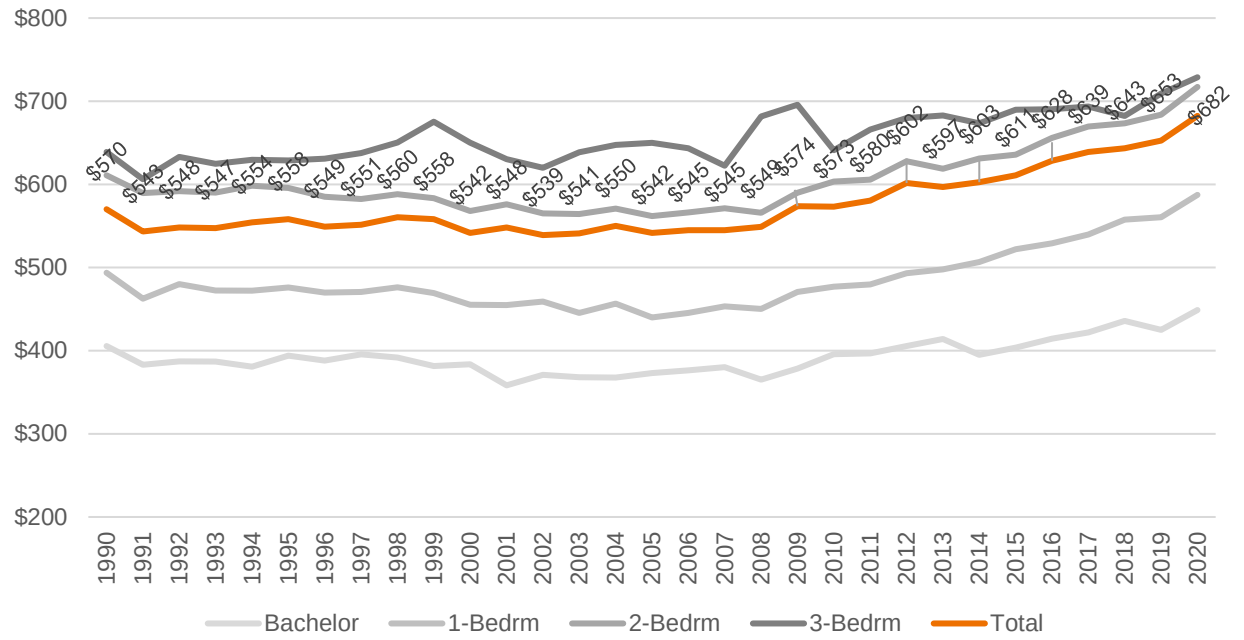
Source Census of Canada 2016

Rental units in PEI are subject to rent controls under the *PEI Rental of Residential Property Act*, proclaimed in 1988. The Act limits rent increases to a percentage set annually. Other provinces with rent controls are Quebec, Ontario, Manitoba, and BC. Nova Scotia adopted interim rent controls in 2020 that were recently extended to 2023. Rent increases in PEI may be varied depending on the type of heating provided under a lease. They were limited to 1% across the board for PEI in 2021 and will be again in 2022. Allowable increases have varied from 0% to 2% since 2011, although increases in the 5.0% to 7.5% range have been occasionally permitted in the past.[15]

Notwithstanding the presence of rent controls since 1988, rents in PEI have escalated along with home prices. Despite a period of stability to 2008, 2020 rents in constant 2002 dollars (i.e., controlled for inflation), were roughly 25% higher than in the early 1990s (**Figure 2-8**). Between 2018 and 2019, average rents for two-bedroom units in Charlottetown rose 2.9% and by 2.7% the following year. Rents in all Island communities with populations of more than 10,000, which is a combination of the Summerside with the Charlottetown CAs, increased by 2.8% from 2018 to 2019 and then by 3.2%. Rents in both geographies changed little relative to national rent levels, which rose more at 3.9% followed by 3.5%. Consequently, rents in the Charlottetown CA were slightly lower in proportion to national rents in 2020 than they were in 2019, falling slightly from 87.0% to 86.9% of national rents. The Island similarly slipped from 85.5% to 85.2%. As **Table 2-4** shows, most provinces experienced larger rent increases than PEI and rents in both PEI and Charlottetown are still well below most of the country.

[15] PEI, Director of the Office of Residential Rental Property, "Allowable Rent Increases," https://peirentaloffice.ca/allowable-rent-increases/

Figure 2-8 Average Rents, Constant 2002$, PEI, 1990-2020



Source CMHC

Rental units are critical to housing affordability. Monthly rental costs are normally lower than homeownership costs (i.e., mortgage and taxes plus operation and maintenance) and a large upfront payment is not required. Renting is also better suited to groups facing permanent or life cycle challenges, such as the physically and mentally challenged, and the elderly who find maintenance requirements difficult in addition to financial demands; and immigrants and young people who may require flexibility as well as lower costs. For many, of course, rental is simply a preference derived from a variety of factors.

Figure 2-9 illustrates allowable rent increases approved by IRAC since 2006 with increases recorded for average rented units in PEI by CMHC (see **Figure 2-8**, above).[16] Over the period from 2006 to 2020, IRAC has approved increases compounding to 46.6%, while rents for average apartments in PEI increased by 54.8%. Increases in average rents can be expected to exceed IRAC guidelines as new units added to the market are permitted to be rented at whatever price the market commands. Since 2016, average rents recorded by CMHC have risen much more rapidly than rates approved by IRAC, rising by 14.5%, while the Commission has approved an overall increase of just 6.7%.

[16] Approved increases for 2006 through 2015, were sourced from IRAC, "Summary Report and Analysis: Allowable Percentage Rent Increase for 2016," September 18, 2015, p. 4. Increases permitted for 2017 through 2020 were obtained from IRAC,"2021 Maximum Allowable Rent Increase Summary," NOTICE - September 1, 2020, p.2. The average is the weighted average of all unit types shown in **Figure 2-8**.

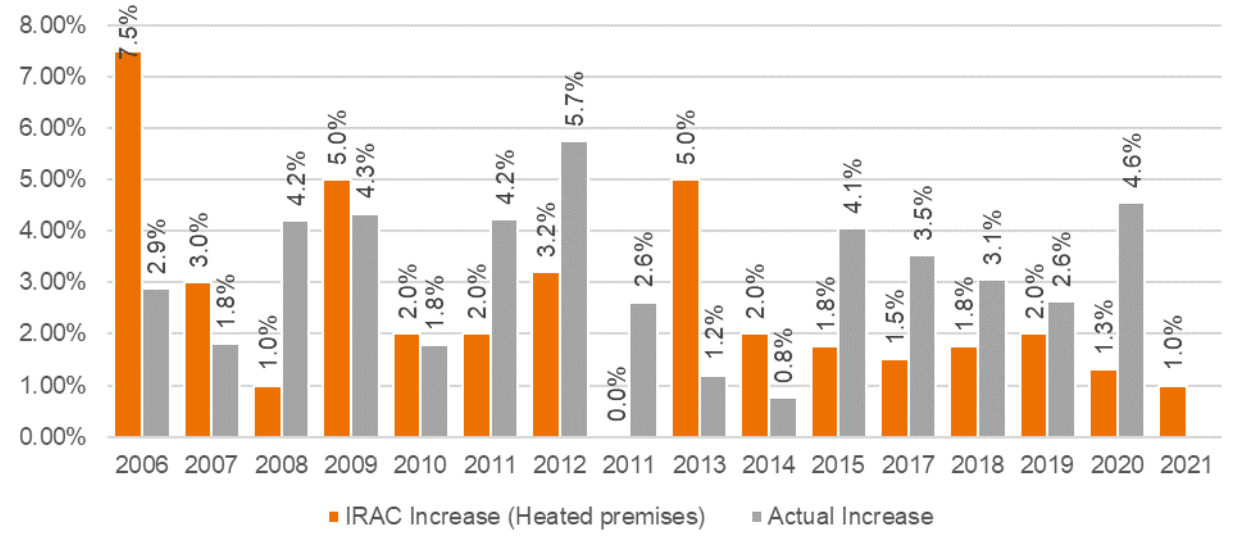
Table 2-4 Vacancy Rates and Rents, Two-bedroom Apartments, Canada, Provinces and Select Urban Centres, October 2019 and October 2020

Province*/ Urban Centre	Vacancy Rates		October 2019		October 2020		% Change	
	Oct-19	Oct-20	Average Rents	% of Canadian Average	Average Rents	% of Canadian Average	Oct-18 to Oct-19	Oct-19 to Oct-20
Newfoundland	7.0%	7.2%	$880	81.7%	$891	79.2%	0.0%	1.4%
- St. John's CMA	6.9%	7.5%	$966	89.7%	$974	86.6%	-0.8%	1.6%
PEI	**1.2%**	**2.6%**	**$921**	**85.5%**	**$959**	**85.2%**	**2.8%**	**3.2%**
- Charlottetown CA	**1.2%**	**2.7%**	**$937**	**87.0%**	**$978**	**86.9%**	**2.9%**	**2.7%**
Nova Scotia	1.4%	2.1%	$1,133	105.2%	$1,183	105.2%	3.5%	4.0%
- Halifax CMA	1.0%	1.9%	$1,202	111.6%	$1,255	111.6%	3.7%	4.2%
New Brunswick	2.6%	3.1%	$842	78.2%	$892	79.3%	3.5%	3.7%
- Moncton CMA	2.2%	2.8%	$870	80.8%	$949	84.4%	2.6%	4.7%
- Saint John CMA	3.3%	3.1%	$797	74.0%	$825	73.3%	4.4%	3.3%
Quebec	1.8%	2.5%	$815	75.7%	$856	76.1%	3.0%	3.3%
- Montréal CMA	1.5%	2.7%	$855	79.4%	$903	80.3%	3.4%	3.6%
Ontario	2.0%	3.2%	$1,339	124.3%	$1,408	125.2%	5.8%	4.8%
- Toronto CMA	1.5%	3.4%	$1,562	145.0%	$1,635	145.3%	6.1%	4.5%
Manitoba	3.1%	3.8%	$1,177	109.3%	$1,215	108.0%	3.1%	2.9%
Saskatchewan	8.4%	7.1%	$1,080	100.3%	$1,104	98.1%	1.0%	1.1%
Alberta	5.3%	7.2%	$1,235	114.7%	$1,249	111.0%	1.4%	0.1%
British Columbia	1.5%	2.4%	$1,468	136.3%	$1,515	134.7%	4.3%	2.1%
- Vancouver CMA	1.1%	2.6%	$1,748	162.3%	$1,792	159.3%	4.9%	1.5%
Canada, 10,000+	2.2%	3.2%	$1,077	100.0%	$1,125	100.0%	3.9%	3.5%
Canada CMAs	2.0%	3.2%	$1,113	103.3%	$1,165	103.6%	4.1%	3.6%

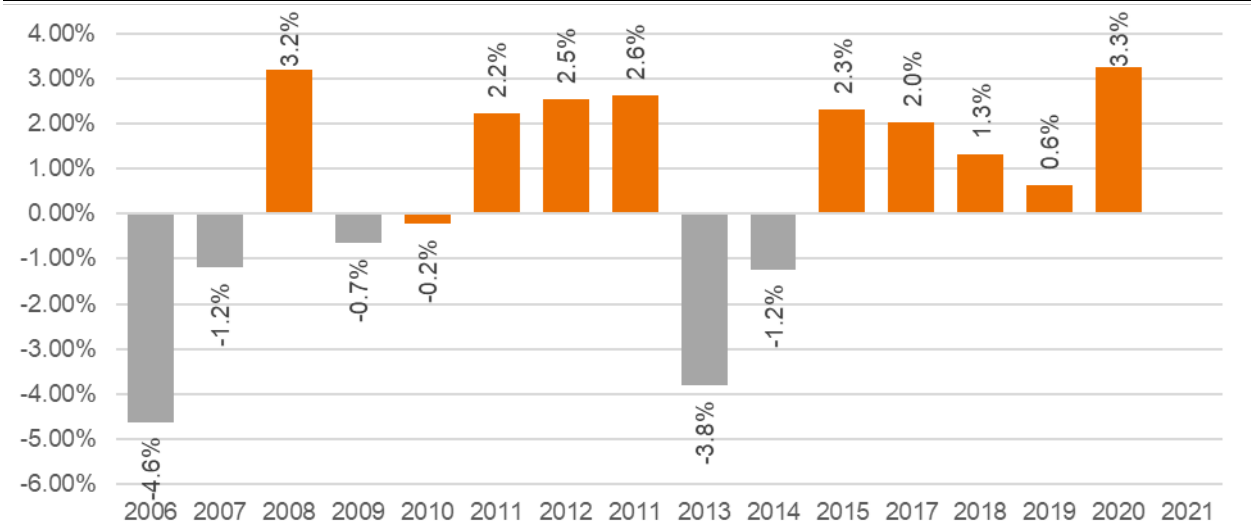
* Provincial communities with 10,000 or more population only
Source CMHC

While rent increases have exceeded provincial guidelines as new units for which initial prices are negotiable have been added to the market and have drawn criticism from tenant advocates, the leading rental concern has been the vacancy rate. As we have noted, the Charlottetown market tightened dramatically in 2018 with the vacancy rate dropping to just 0.2%. While the rate has since recovered to 2.5%, it is still below the minimum 2% level housing analysts consider desirable to accommodate reasonable turnover in the market. It is also noteworthy that vacancy in Charlottetown has dipped to low levels previously in 2001 and 2002, and 2008 to 2010, as well as since 2016. At the same time, it has fluctuated considerably, reaching a high of 8.0% in 2013 (**Figure 2-10**).

Figure 2-9 IRAC Approved Rent Increases and Average Actual Rent Increases, PEI, 2006-2021



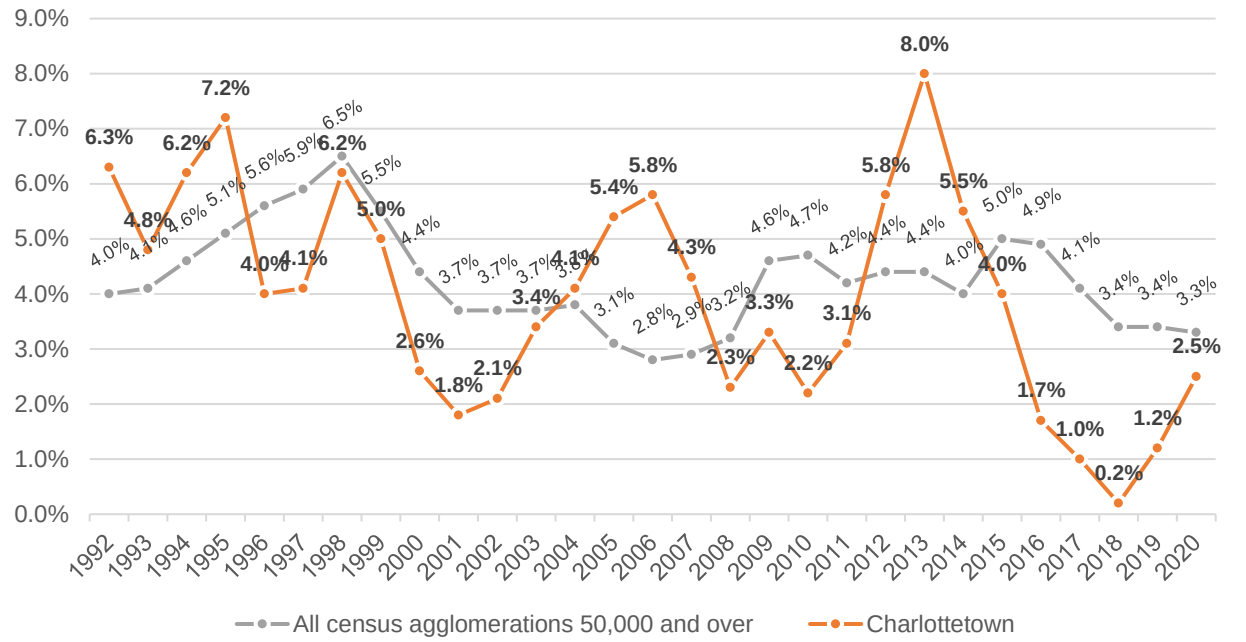
Differences Between IRAC Approved Increase and Actual Rent Increases



Source IRAC and CMHC

Low vacancy rents, whenever they occur, put tenants under pressure. Landlords facing high demand for rental units, pick and choose tenants. Tenants with families, pet owners, immigrants, and low-income households are often passed over for other tenants who landlords perceive as posing less risk. Many find themselves in weak positions with limited bargaining power, requiring them to “take what they can get.”

Figure 2-10 Vacancy Rates, Charlottetown CA and Census Agglomerations with 50,000 or more Population, 2001-2019



Source CMHC

In addition to difficulty finding accommodation, tenants have become more vulnerable to eviction. With higher rents available or in face of rising costs, or to liquidate investment property for profit, landlords may be incentivized to remove tenants to facilitate renovation or sale, or both. Housing advocates have been very vocal about the so called renoviction process, which can displace reliable and well-behaved tenants for the benefit of landlords seeking to work around rent controls or obtain profits from the sale of their property.

While news items have cited the process in PEI, data from the PEI Office of the Director of Rental Property, which hears landlord and tenant appeals indicates that it has not been a major factor in recent evictions. Although eviction actions rose significantly from 2017 to 2018, they have fallen back since (**Table 2-5**). The Office of the Director acknowledges that the reasons for eviction may be complex, but renovation has been cited as the leading cause in only 11 cases where the landlord sought Delivery of Possession. It has, on the other hand, been specified by 89 tenants seeking to have evictions set aside, making renovations the fourth most common reason cited by tenants who resisted their removal from their accommodation. In any case, the Province, in late 2021, placed a two-year moratorium on eviction of tenants for renovations.[17]

[17] Kerry Campbell, "P.E.I. declares moratorium on 'renovictions' for 2 years," *CBC News*, November 17, 2021, https://www.cbc.ca/news/canada/prince-edward-island/pei-renoviction-moratorium-eviction-1.6253174.

Table 2-5 Rental Statistics Involving Applications for Eviction, PEI, 2017-2020

Application Purpose	2017	2018	2019	2020	Total
Delivery of Possession (DOP) – Landlord	106	140	119	94	459
Earlier Termination – Landlord	24	11	17	18	70
Habitual Non-Payment of Rent – Landlord	13	8	9	8	38
Set Aside – Tenant	79	154	162	123	518
TOTAL	**222**	**313**	**307**	**243**	**1,085**
Reasons (Applications filed often involve multiple reasons)					
DOP - Non-Payment of Rent	93	95	93	66	347
DOP - Quiet Enjoyment of Other Tenants	9	23	21	18	71
DOP - Safety or Lawful Right	6	25	10	17	58
DOP - Ordinary Cleanliness	2	12	6	9	29
DOP - Damage to Property	2	9	2	2	15
DOP – Renovations		8	3		11
DOP - Own Use/Family Use	1	2	4	3	10
DOP - Unpaid Security Deposit		1	6	2	9
DOP - Illegal Assignment or Sublet	1	2	2	3	8
DOP - Excessive Number of Occupants in the Premises	2	1	2	1	6
DOP - Expiry of Fixed Term Under Tourism Industry Act				2	2
DOP - Fixed-Term Renewal Option Not Exercised				2	2
DOP - Purchaser Seeks Vacant Possession		2			2
DOP - Breach of Other Term of Rental Agreement				1	1
DOP - Comply with Order from Government Authority				1	1
Earlier Termination – Behaviour	24	11	17	18	70
Habitual Non-Payment of Rent	13	8	9	8	38
Set Aside - Quiet Enjoyment of Other Tenants	32	45	56	49	182
Set Aside - Safety or Lawful Right	25	34	45	30	134
Set Aside - Non-Payment of Rent	16	19	26	28	89
Set Aside – Renovations	5	33	33	18	89
Set Aside - Ordinary Cleanliness	16	27	25	17	85
Set Aside - Own Use/Family Use	10	15	20	16	61
Set Aside - Damage to Property	8	13	12	11	44
Set Aside - Convert the Premises to Non-Residential Use	1	14	6		21
Set Aside - Unpaid Security Deposit	5	7	2	5	19
Set Aside - Illegal Assignment or Sublet	2	6	5	5	18
Set Aside - Comply with Order from Government Authority	2	3	7	3	15
Set Aside - Demolishment of Premises		14	1		15
Set Aside - Fixed-Term Renewal Option Not Exercised	2	4	2	5	13
Set Aside - Purchaser Seeks Vacant Possession		5	5	1	11
Set Aside - Excessive Number of Occupants in the Premises	1	1	2	5	9
Set Aside - Misrepresented Premises to Prospective Tenant or Purchaser	2	4		1	7
Set Aside - Breach of Other Term of Rental Agreement				3	3
TOTAL	**280**	**443**	**422**	**350**	**1,495**

Source Office of the Director of Rental Property, http://www.irac.pe.ca/rental/general/Rental_Statistics_InvolvingApplications_For_Eviction.pdf

2.4 ALTERNATIVE HOUSING

While the Charlottetown area has recently been impacted by housing concerns that are very similar to the long-standing challenges faced in Canada's largest metropolitan areas, it differs in important respects. For one, while it dominates the Province of PEI, the Island is the smallest state or provincial jurisdiction in North America and the Capital Region is similarly small compared to other urban centres. As a smaller market, for example, Charlottetown is characterized by smaller developments and structures than are typically found in large markets. The region, for example, has very few high-rise apartment buildings.

PEI is, on the other hand, an important tourist destination and the rise of short-term rentals has been cited by many as a cause of the recent rental market squeeze in the Capital Region. The region has also struggled with urban sprawl. The Province imposed the Charlottetown Special Planning Area more than 25 years ago to curtail the physical spread of unserviced development. Reflecting a trend across North America, planners in the region have also been implementing additional measures to encourage residential intensification. Their challenge may well grow as the Province upgrades the Island's highway network to catch up with many other areas of the country. Faster roadways will facilitate convenient commuting to the Capital Region from a wider range of communities on the Island.

Another notable issue is the size and capability of the Island's construction industry. Demand for multiple-unit housing has only recently seen a need for substantial numbers of apartment units and the sector, which has been geared to a small, traditional market has had difficulty adapting. Finding necessary skilled labourers is a challenge in many markets where housing demand has risen rapidly but is particularly difficult to address in a jurisdiction with a labour force of roughly 35,000.

A further issue created by the small population and market is housing diversity. The relatively small number of households and dwelling units on the Island presents a significant challenge to the production of some housing types. The 2016 Census recorded only 40 dwelling units in a building or buildings five or more stories high within the Charlottetown CA and only 55 in all of PEI. Those numbers, by themselves, suggest there are only two buildings in the province that might marginally be described as "high-rise." A developer interested in building a high-rise structure faces challenges of local resistance to an unfamiliar building type, an unproven local market, and, we expect, lack of experience in building tall structures within the local construction sector.

Some advocates have criticized the lack of government involvement in housing provision. The organization PEI Fight for Affordable Housing (PEIFAH) has, for example, decried the withdrawal of Federal Government support for public housing, noting the "10% of total housing production in Canada [between 1965 and 1990] was public, non-profit, or co-operative … providing homes to half of the lowest income segment of the roughly 170,000 new households added in Canada each year."[18] The Island does not however stand out as particularly deficient in most specialized housing types. Although government has a low profile in housing provision on the Island, the Province has modestly more public housing units than the Canadian average (**Table 2-6**). PEI ranks fifth among the ten provinces and behind two of three

[18] PEIFAH, "Public Investment," https://peifah.ca/issues-parent/public-investment/

territories in the percentage of dwelling units provided by the public sector. All public housing units in PEI are provided by the Province. Municipal governments have had no direct role in housing.

Table 2-6 Public Housing, Canada and Provinces, 2016

	Number of Dwelling Units					% of All Dwelling Units				
Geography	**TOTAL**	**Single**	**Semi**	**Row-house**	**Apartment**	**TOTAL**	**Single**	**Semi**	**Row-house**	**Apartment**
Canada	252,450	16,768	15,079	61,513	159,090	2.4%	0.3%	1.3%	1.9%	24.1%
Newfoundland	7,810	2,503	260	3,115	1,932	3.6%	1.6%	2.9%	29.7%	25.1%
PEI	**1,600**	**57**	**318**	**32**	**1,193**	**2.7%**	**0.1%**	**9.5%**	**1.4%**	**13.2%**
Nova Scotia	11,666	1,119	1,317	2,263	6,967	2.9%	0.4%	6.4%	22.2%	16.9%
New Brunswick	4,616	1,008	496	1,144	1,968	1.4%	0.5%	4.0%	12.5%	16.5%
Quebec	No data									
Ontario	127,064	2,117	3,830	29,032	92,084	2.5%	0.1%	1.3%	6.3%	12.2%
Manitoba	17,507	1,945	1,600	2,870	11,092	3.6%	0.6%	10.0%	16.6%	23.4%
Saskatchewan	17,822	2,136	3,595	3,343	8,748	4.1%	0.7%	28.0%	18.0%	43.8%
Alberta	33,870	2,075	1,900	11,883	18,012	2.2%	0.2%	2.2%	10.2%	17.3%
BC	22,124	496	0	5,648	15,980	1.2%	0.1%	0.0%	3.8%	6.4%
Yukon	714	94	86	75	459	4.7%	1.0%	7.4%	8.0%	25.9%
NWT	2,472	902	713	583	274	16.5%	10.5%	73.5%	36.2%	11.5%
Nunavut	5,184	2,316	964	1,525	379	52.8%	53.2%	109.5%	51.5%	31.7%

Source Statistics Canada Table 46-10-0001-01, "Inventory of publicly owned social and affordable housing assets, Infrastructure Canada"

The province also has representative numbers in most categories of collective housing summarized in **Table 2-7.** More than 3,000 Island residents, or 2.2% of the province's population, are housed in collective dwellings compared to 1.9% for all of Canada placing PEI fourth among 13 provinces and territories. The Island has larger proportions of its population in health care facilities, seniors and nursing homes, and religious residences and communal accommodations. It has notably less in correctional facilities and shelters. The latter is particularly noteworthy as data suggests the province had only five shelters in 2016 accommodating just ten people; however, a Saltwire report citing the PEI Department of Social Development and Housing lists the following facilities with significantly more capacity:

- Bedford-MacDonald House (Charlottetown) – 10 beds
- Blooming House (Charlottetown) – 8 beds
- Chief Mary Bernard (women and children fleeing violence – Lennoxville) – 5 beds
- Anderson House (women and children fleeing violence – Charlottetown) – 8 beds
- Smith Lodge (transitional – Charlottetown) – 9 beds
- Smith Lodge (emergency – Charlottetown) – 6 to 11 beds

- Scattered sites (Summerside, elsewhere) – 10 beds.

Of the up to 56 beds listed, more than 40 are in Charlottetown.[19] In defense of the 2016 Census number, Blooming House and Smith Lodge, which account for up to 19 beds, were opened in 2019 and 2021 respectively, and the Census count is rounded. Having a slightly above average complement of special needs and public housing units may not, in the eyes of many, be a sufficient response to current housing needs and pressures.

Table 2-7 Collective Dwellings and Occupants, Canada and Provinces, 2016

Geography	TOTAL	Health Care	Nursing/ Senior Homes	Group Homes	Correctional/ Custodial	Shelters	Service Collective Dwellings	Hotel, Motel, Lodging	Other Service Collective Dwellings	Religious	Other Collective Dwellings
Canada											
Collective Dwellings	27,780	15,735	6,210	8,445	255	995	8,950	6,820	2,135	1345	1,045
Occupants	685,480	526,900	425,755	65,790	24,470	22,190	64,795	37,945	26,850	48120	16,690
% of population	*1.95%*	*1.50%*	*1.22%*	*0.19%*	*0.07%*	*0.06%*	*0.18%*	*0.11%*	*0.08%*	*0.14%*	*0.05%*
PEI											
Collective Dwellings	195	90	40	40	0	5	85	75	10	10	5
Occupants	3,145	2,385	1,945	295	25	10	290	260	30	495	5
% of population	*2.20%*	*1.67%*	*1.36%*	*0.21%*	*0.02%*	*0.01%*	*0.20%*	*0.19%*	*0.02%*	*0.35%*	*0.00%*
% of population											
Newfoundland	1.42%	1.31%	1.02%	0.10%	0.04%	0.02%	0.09%	0.07%	0.02%	0.03%	0.04%
Nova Scotia	1.63%	1.39%	1.06%	0.27%	0.05%	0.04%	0.17%	0.10%	0.07%	0.01%	0.00%
New Brunswick	2.18%	1.80%	1.33%	0.36%	0.12%	0.03%	0.17%	0.15%	0.02%	0.02%	0.09%
Quebec	2.43%	2.10%	1.80%	0.19%	0.07%	0.04%	0.15%	0.08%	0.07%	0.11%	0.02%
Ontario	1.50%	1.21%	1.00%	0.15%	0.05%	0.07%	0.14%	0.09%	0.05%	0.02%	0.05%
Manitoba	2.94%	1.70%	1.25%	0.22%	0.13%	0.06%	0.25%	0.19%	0.06%	0.89%	0.02%
Saskatchewan	2.52%	1.60%	1.22%	0.27%	0.14%	0.04%	0.14%	0.10%	0.04%	0.58%	0.07%
Alberta	2.18%	1.32%	1.03%	0.17%	0.09%	0.10%	0.21%	0.10%	0.11%	0.43%	0.09%
British Columbia	1.88%	1.35%	1.02%	0.22%	0.08%	0.09%	0.34%	0.18%	0.16%	0.02%	0.06%
Yukon	1.95%	0.67%	0.49%	0.18%	0.11%	0.21%	0.72%	0.51%	0.18%	0.00%	0.25%
Northwest Territories	1.35%	0.64%	0.32%	0.11%	0.10%	0.36%	0.29%	0.24%	0.07%	0.01%	0.05%
Nunavut	0.95%	0.31%	0.09%	0.11%	0.32%	0.15%	0.19%	0.17%	0.03%	0.00%	0.01%

Source Statistics Canada Catalogue no. 98-400-X2016019

[19] Stu Neatby, "UPDATED: Charlottetown's Deacon House relocates to Smith Lodge," *Saltwater*, June 28, 2021, https://www.saltwire.com/atlantic-canada/news/updated-charlottetowns-deacon-house-relocates-to-smith-lodge-100605306/. According to a separate report (CBC News, "Smith Lodge set to open 9 transitional housing beds by end of year, minister says," *CBC*, November 25, 2020, https://www.cbc.ca/news/canada/prince-edward-island/pei-transitional-housing-beds-legislature-smith-lodge-1.5814850), ultimate plans call for 29 beds at Smith House.

PEIFAH has also argued strongly that short-term rental has contributed to housing challenges in Charlottetown:

> … in April 2019, 1 in 50 private dwellings in Charlottetown (1.93%) were listed on Airbnb making us the 2nd highest proportion among Canadian cities. Since 2016, Charlottetown has had a 200% increase in listings. Over half of those listings are for 2-3 bedroom units, and 60% of all listings have a host with multiple listings. This makes it clear that short term rentals are not just home-sharing, but an immense economic incentive to remove long-term tenants in favour of becoming a commercial property which is destabilizing our neighbourhoods. The lack of regulatory action has caused listings (and evictions) to climb rapidly and has allowed our communities to lose the neighbours that made these areas so great to visit in the first place.[20]

Landlords have also complained to us that tenants sub-let their accommodation for short-term rental in violation of lease arrangements. A representative of one major landlord told us they monitor short-term rental sites to identify units they own that are being offered for short-term rental, as transitory tenants can disturb other tenants and may present a more significant risk of damage.

The City of Charlottetown has responded to this concern by investigating the subject of short-term rental thoroughly and modelling the effects of shifting units from the long-term to the short-term market.[21] The City held a major public meeting to discuss short-term rentals on May 17, 2021. The well-attended and lively session may lead to a bylaw or other measures to address the issue.

2.5 HOUSING CHALLENGES AND RESPONSES

Housing issues in Canada are complex. In addition to broad market issues of housing availability and price, key concerns range from affordability to insecurity to homelessness. Homelessness is, arguably, the most severe problem. According to Statistics Canada, the homeless can be classified into two groups: hidden (concealed) homeless, and absolute homeless. The hidden-homeless couch-surf, live in their cars, or otherwise obtain or create shelter for themselves without owning or renting accommodation. The absolute homeless live-in shelters or in public areas and have no designated residence.[22]

Both groups are difficult to quantify given approaches to data collection that are typically household based. Statistics Canada has however identified 995 shelters across the country that had a population of 22,190 according to 2016 Census counts. The numbers include residents at shelters who had no fixed address; shelters for abused women and their children, who generally would have a place of residence

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20 PEIFAH, “Protecting communities,” https://peifah.ca/issues-parent/short-term-rentals/

21 City of Charlottetown, “Short-term Rental Process,” https://www.charlottetown.ca/mayor___council/council_meetings/short_term_rental_process. Data presented by City planners suggests the repositioning of long-term rental units as short-term units reduced the vacancy from a likely 1.8% in 2019 to the 0.2% rate cited above (see City of Charlottetown, “Short-Term Rentals in Charlottetown,” presentation to City of Charlottetown Council, March 9, 2020, Slide 15), https://www.charlottetown.ca/UserFiles/Servers/Server_10500298/File/Mayor%20and%20Council/Council%20Meetings/Council%20STR%20Presentation%20-%20March%209%202020.pdf

22 Sarah McDermott, Adriene Harding, and Jeff Randle, *The characteristics of shelter residents*, Statistics Canada, April 15, 2019, p. 3, https://www150.statcan.gc.ca/n1/en/pub/75f0002m/75f0002m2019004-eng.pdf?st=qydQ2Bfo.

from which they would have removed themselves; and shelters providing support such as half-way houses.[23] The count does not include the hidden homeless and the absolute homeless who do not have or do not want access to shelters. It suggests an increase in shelter capacity and use relative to estimates in the frequently cited National Shelter Study of 2012 that "on any given night in Canada [in 2009], an average of 14,400 shelter beds are in use out of the 15,467 permanent beds available," although it may also reflect improved data collection.[24] Overall, advocates for the homeless in Canada estimate between 150,000 and 300,000 people experience homelessness in a typical year. The numbers represent 0.5% to 1.0% of our adult population.

The best available data we have found on homelessness in PEI is the Point in Time counts completed for Charlottetown and Summerside by the John Howard Society in 2016, 2018, and 2021. The latest one-day survey identified 147 people "staying in emergency shelters, temporary accommodation and unsheltered locations, such as sidewalks, parks and other public places" on the day of the count.[25] **Table 2-8** compares the profile of homeless individuals captured in all three available surveys. The number of homeless identified is not available from the 2016 count.

Table 2-8 Homeless Point in Time Counts, Charlottetown and Summerside, 2016, 2018, and 2021

	2016	2018	2021		2016	2018	2021
Number Surveyed	82	86	59	**Ethnicity**			
Gender				Indigenous	14%	14%	9%
Male	66%	53%	57%	Immigrant/Refugee	9%	1%	1%
Female	34%	47%	41%	Veterans	2%	6%	1%
Other	0%	0%	2%	**Accommodation**			
				Number Recorded		118	147
Age				Transitional Housing	50%	49%	52%
16-18 yrs	3%	7%	2%	Emergency Shelter	8%	15%	18%
19-54 yrs	11%	86%	93%	Systems (hospital, jail, etc.)	19%	13%	13%
55 yrs +	11%	7%	5%	Hidden Homeless (staying with friend, couch surfing, etc.)	23%	23%	23%
Factors contributing to homelessness							
52% of participants that completed the survey indicated issues with addictions and mental health							
19% experienced domestic violence							
17% indicated they had landlord/tenant issues							
9% had been incarcerated							
3% indicated they lack sufficient income and/or could not find suitable housing							

Source The John Howard Society

[23] *Loc cit.*

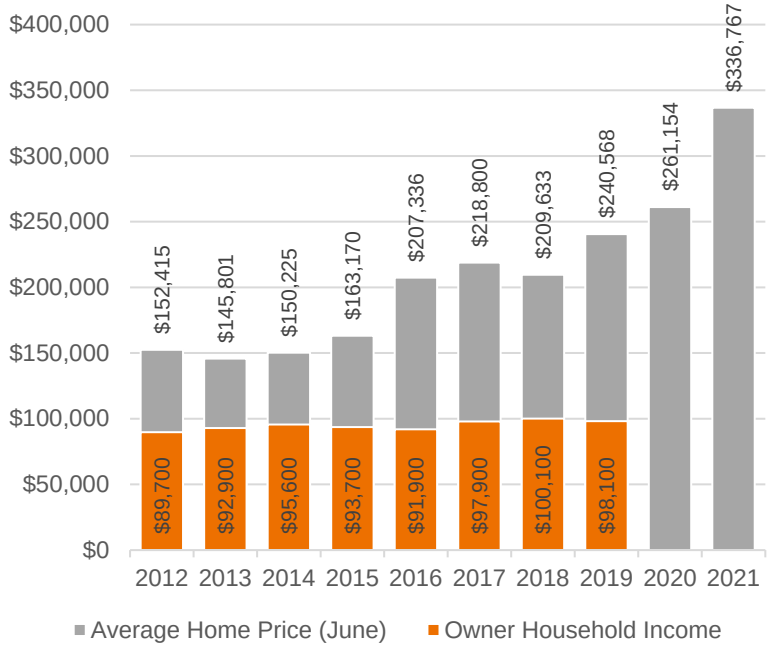
[24] Aaron Segaert, *The National Shelter Study: Emergency Shelter Use in Canada, 2005-2009*, Homelessness Partnering Secretariat, Human Resources and Skills Development Canada, 2012, p. iii.

[25] For information on the 2021 count see: Stu Neatby, "Homelessness is on the rise in P.E.I.: 'We've got to look out for each other'," *Saltwire*, November 15, 2021, https://www.saltwire.com/atlantic-canada/news/homelessness-is-on-the-rise-in-pei-weve-got-to-look-out-for-each-other-100658328/. The 2018 report, which includes the 2016 results, can be access through The John Howard Society, "Prince Edward Island 2018 PiT Count Executive Summary Report," https://www.homelesshub.ca/resource/prince-edward-island-2018-pit-count-executive-summary-report.

While the number of homeless counted is small, the 2018 report states the count represents "the *minimum* number of people experiencing unsheltered and sheltered homelessness in [Charlottetown and Summerside]. As well, shelters are limited in PEI and the plight of homeless individuals is often serious. Most have low incomes, and many suffer from mental and physical challenges, as well as domestic violence. Some also indicated they have been impacted by the high cost of rent and the quality of available accommodation (**Table 2-8**, above).

The rise in home prices and rents on PEI and in the Charlottetown region, of course, has implications for the wider population. As noted above, affordability is measured by the number of households required to spend more than 30% of their annual income on housing whether it is owned or rented. Unfortunately, the specific measure is only available for the Charlottetown region for census years, the most recent of which was 2016 and more current annual data for PEI CAs from CMHC, which we presented in **Figure 2-2**, above, is relatively unreliable. To assess annual change, we compared home prices in PEI to homeowner household income since 2012. Over the period to 2019, the average price of a home purchased in June rose 57.8% while the average income of Island homeowners increased by just 9.4%. As a result, the cost of a home in PEI rose from 169.9% of a typical homeowner's annual income to 245.2%, an increase of 44.3% **(Figure 2-11**). Prices, furthermore, have continued to rise with a particularly

Figure 2-11 Average Home Price (June) and Average Owner Household Income, PEI, 2012-2020

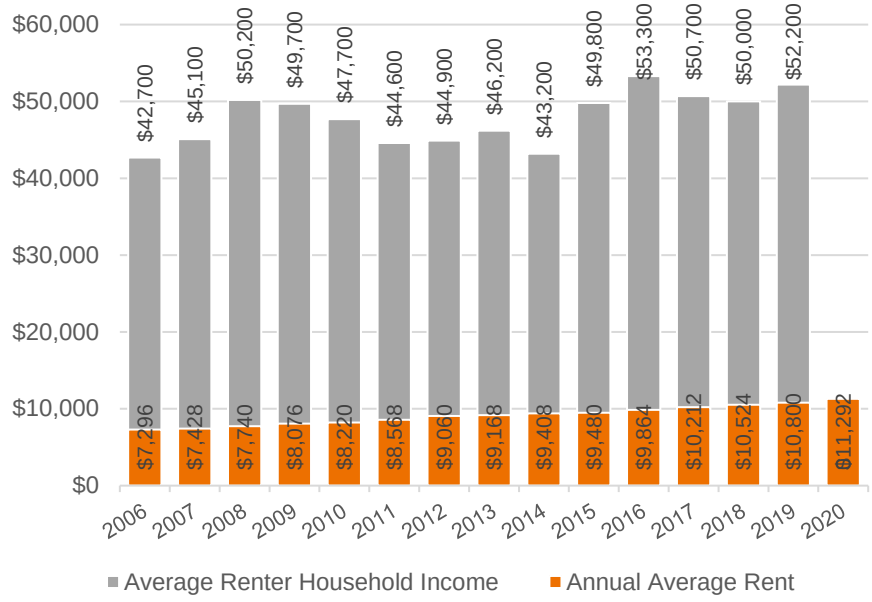


Year	Average Home Price*	Annual Change	Owner Household Income**	Annual Change	Home Price as % of Income
2011			$92,300	8.5%	
2012	$152,415		$89,700	-2.8%	169.9%
2013	$145,801	-4.3%	$92,900	3.6%	156.9%
2014	$150,225	3.0%	$95,600	2.9%	157.1%
2015	$163,170	8.6%	$93,700	-2.0%	174.1%
2016	$207,336	27.1%	$91,900	-1.9%	225.6%
2017	$218,800	5.5%	$97,900	6.5%	223.5%
2018	$209,633	-4.2%	$100,100	2.2%	209.4%
2019	$240,568	14.8%	$98,100	-2.0%	245.2%
2020	$261,154	8.6%			
2021	$336,767	29.0%			

Source * PEI Real Estate Association, ** Statistics Canada, calculations by Stantec

pronounced increase in 2021 (29.0%). While owner household income data is not yet available for 2020 or 2021, it will have to increase to the very unlikely level of $137,329 to maintain the 1:2.45 ratio between income and price that prevailed in 2019. In July 2021, average home prices recorded by the PEI Real Estate Association peaked at $368,209, which would require an annual household income of $150,150, to maintain the cost/price relationship of 2019, which already reflected a substantial escalation in housing costs from 2012.

Figure 2-12 Average Rent and Average Renter Household Income, PEI, 2006-2020



Year	Monthly Average Rent*	Annual Average Rent	% Change	Renter Household Income**	% Change	12-month Rent (% of Income)
2006	$608	$7,296	2.9%	$42,700	5.6%	17.1%
2007	$619	$7,428	1.8%	$45,100	11.3%	16.5%
2008	$645	$7,740	4.2%	$50,200	-1.0%	15.4%
2009	$673	$8,076	4.3%	$49,700	-4.0%	16.2%
2010	$685	$8,220	1.8%	$47,700	-6.5%	17.2%
2011	$714	$8,568	4.2%	$44,600	0.7%	19.2%
2012	$755	$9,060	5.7%	$44,900	2.9%	20.2%
2013	$764	$9,168	1.2%	$46,200	-6.5%	19.8%
2014	$784	$9,408	2.6%	$43,200	15.3%	21.8%
2015	$790	$9,480	0.8%	$49,800	7.0%	19.0%
2016	$822	$9,864	4.1%	$53,300	-4.9%	18.5%
2017	$851	$10,212	3.5%	$50,700	-1.4%	20.1%
2018	$877	$10,524	3.1%	$50,000	4.4%	21.0%
2019	$900	$10,800	2.6%	$52,200	5.6%	20.7%
2020	$941	$11,292	4.6%			

Source * CMHC, ** Statistics Canada, calculations by Stantec

Renter household incomes, which are significantly lower than homeowner incomes, have likewise not kept up with rent increases. As shown in **Figure 2-12**, the proportion of average rents (see **Figure 2-8**, above, but note rents in **Figure 2-12** are nominal values not constant dollars) to average renter household income in PEI has fluctuated since 2006, but, overall, has risen significantly. Whereas annual rent has constituted as little as 15.4% of the average renter's income in the past (2008), it was 20.7% in 2019 and has been as high as 21.8% (2014). The current share of average income required to cover typical rents is 10.2% higher than the average over the 2006 to 2019 period and 34.2% more than the lowest proportion recorded over the period (i.e., in 2008). Income data is not available for 2020 yet, but average annual rent recorded suggests that renter incomes

will have to increase to $54,578 to keep pace with the 2020 rent increase and would have to reach $60,135 to restore the average income requirement of renters over the period, which was 18.8%. These stresses are probably more significant in the Capital Region municipalities where rental market supply pressures have been greater than in other Island communities.

A further problem with dimensions of both homelessness and affordability is accessibility in terms of both geographic location and housing type. A significant group of homeowners and renters deal with affordability challenges by locating farther from the urban centre where land and accommodation are typically cheaper. The decision, however, is often a conscious or unconscious trade-off with transportation costs. While a home may be significantly cheaper in an outlying area, residents usually must own a car and have to commute much farther to work, as well as, to other regular destinations (e.g., schools, shopping, socializing) replacing their accommodation costs with similar or, sometimes, greater transportation costs.[26]

Others may not be able to obtain the housing type they prefer, leading to overspending for amenities that they do not need or denial of features they would prefer. Traditionally, Canadians have aspired to single-detached housing, but many have been unable to reach their goal. Most often this is tied to affordability issues, but it may also be influenced by narrow concepts of single-detached housing, which focus on providing three or more bedrooms when an increasing proportion of the population needs only one or two. The development of tiny homes is, in some respects, a response to this issue as well as a demonstration that adequate accommodation can be provided in much smaller spaces with attention to effective design.

From another direction, deficient supply of rental accommodation in homes and multiple-unit buildings, or lack of condominium units or seniors units can force some households to spend more than they need to on housing or put them in housing that imposes maintenance or other responsibilities that are difficult for residents to manage. This issue is especially relevant to the age groups at either end of the household forming cycle: young adults who lack the capital to make a down payment to purchase a home or may not yet be ready for the responsibility or commitment of homeownership and the elderly who may find the challenges of maintenance difficult or distracting, or who may value the services and security available in rental or condominium accommodations, or specialized residences. In all cases, the issue is “fit” or the challenge of providing households with accommodation tailored to their desires, needs, and means.

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[26] The Center for Neighborhood Technology (CNT) has developed a housing and transportation (H+T©) affordability index that amply demonstrates the influence of transportation costs relative to housing (https://htaindex.cnt.org/map/). While the site only covers the United States, users can easily compare municipalities across the country in terms of the relative influence of transportation and housing costs of average household budgets. Notably, in many lower cost American housing markets (e.g., slower growing northeastern and mid-western centres like Cincinnati and Pittsburgh), transportation costs exceed housing costs. Applying a 45% affordability index for the combined share of household income consumed by housing and transportation costs, CNT demonstrates that only isolated pockets in the US actually provide affordable housing (https://htaindex.cnt.org/compare-affordability/).

A variety of explanations are offered for affordability challenges. Some are definitely influenced by political viewpoints, but most have at least some grains of truth. The following are commonly presented:

- **Planning Policies/Controls** – A variety of planning initiatives have been accused of driving up home prices and rents:

    - *Bureaucracy* – At its most basic level, municipal planning imposes an approval process that takes time and ay delay the delivery of housing. Time also adds to carrying costs and can be significantly extended when applications run into complications because they deal with awkward properties, innovative ideas, and/or meet public resistance.

    - *Urban Sprawl* – Planning regulation and related public policies such as highway building have supported the dispersion of housing with impacts on public costs for service networks and facilities development, and private costs for transportation while reducing access to housing for those segments of the population whose mobility is limited by physical disability/infirmity and insufficient income.

    - *Neighbourhood Protection* – Another set of planning measures has sought to stabilize or preserve traditional urban environments by excluding denser building types and discouraging commercial development in close proximity. These policies have made it difficult to build rental accommodation, particularly in mature neighbourhoods where facilities are more easily accessed on foot and transit is usually more available.

    - *Intensification* – More recent initiatives aimed at countering the consequences of the first two approaches have encouraged denser housing in inner urban areas destroying smaller scale affordable units and pushing out long-term residents. New market-generated units are typically higher priced reflecting higher land costs, higher development costs in tighter building environments, competition for available units and increasing demand for inner city living among a growing portion of the population.

  The university-level planning textbook *Planning Canadian Communities* captures the situation well:

  > At this juncture, there is not much point in arguing over labels or playing the blame game. In the 21st century, policy-makers at most levels of government have been trying to change the direction of metropolitan growth because of concerns about environmental sustainability, energy efficiency, transportation issues, and a lack of fit between our housing stock and demographic changes that are rushing forward with the aging of the baby boom generation. But the financial and regulatory edifice that underpins conventional suburban development has proven remarkably difficult to modify and the accumulated momentum of a half-century of suburban development means that most of the building stock that is available for the next generation is already constructed. In

> nautical terms, we must turn the direction of a large, slow-moving ship using sticky steering gear.[27]

Not only is it difficult to turn the ship around, but it is also challenging to find a new course that does not raise new problems.

- **Financialization** – The term "financialization" refers to the growing tendency to view housing as a vehicle for investment rather than human shelter. The phenomenon has been a factor in residential real estate since the invention of mortgages but has recently received increased emphasis. It is reflected in a variety of trends that influence different segments of the housing market but which collectively, in the opinion of at least some, reduce housing supply, while increasing price:
    - *Homeownership* – Owning one's own home has long been a favoured financial strategy. Homeowners accumulate wealth in their home as they pay down their mortgages and as historic price inflation increases the nominal value of real estate. In Canada, furthermore, the profit is exempt from capital gains taxation. It is also exempt in the US, in addition to mortgage interest being tax deductible. While it is arguable that a house is more comparable to a piggy bank than an interest-bearing account in a real bank, given higher long-term stock market gains, the simplicity of investment in homeownership combined with the positive experience of past generations has made it a leading financial strategy for working- and middle-class Canadians.
    - *Property Investment* – Many of the features that favour homeownership make investment in rental property advantageous. While rental properties do not enjoy the tax benefits available for a primary residence, the skills required to acquire and manage rental buildings are similar. Owner-occupants of duplexes and small apartment buildings can, in fact, draw income from their home at the same time as they pay for it. Investors in separate rental properties can draw rents to pay for financing and operating costs and, dependent on their energy and willingness to carry debt, can build substantial portfolios and stores of considerable wealth that generate steady income.
    - *Short-term Rental* – Housing was one of the first areas influenced by the sharing economy. The founding of Airbnb created a platform for homeowners and landlords to generate or increase income through short-term rentals. While Airbnb and similar companies promoting short-term rentals online have been praised for increasing the supply, variety, and affordability of accommodation for travelers, the shift to short-term rentals has been criticized for eroding the supply of long-term rental units and disrupting residential neighbourhoods, particularly in urban areas.

[27] Gerald Hodge, David L A Gordon, and Pamela Shaw, *Planning Canadian communities: an introduction to the principles, practice, and participants in the 21st century*, Seventh edition, Toronto: Nelson, 2020, p. 285.

- *Foreign Investment* – Canada and a select group of western countries are seen as a safe and productive haven by investors from less stable regions of the world. According to critics, wealthy foreign investors park money in Canadian real estate with minimal interest in immediate returns. They are accused of bidding up housing markets such as Vancouver's while creating or acquiring units that they keep vacant. The Province of British Columbia has a Speculation and Vacancy Tax, and the City of Vancouver has an Empty Home Tax Bylaw that were both adopted to discourage this practice. Other municipal jurisdictions in Canada have considered similar measures.

- *Mortgage-backed Securities* – Mortgage-backed securities were created in the 1980s by bundling portfolios of mortgages. These portfolios distributed the risk of multiple mortgages. They were sold to investors in the form of bonds or investment instruments on secondary bond markets. Critics contend they eroded the one-to-one relationship between lender and borrower that previously characterized mortgage markets. By superficially diluting the risk of lending, they encouraged dodgier loans that were a significant factor in the 2008 financial collapse.

- *Real Estate Investment Trusts (REIT)* – REITs are companies that own and usually operate real estate to generate income. Two REITs with large positions in the Charlottetown market are Killam and CAP REIT. The two, between them, own 1,102 rental units, according to a recent compilation by City of Charlottetown staff.[28] Their 943 apartment units constitute roughly 15% of all units in multi-unit apartment structures in the city.

  The REIT concept apparently originated because of tax legislation adopted in the US in 1960[29] but took hold in Canada when governments allowed them to restructure as trusts and trade on open markets in 1993.[30] Residential REITs are property investors on steroids. They sell shares to investors and use the proceeds to acquire large numbers of properties. A large proportion of the net income from these properties (85% to 95%) must be distributed to investors. Critics accuse REITs of applying similar approaches to foreign investors: buying property and upgrading it for long-term gain, leading them to withhold units from the market.

- **Public Housing** – The Federal Government once had a major role in housing development in Canada. It largely stepped away from the direct provision of public or social housing in the 1990s. Other than programs for aboriginal groups, the national government stopped funding social housing in 1993 and, in 1995, transferred the management of existing social housing to the

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28 Robert Zilke, City of Charlottetown, "Inventory of REITs in Charlottetown/Stratford," email to John Heseltine, Stantec Consulting Limited, May 13, 2022.

29 James Chen, "Real Estate Investment Trust (REIT)," Updated October 13, 2019, *Investopedia*, https://www.investopedia.com/terms/r/reit.asp

30 Danielle Kubes, "What you need to know about REITs," December 1, 2019, *Money Sense*, https://www.moneysense.ca/spend/real-estate/what-you-need-to-know-about-reits/

provinces. Provincial initiatives to add to the stock of social housing have since been modest. A vocal group of analysts have criticized the withdrawal of government from housing provision arguing that it is the only means to ensure adequate provision of shelter to lower income Canadians.

The impacts of each of the foregoing factors are difficult to define and subject to considerable debate. Planning trends have swung from one extreme to the other. Financialization, superficially, has brought significantly increased investment in real estate, but critics contend that it has increased the focus on the upper end of the market and, ironically, encourages investors to withhold many units from the market to support higher rents and sale prices. While public housing directly addresses the needs of the disadvantaged, it has a checkered history from a time when it accompanied planning efforts to clear slums that displaced many traditional residents and spawned blocks of depressing apartments and rowhouses. The Federal government's withdrawal from direct involvement in housing responded to widespread dissatisfaction with the results. The reluctance of provinces to take up the slack is influenced by similar experience and concerns.

A variety of additional trends are influencing the housing market with good and bad consequences for housing consumers. In addition to the rise of remote work, short-term rentals, and urban intensification mentioned above, the following may influence housing needs and solutions in the coming decades:

- *Build to Rent Single-detached Homes* – In face of the challenges of accumulating a down payment in the current high-priced housing market, some developers in select North American communities are building single-detached subdivisions specifically for tenants. Rental appeals to the younger demographic that may need or want to move easily as well as to older age cohorts who still want space and privacy but may wish to avoid maintenance responsibilities either to be free for vacations or because of physical limitations.

  Rental of single-detached homes is well-established in any case. According to the 2016 Census, single-detached buildings constituted 20.1% of all rental units in PEI. They are particularly well-suited to accommodating families, a group that often finds suitable rental units difficult to find.

- *Missing Middle* – Many housing observers have decried the decline of housing types such as duplexes, fourplexes, cottage courts, and multiplexes that were once common but have fallen from favour because of barriers created by zoning regulations and general stigmatization. These building types are however ideal for infill as they can be built at a scale compatible with single-detached homes. Triplexes and fourplexes are particularly notable as they make efficient use of land and can be managed by private investors but are often dealt with as equivalent to much larger apartment structures in zoning bylaws.

- *Secondary Suites* – Secondary suites or additional units in single-detached homes have considerable potential to increase urban density with moderate impacts. They may be built as internal renovations to existing homes, through conversion of a basement, attic, or other under-utilized space, or added as accessory structures as "garden suites" in available yard areas. They often encounter resistance from nearby homeowners concerned that the presence of renters

diminishes property value and both dwelling units may eventually become fully rented. Parking and storage are also frequently cited as concerns.

To avoid this, some municipalities, including Cornwall in the Capital Region, only allow secondary suites to be occupied by individuals related to the owner. Such restrictions, however, limit the potential for secondary suites to address rental supply issues. In Stratford, which does not limit the suites to family members, Town Planning staff have stated that many larger new homes include secondary suites as part of their design.

- *Tiny Homes* – Small single-detached or, potentially two-unit structures, with internal floor areas of as little as 100 square feet have attracted a variety of adherents. They can be built for less than $100,000 in most cases and some claim do-it-yourself projects can cost as little as $10,000 to $15,000. They have generally been built in isolated locations. Zoning regulations in the Charlottetown area present no barriers to their construction of which we are aware (i.e., minimum building areas), although planning staff have indicated building code requirements may restrict their construction. Tiny home subdivisions are underway in some North American communities. The building style is also well-suited to use as secondary suites on lots with conventional single-detached homes.

- *Affordable Housing Incentives* – Many municipalities are pursuing a variety of initiatives to encourage the development of affordable housing units. Incentives can be realized through direct support to developers building units at a specified price level or through zoning regulations that relax restrictions such as height and lot coverage restrictions where affordable units are incorporated in a development. A very common approach is to allow additional height for buildings incorporating affordable units. Halifax Regional Municipality has used this approach but instead of expecting the affordable units to be part of the proposed high-rise has required contribution to an affordable housing fund recognizing that meeting ongoing affordability standards can be difficult if the development is under private management.

- *Co-operatives* – In a housing cooperative, a residential building or buildings are jointly or corporately owned by housing occupants who are members for the corporation. According to the Co-operative Housing Federation of Canada, more than a quarter million Canadians live in co-op developments (**Table 2-9**). The Federal government offered significant incentives for co-operative housing during the 1970s and 1980s when 82,500 co-op units were created. Cutbacks in the mid-1990s terminated many co-op projects under development at the time. The approach has only recently been revived as a component of the National Housing Strategy, which includes grants and loans to finance the construction of new co-op housing and continues rent-geared-to-income subsidies

Table 2-9 Housing Co-ops, Canada

Region	Number of Co-ops	Number of Units
British Columbia	275	15,784
Prairies	129	6,739
Ontario	551	44,181
Quebec	1,130	22,501
Atlantic Provinces	122	3,164
Territories	5	162
TOTAL	**2,212**	**92,526**

Source Co-operative Housing Federation of Canada

enabling co-ops to house low-income members.[31] The Co-operative Housing Federation website indicates PEI has 13 housing co-ops, of which 11 are located in Charlottetown;[32] however, we have not been able to find a source providing the number of co-op units in the province.

- *National Housing Strategy* – The National Housing Strategy (NHS) is a ten-year, $40 billion Federal Government program aimed at alleviating housing challenges in Canada. The program re-asserts the role of the Government of Canada in housing provision with extensive programs aimed to increase affordable housing opportunities. Leading initiatives under the program include:

    - **National Housing Co-Investment Fund** – The Government of Canada will provide nearly $4.7 billion in financial contributions and $11.2 billion in low interest loans to attract partnerships with and investments from the provinces and territories, municipalities, non-profits and co-operatives, and the private sector, to focus on new construction and the preservation and renewal of the existing affordable housing supply. The Fund will support more shelter spaces for survivors of family violence, transitional and supportive housing, new and renewed affordable and community housing, and other ways of making homeownership more affordable. It includes the Rental Construction Financing Initiative, through which $2.5 billion will be invested over four years to encourage the construction of affordable rental housing projects through low-cost loans to municipalities and housing developers during the most at-risk phases of development.

    - **Federal Land Initiative** – The Federal Government is combining contributions and loans with the transfer of federal lands to community and affordable housing providers. Under the NHS, up to $200 million in federal lands will be transferred to housing providers to encourage the development of sustainable, accessible, mixed-income, mixed-use developments and communities. Starting in 2018-19, the initiative has funded renovations or retrofits and environmental remediation to ensure surplus federal buildings are suitable for use as housing.

    - **Canada Community Housing Initiative** – The Federal Government will provide $4.3 billion to be cost-matched by participating provinces and territories to protect the affordability of provincial and territorial community housing development. The program will support repair and renewal of the existing community housing supply, which provinces and territories are required to retain if they receive program funds and will assist provinces and territories to expand community-based housing provisions. It is complemented by the $500-million Federal Community Housing Initiative, which provides funds to support and maintain federally administered community housing.

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[31] Co-operative Housing Federation of Canada, “History of Co-op Housing,” https://chfcanada.coop/about-co-op-housing/history-of-co-op-housing/

[32] Co-operative Housing Federation of Canada, “Find a Co-op,” https://chfcanada.coop/about-co-op-housing/find-a-co-op/

- **Canada Housing Benefit** – The federal government will partner with provinces and territories to develop a $4-billion Canada Housing Benefit. Designed to meet local needs and delivered by provinces and territories, the Canada Housing Benefit will be a new tool to fight the challenge of housing affordability. The Government estimates that the Canada Housing Benefit will deliver an average of $2,500 per year to at least 300,000 households across the country.

- **National Housing Strategy Research Agenda** – The Research Agenda will provide $241 million to fund researchers and build research capacity inside and outside of government. The initiative is also committed to developing a comprehensive housing database that integrates social, economic, and financial information to produce official housing statistics through Statistics Canada, and to open access to available housing data.

The NHS also includes changes to tax laws and mortgage loan insurance to facilitate attainment of its objectives. CMHC administers program expenditures related to housing affordability, while Employment and Social Development Canada handles transfers to communities and service providers targeting homelessness.

The NHS provides many opportunities for funding support for a very wide range of participants in the housing sector from private sector developers to provincial and local governments, and non-profit organizations to homeowners and tenants.

- *Provincial Housing Action Plan* – The Province's Housing Action Plan commits to substantial housing initiatives over the period from 2018 through 2023 including construction of 1,000 new affordable units, a minimum of 74 social housing units for seniors, 10 units for victims of family violence, 100 new private nursing home beds, 10 transitional housing units for individuals with mental health needs, and a $3-million Community Housing Fund to support additional housing solutions. [33] The Action Plan also calls for the formation of a Cabinet Committee on Housing to be supported by a Housing Council. The work of the Committee and Council, furthermore, are to be supported by the development of a "Housing Hub," which is envisioned as a source of information on housing conditions and needs.[34]

  The Province's Progress Report on the Action Plan produced in 2020 states the Provincial Government had produced 372 affordable housing units to that point (146 in Charlottetown, 30 in Cornwall, and 30 in Stratford), all 76 seniors units (44 in Charlottetown), 20 units for victims of family violence, 50 nursing home beds, and the 10 promised transitional housing units.[35] The

[33] Prince Edward Island, *Housing Action Plan for Prince Edward Island, 2018-2023*, p. 8.

[34] *Ibid*., pp. 12-14.

[35] Prince Edward Island, *Housing Action Plan for Prince Edward Island, 2018-2023 – Progress Report*, undated, p. 6.

Cabinet Committee and Housing Council were established in the first year of the plan, as was the proposed Housing Hub.[36] Access to Housing Hub data, however, appears to be limited.

- *Charlottetown Affordable Housing Incentive Program* – In 2018, the City of Charlottetown adopted a program to encourage the development of "affordable and accessible housing stock."[37] The Vision guiding the program called for increased housing for vulnerable populations blended throughout the city through development of partnerships, provision of financial incentives, and intensification of residential development, particularly through redevelopment of the upper floors of commercial structures in the downtown.

The program is available to organizations and individuals providing "new affordable housing opportunities." Recommended measures include assessing short-term rentals as commercial uses for the period of the year that they are commercially rented, supporting and encouraging accessory/auxiliary suites and upper floor development in commercial structures, reducing parking requirements for multi-unit construction, increased density bonuses for incorporation of affordable units, smaller lot sizes to accommodate tiny homes, a variety of tax incentives for affordable and specialized units, a potential Zoning Bylaw amendment to specify a percentage of affordable housing to be provided in the city, and transfer of surplus City-owned land to developers of social housing through RFP. The program also includes organization measures including the establishment of an Affordable Housing Advisory Committee and creation of a Housing Action Plan in collaboration with the Province of PEI. The Committee has been established and meets regularly and a Provincial Housing Action Plan is in place as described in the preceding bullet point.

[36] *Ibid*., pp. 19-20.

[37] City of Charlottetown, "Affordable Housing Incentive Program," approved September 10, 2018, p. 1.

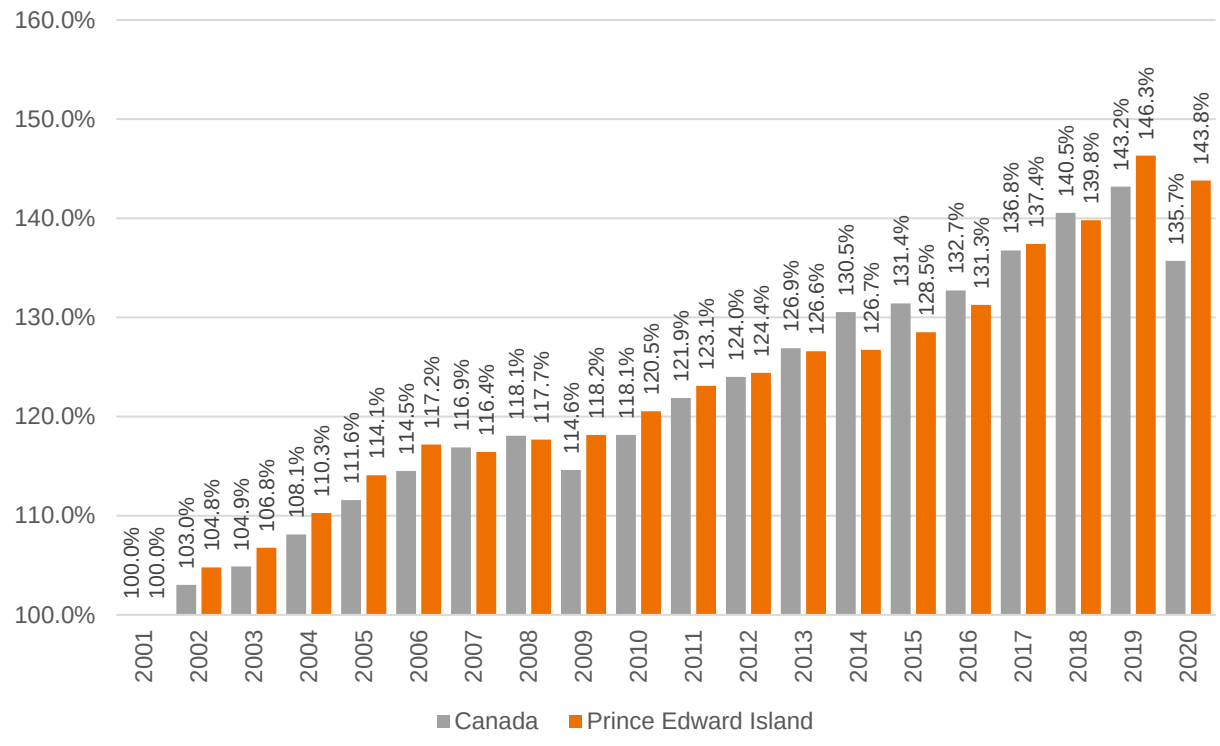
3.0 ECONOMIC PROFILE

Economic growth has traditionally been the primary cause for increasing population. The availability of work is the leading motivator for international and domestic migration, although education opportunities, family connections, lower living costs, and other factors can also have an important role. The economy can also have an influence on births by creating the income and security needed to support children. It can even influence death rates to the extent that increased income and activity are positive for health and longevity.

3.1 GROSS DOMESTIC PRODUCT

The most widely used measure of economic growth is gross domestic product (GDP). **Figure 3-1** compares total GDP in constant or chained 2012 Canadian dollars for Canada and PEI from 2001 to 2021 indexed to 2001 to show the relative change between the two over the period. Over the 20 years portrayed, the PEI economy has grown more than Canada's (43.8% versus 35.7%). The Island outpaced the country from 2001 to 2006 but fell back in 2007 and 2008. Its growth moved ahead again in 2009 and stayed there until 2013 when it again fell behind until 2017. From 2016, the Island's economic growth has exceeded Canada's each year with a notable surge in 2019 followed by decline for both in 2020.

Figure 3-1 Growth in GDP, Canada and PEI, 2001-2020 (Chained 2012$)



Source Statistics Canada, Table: 36-10-0222-01

3.2 ECONOMIC STRUCTURE

The underlying reasons for economic growth are normally found in the structure of the economy, by which we mean the distribution of economic activity across defined economic sectors. If a provincial or local economy is focused on economic sectors that are growing, it can normally be expected to have increasing job numbers. It may also experience growth because of local features that attract growth such as climate or amenities that draw investment and people. An area may also grow because of unique features such as a locally based company or companies that are particularly innovative or well-managed and outperform their economic sector, supportive government policy or tax benefits, or an attractive local market.

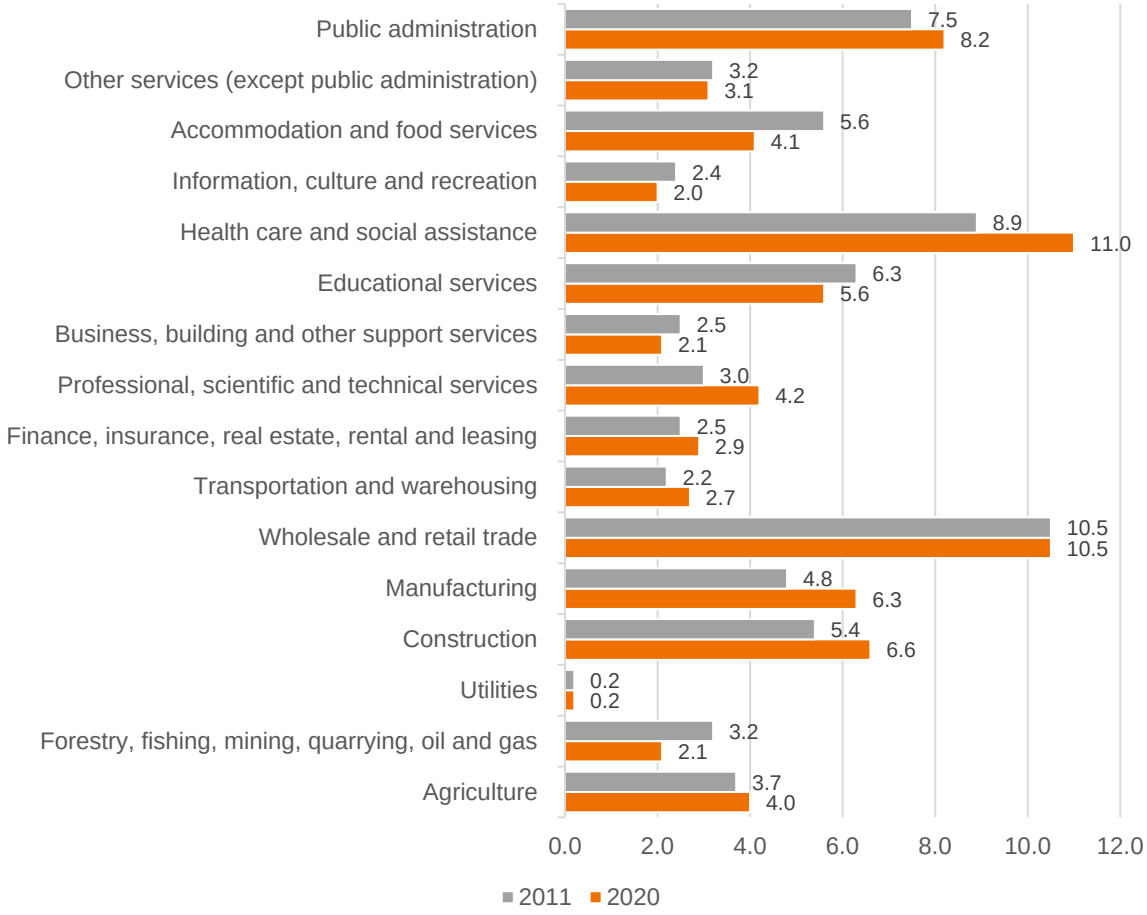
The framework for examining economic structure is provided by the North American Industry Classification System (NAICS), which was jointly developed by the statistical agencies of Canada, the United States, and Mexico. The system divides the economy into a hierarchy of carefully defined economic sectors ranging from resource industries through manufacturing to retailing, education, and administration. As illustrated in **Figure 3-2**, the leading economic sectors in PEI are, in order by their 2020 employment: Health Care and Social Assistance; Wholesale and Retail Trade; and Public Administration. All three increased job numbers between 2011 and 2020. The only sectors in which employment declined significantly on the Island were Forestry, Fishing, Mining, Quarrying, Oil and Gas; Business, Building and Support Services; and Accommodation and Food Services.

To assess the causes and influences of economic structure, we applied a technique called shift-share analysis. The method isolates the influences of national economic growth and sectoral growth, so as to better understand the influence of the region itself on local employment change. It recognizes that local employment is, first, influenced by the national economy. If Canada's economy is growing, we would expect, all things being equal, that PEI's economy would grow to a similar degree.

The technique also recognizes that growth will be influenced by the local economic profile given that not all economic sectors necessarily grow at the same pace. An economy heavily dependent on agriculture, which PEI once was, can be expected to struggle as the sector has shed employment over the long-term. An economy, with a large role in health care, such as PEI, will tend to grow as the sector has recently been the fastest growing in the country.

The shift-share method calculates the expected influence of the first effect (National Share) by applying the overall national employment growth rate, which was 4.9% between 2011 and 2020, to local employment in each sector. It then estimates the second factor (Industry Mix) by multiplying the original employment in each sector by the difference between national growth in that sector and overall national employment growth rate. The model assumes that the balance of growth that is not attributable to the specialization in particular sectors or difference between local and national growth in each sector is attributable to special features of the region that either stimulated more growth than expected or discouraged it (Regional Shift).

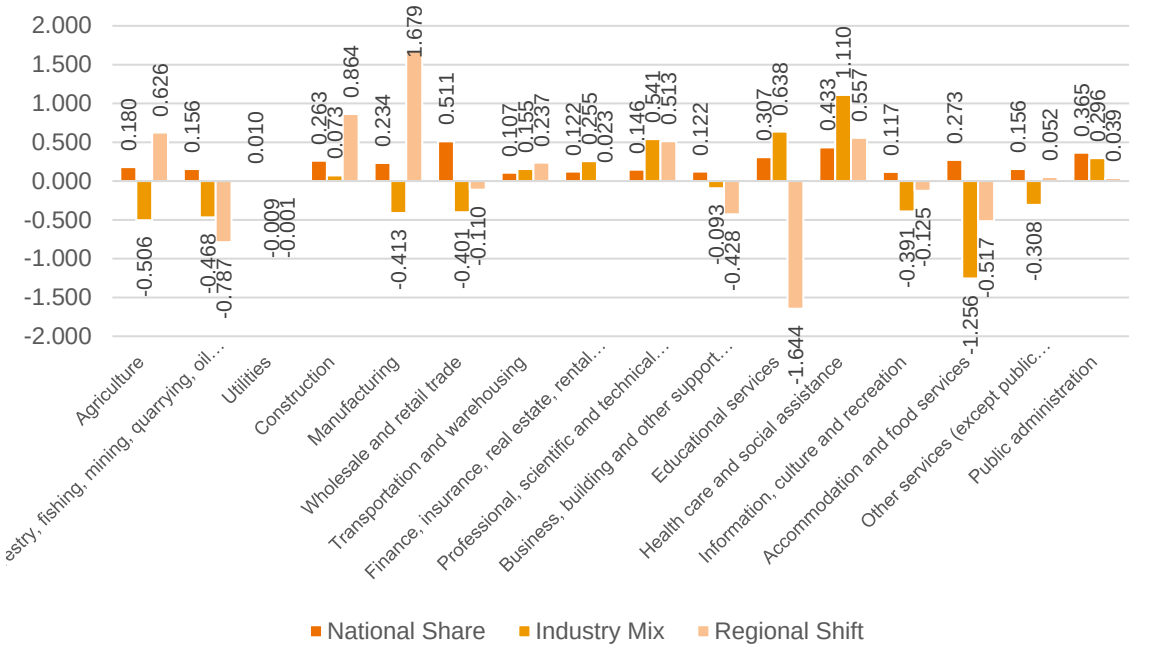
Figure 3-2 Industry by NAICS Code, PEI, 2011-2020



Source Statistics Canada, Table: 36-10-0222-01

If we take the Island's fastest growing sector, Professional, Scientific and Technical Services, as an example, the National Share is the product of PEI's 2011 employment in the sector in thousands (3.0) and the 4.9% rate of national employment growth or 146 (0.146 thousand in **Figure 3-3**). The Industry Mix effect is calculated by subtracting the 4.9% national growth rate from the Professional, Scientific and Technical Services sector growth rate (22.9%) and applying the difference (18.0%) to the 3,000 Professional, Scientific and Technical Services employees on the Island in 2011 to get 541 (0.541). The third and final factor – the Regional Shift – is the product of the 3,000 Professional, Scientific and Technical Services jobs in 2011 multiplied by the difference between growth in the sector in PEI (40.0%) and the 22.9% growth in the sector across Canada (17.1%) to get 513 (0.513). The three numbers added together (0.146, 0.541, and 0.513) equal the actual change in Professional, Scientific and Technical Services employment in the province over the 2011 to 2020 period (i.e., 1,200 jobs, which equates to 1.2 thousand shown in the table with **Figure 3-3**).

Figure 3-3 Shift-Share Breakdown, PEI, 2011-2020



NAICS Sector	Change, 2011-2020 Number (,000s)	Change, 2011-2020 %	National Share	Industry Mix	Regional Shift
Total employed, all industries	**3.9**	**5.4%**			
Agriculture	0.3	8.1%	0.180	-0.506	0.626
Forestry, fishing, mining, quarrying, oil and gas	-1.1	-34.4%	0.156	-0.468	-0.787
Utilities	0.0	0.0%	0.010	-0.009	-0.001
Construction	1.2	22.2%	0.263	0.073	0.864
Manufacturing	1.5	31.3%	0.234	-0.413	1.679
Wholesale and retail trade	0.0	0.0%	0.511	-0.401	-0.110
Transportation and warehousing	0.5	22.7%	0.107	0.155	0.237
Finance, insurance, real estate, rental and leasing	0.4	16.0%	0.122	0.255	0.023
Professional, scientific and technical services	1.2	40.0%	0.146	0.541	0.513
Business, building and other support services	-0.4	-16.0%	0.122	-0.093	-0.428
Educational services	-0.7	-11.1%	0.307	0.638	-1.644
Health care and social assistance	2.1	23.6%	0.433	1.110	0.557
Information, culture and recreation	-0.4	-16.7%	0.117	-0.391	-0.125
Accommodation and food services	-1.5	-26.8%	0.273	-1.256	-0.517
Other services (except public administration)	-0.1	-3.1%	0.156	-0.308	0.052
Public administration	0.7	9.3%	0.365	0.296	0.039
Broad Sectors					
Primary (agriculture, fishing, forestry & mining)	1.1	4.5%	1.178	-2.014	1.935
Secondary (utilities, construction & manufacturing)	2.7	26.0%	0.506	-0.349	2.542
Tertiary (services)	2.0	3.7%	2.659	0.929	-1.587

Source Statistics Canada 2011 and 2020. Shift-share calculations by Stantec

The result can be interpreted to mean that we should have expected PEI to gain 687 Professional, scientific and technical services jobs, but the province added 513 more than anticipated because of particular attractions it had to employers in the sector during that period. The results may also reflect the reverse, as in the case of the Educational Services sector from which PEI lost approximately 700 jobs. Overall national employment growth justifies an expected addition of 307 jobs, while national growth in the sector, which grew 15.0% over the period, suggests another 638. Special features of PEI, however, accounted for 1,644 lost positions and an overall decrease of 700 jobs in the sector.

Interestingly, PEI's most significant gains over the past decade were in secondary industries, most notably Manufacturing, which is generally considered to be in decline as exemplified by the loss of 48,900 (2.8%) jobs from the sector Canada-wide from 2011 to 2020. Employment in manufacturing on the Island, however, increased from 4,800 to 6,300 (1,500 jobs or a 31.3% increase). Growth was also strong in the Island's Construction industry (24.1%), although that trend aligns with positive sectoral growth across Canada (6.2%).

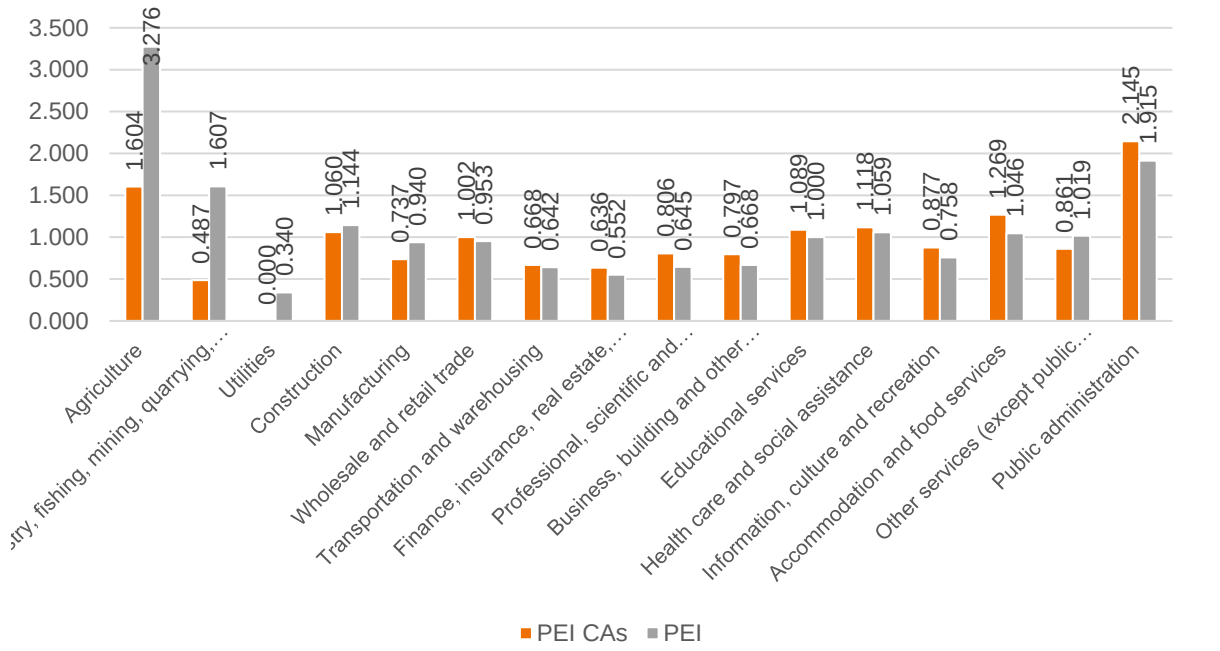
NAICS data is not available by job location for census subdivisions, which are too numerous to assess for this study, in any case, or for the Charlottetown CA. Statistics Canada does however provide data for CMAs and CAs by province, which is the combination of the Charlottetown and Summerside CAs in PEI. The two CAs essentially represent urban PEI as the largest community that they do not cover is the former Town of Montague, which had a 2016 Census population of 1,961, although it has since been absorbed into the new and much larger Town of Three Rivers.

As urban locations, the economies of the Charlottetown and Summerside areas might be expected to differ significantly from PEI as a whole. Another way of assessing the economy related to shift-share analysis is through location quotients, which are measures of the degree to which employment in a sector is over or under-represented in a region. Location quotients are simply the result of dividing the percentage of the labour force in an industry in a region by the percentage in the same industry nationally. The location quotient for manufacturing for PEI, for example, is the result of dividing the percentage of PEI's employment found in the manufacturing sector (8.74%) by its proportion in the national economy (9.29%), which is 0.940. The result suggests that despite its recent growth in manufacturing jobs, PEI is not specialized in the sector, because it has proportionately fewer manufacturing jobs than the national average. In sectors in which the share of jobs in the province is more than at the national level, the location quotient will be more than 1, as in the case of Agriculture and Accommodation and Food Services, two sectors for which the Island is well known.

Figure 3-4 shows location quotients for NAICS sectors for all of PEI relative to location quotients for the two CAs. Location quotients over 1 indicating industries in which either area is specialized are bolded. The differences reflect typical contrasts between rural areas, which are a major portion of the Island's economy and urban areas, which the Charlottetown and Summerside CAs exemplify. Both the province and the CAs, for example, are specialized in agriculture, although the sector is almost exactly twice as important to the province as a whole (a location quotient of 3.315 versus 1.648). The difference is much more pronounced for forestry and mining, which are even more clearly rural and roughly five times more important at the provincial level than within the CAs. Where the CAs differ the most are Transportation and Warehousing; Educational Services; Health Care and Social Assistance; Accommodation and Food

Services; and Public Administration. The CAs are specialized in each of the foregoing sectors, and their degree of specialization, indicated by a larger location quotient, is higher than for the Island as a whole. Overall, the CAs are specialized in the primary industries but much less than the rest of PEI. They are, on the other hand, more specialized in the tertiary or service sectors relative to both Canada and the Island.

Figure 3-4 Location Quotients, PEI and PEI CAs, 2020



NAICS Sector	PEI	PEI CAs
Agriculture	**3.276**	**1.604**
Forestry, fishing, mining, quarrying, oil and gas	**1.607**	0.487
Utilities	0.340	0.000
Construction	**1.144**	**1.060**
Manufacturing	0.940	0.737
Wholesale and retail trade	0.953	**1.002**
Transportation and warehousing	0.642	0.668
Finance, insurance, real estate, rental and leasing	0.552	0.636
Professional, scientific and technical services	0.645	0.806
Business, building and other support services	0.668	0.797
Educational services	**1.000**	**1.089**
Health care and social assistance	**1.059**	**1.118**
Information, culture and recreation	0.758	0.877
Accommodation and food services	**1.046**	**1.269**
Other services (except public administration)	**1.019**	0.861
Public administration	**1.915**	**2.145**
Broad Sectors		
Primary (agriculture, fishing, forestry & mining)	**2.402**	**1.019**
Secondary (utilities, construction & manufacturing)	**1.002**	0.844
Tertiary (services)	0.942	**1.031**

Source Statistics Canada 2011 and 2020. Location quotients calculated by Stantec

In general, though, the economies of both PEI and its CAs are most notable for their lack of extreme specialization except for the Agriculture and Public Administration sectors. Recent growth in the CAs has been strongest in Manufacturing; Transportation and Warehousing; Professional, Scientific and Technical Services; and Health care and Social Assistance. For the most part, the sectors grew in keeping with national and sectoral trends. Only Manufacturing and Health Care and Social Assistance were significantly driven by the Regional Shift factor (**Figure 3-5**). Overall, though, comparison of the CAs to the province as a whole suggests moderate differences. The only sector in which the CAs are specialized by the province is not is Wholesale and retail trade, and the only sectors in which the Province shows speicalizations that the CAs do not share are Forestry, fishing, mining, quarrying, oil and gas and Other services (except public administration).

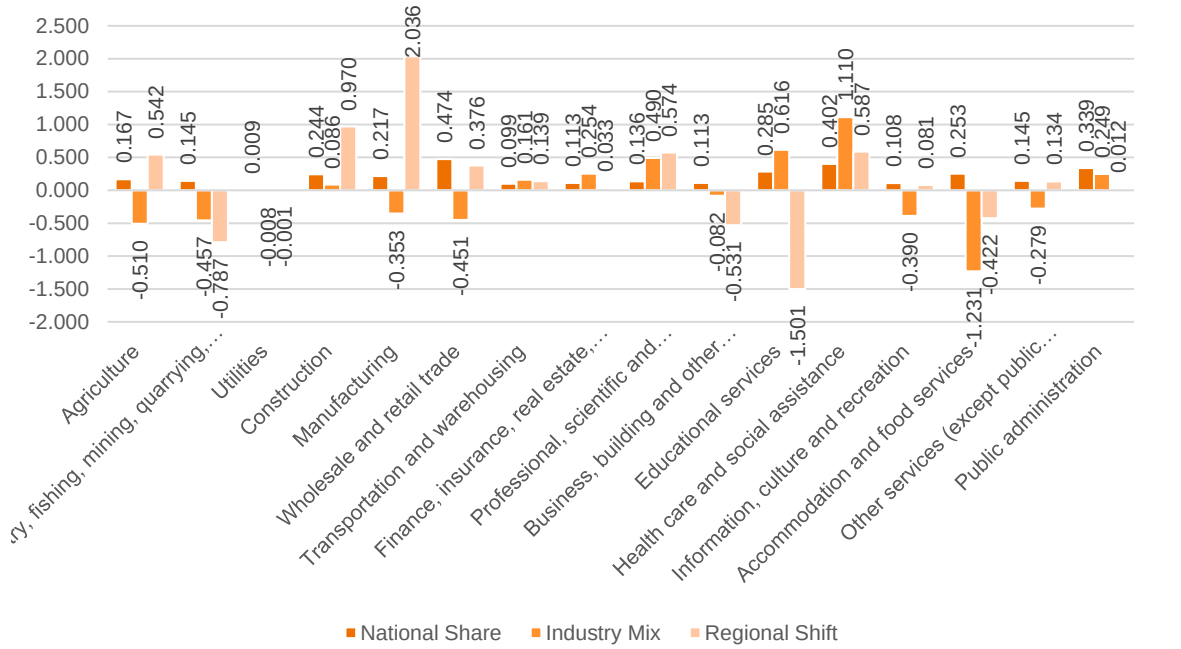
3.3 EMPLOYMENT

Notwithstanding recent GDP growth, economic indicators for PEI, like those for other provinces of Atlantic Canada, have traditionally lagged behind Canada. **Figure 3-6** illustrating monthly participation, unemployment, and employment rates for Canada and PEI since 2001, provides a strong example. Allowing for regular fluctuations in both rates over the course of a year in which participation tends to fall in the winter months as unemployment typically rises, labour participation has invariably been higher in PEI than in Canada as has unemployment. Over the 20-year period, participation has averaged 67.4% on the Island compared to 66.3% for Canada; however, unemployment has averaged 10.9% as opposed a national average of 7.1%.

The trend lines for both factors in the figure suggest that PEI rates are converging with national rates to a small degree, but a pronounced difference has been the norm at most times, particularly in terms of unemployment, which typically exceeds the national level by three percentage points or more in PEI. Only in the past few years have rates for PEI approximated Canadian levels, with the onset of the pandemic sending the national unemployment up to PEI's level, which was not far from the provincial norm in late winter/early spring. At that point, the employment rate, which has typically been moderately lower in PEI than Canada, dove deeply provincially and nationally, reaching record lows within the period shown of 51.5% for Canada and 50.0% for the Island.

Over 2020 and 2021 to date, both participation and unemployment in PEI have been much closer to nation-wide levels. Whether this will continue after the end of the pandemic remains to be seen. Employment initially rebounded more strongly in PEI than the rest of Canada but, since late 2020, has returned to the traditional relationship, with Canada's employment level two to three percentage points above PEI's.

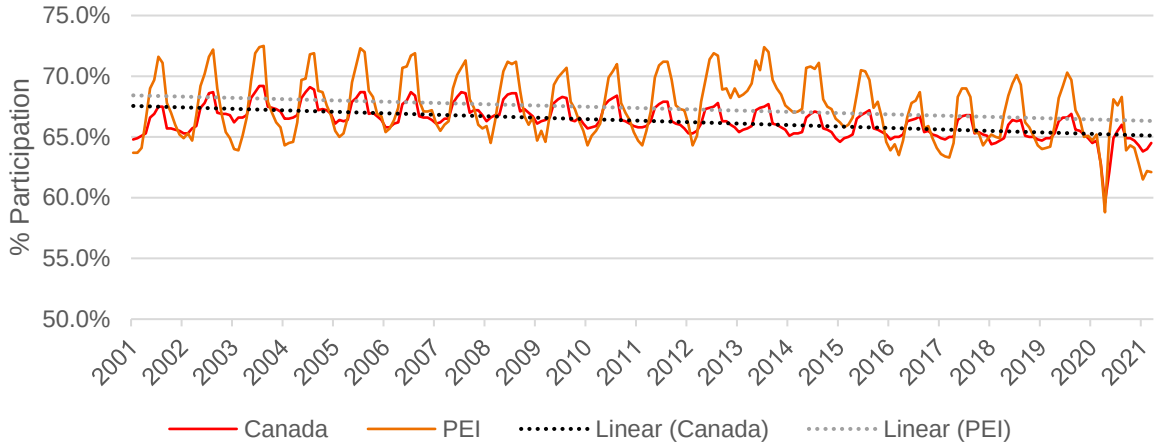
Figure 3-5 Shift-Share Breakdown, PEI CAs, 2011-2020

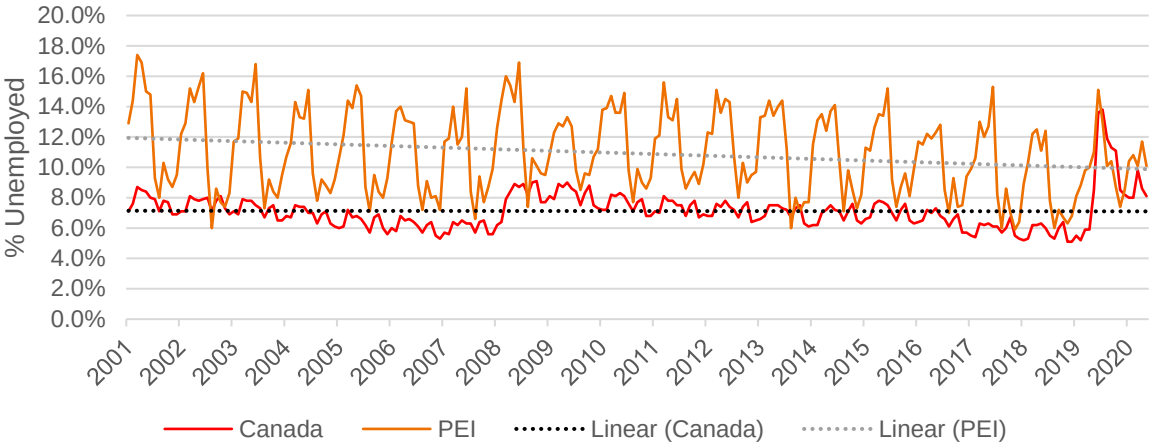


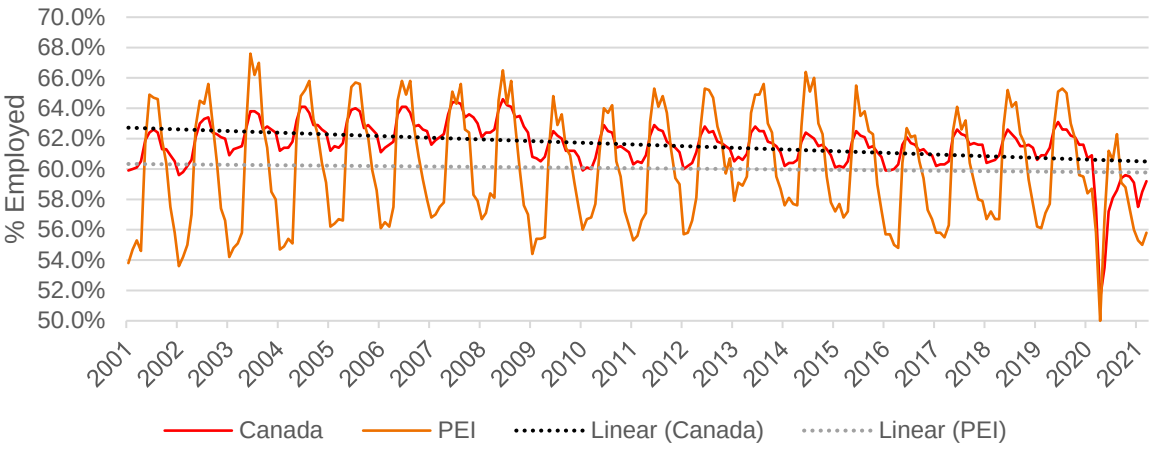
NAICS Sector	Change, 2011-2020 Employed (,000s)	Change, 2011-2020 %	National Share	Industry Mix	Regional Shift
Total employed, all industries	**5.2**	**12.1%**			
Agriculture	0.1	9.1%	0.050	-0.152	0.202
Forestry, fishing, mining, quarrying, oil and gas	0.0	0.0%	0.018	-0.057	0.039
Utilities	-0.2	-100.0%	0.009	-0.008	-0.201
Construction	1.1	39.3%	0.127	0.045	0.929
Manufacturing	1.2	57.1%	0.095	-0.155	1.260
Wholesale and retail trade	0.3	4.3%	0.312	-0.296	0.284
Transportation and warehousing	0.7	70.0%	0.045	0.073	0.581
Finance, insurance, real estate, rental and leasing	0.3	16.7%	0.081	0.183	0.036
Professional, scientific and technical services	1.0	43.5%	0.104	0.376	0.520
Business, building and other support services	-0.3	-16.7%	0.081	-0.059	-0.322
Educational services	-0.4	-9.3%	0.194	0.420	-1.015
Health care and social assistance	2.0	37.7%	0.240	0.661	1.099
Information, culture and recreation	-0.2	-11.1%	0.081	-0.292	0.011
Accommodation and food services	-0.5	-13.5%	0.167	-0.813	0.146
Other services (except public administration)	-0.2	-10.5%	0.086	-0.165	-0.120
Public administration	0.2	3.6%	0.249	0.182	-0.231
Broad Sectors					
Primary (agriculture, fishing, forestry & mining)	0.1	6.7%	0.068	-0.209	0.241
Secondary (utilities, construction & manufacturing)	2.1	41.2%	0.230	-0.117	1.987
Tertiary (services)	3.0	8.3%	1.640	0.547	0.813

Source Statistics Canada 2011 and 2020. Shift-share calculations by Stantec

Figure 3-6 Labour Force Participation, Unemployment and Employment (unadjusted), Canada and PEI, 2001-2021







Source Statistics Canada. Table 14-10-0017-01

3.4 OVERVIEW

The economy of PEI has improved significantly over the past 20 years. It has, however, been catching up with the balance of Canada rather than taking the lead. The structure of the Island economy is not especially favourable, although it is not a source of weakness either. PEI has generally had a higher rate of unemployment and lower rate of employment relative to national levels. Only with the advent of COVID-19 has the Island briefly coincided with national levels for both rates. The short period of comparable employment rates and unemployment rates has already ended, and the province appears to be returning to moderately lower levels of employment and higher levels of unemployment than Canada.

Overall, the connection between economic growth in PEI, and the in-migration that has created pressures on the Island's housing markets appears to be weak. The Island's sound economy has made it a more attractive option for migrants from within Canada in from overseas, but it has not created jobs that of themselves have attracted newcomers.

The attraction of PEI appears to be its housing market and lifestyle. The recent surge appears to have resulted from international and domestic immigrants being drawn by lower living costs. Choosing the Island has been facilitated by the shift to home-based work necessitated by the COVID pandemic, which is discussed further below. Employers and employees have discovered that remote work is more feasible than they previously appreciated. Employees freed from the requirement of daily commuting have, therefore, seized on the opportunity to move to lower cost housing markets in smaller centres and in Atlantic Canada, which has traditionally offered less expensive housing than most other areas in the country.

4.0 CONSULTATION SUMMARY

To fully understand housing issues that have arisen in the Capital Region, consulting team members undertook three consultation initiatives: interviews with municipal planners working with our client municipalities; similar interviews with a broader selection of stakeholders including representatives of Provincial government departments, real estate professionals, and representatives of organizations concerned with housing; and three focus groups with developers and builders, affordable housing advocates and providers, and members of the general public recruited by the consultants.

Interview topics included review of the population and housing estimates presented in following **Chapter 6.0**, exploration of leading housing concerns, and prioritization of housing issues identified through background research presented above. Estimates were presented to the focus groups but were not discussed in depth, although focus group participants were invited to comment. Focus groups were guided through a series of questions investigating their views on housing issues, the issues they considered most important, and potential responses to housing concerns. The following sections summarize the input received through all three initiatives.

4.1 MUNICIPAL PLANNERS

The consultants interviewed municipal staff with the City of Charlottetown, Town of Cornwall, and Town of Stratford. The interviews were conducted early in Phase 2 of the project and initial questions dealt with preliminary population and housing estimates that the consultants presented to staff. Input from the staff interviewed was considered in adjusting the estimates developed in Phase 1. Following questions dealt with below addressed land supply, challenges to meeting demand, and issues in the rental market.

4.1.1 City of Charlottetown

With the longest history as an urban area, Charlottetown has a more limited land supply than the towns of Cornwall and Stratford. The planners interviewed noted that much of the core area of the city was developed at low densities common to suburban small towns. They also noted that the City has enforced height limits designed to protect the heritage character of the downtown area. Introducing more intensive development to these areas has been difficult and the City's planners have consequently looked to outlying greenfield areas as potential sites for attached housing and apartment development. East Royalty is the primary potential site and was the subject of a secondary plan in 2015, but the planners expect it to be fully developed quickly. Upton Farm in West Royalty also has considerable potential, but it is owned by the Province and the Master Plan for the property prepared by Ekistics (now Fathom) in 2014 calls for the land to be largely developed as an urban park that has strong public support.

In the short-term, servicing constraints have been addressed through upgrading of wastewater treatment facilities and development of a new wellfield in the outlying community of Miltonvale Park. Planners are, however, uncertain whether current infrastructure can accommodate the population and number of dwelling units that are likely to be added if the region continues to grow at the rate experienced from 2016 to 2021. In the long run, the potential of available groundwater sources will likely be critical. With recent

success in reducing consumption rates, the current supply may be sufficient to serve foreseeable development but work on an overall water and sewer plan is ongoing.

While the City moved in recent years to permit secondary suites in all residential zones, planners acknowledged the additional units can only make a small contribution to densification. They suggested public education and long-term planning are required to increase acceptance of density. In the short term, project proposals must be processed and frequently meet resistance from residents who only see local impacts. Growth strategies would provide context for higher-density proposals and their role in meeting community needs.

When asked about the importance of various housing issues in the city, Charlottetown planners emphasized short-term rentals and renoviction. They added labour and building supplies shortages, inadequate municipal planning staff numbers, and lack of coordination between the Province and municipalities in the affordable housing sector to the list of concerns we identified.

4.1.2 Town of Cornwall

Cornwall, which is the smallest of the three core municipalities, has the most undeveloped land, but much of it is in agricultural use. The urbanized area of Cornwall is focused on the former Trans-Canada Highway corridor, which has been renamed Main Street since completion of the highway bypass through the northern half of the town. Stantec has completed a review of the Town's 2014 Official Plan, which is anticipated to go to public review in September 2021. The draft Official Plan calls for intensification of development in the Main Street corridor based on a development plan created by Fathom under its former Ekistics brand. The Official Plan will continue to limit development in agricultural and seasonal/estate housing areas that flank Main Street, although it provides for new commercial/industrial development at the new interchange that accesses the bypass and residential development along Cornwall Road between the interchange and Main Street.

Cornwall staff feel enough land currently designated for development is available within the town, although they are working their way through a long-standing oversupply of available lots. The Town's primary concern is the capacity of its infrastructure. A new wellfield at the western edge of Cornwall has recently come online. The Town's two wastewater treatment lagoons are near capacity, but their volume can be increased sufficiently through dredging. In the longer term, agricultural lands will have to be transitioned to urban development to accommodate growth but there is limited current pressure to do so.

The most critical issue identified by Cornwall staff is escalating housing prices. Rising prices obviously reduce the choice available to lower income groups. Staff mentioned mini homes and tiny houses as possible responses.

4.1.3 Town of Stratford

Stratford has been PEI and Atlantic Canada's fastest growing municipality since its incorporation in 1995. Town staff expect continued growth. Land constraints are being relieved as a large tract held back because its owner was not interested in development has now changed hands, although the past owner retains control over the nature of development. In addition, the Charlottetown Development Corporation is selling land on the town's waterfront. This shift in land availability is expected to restore growth, which slipped moderately from 2016 to 2021, to the high level the town has otherwise experienced during its existence.

Constraints on service capacity that limited the town's expansion in the past five years relative to the 2011 to 2016 period have been alleviated through connection to Charlottetown for wastewater treatment. The Town's planners feel the City has ample room to increase treatment capacity so it should not constrain future growth. They are also confident in the Town's water supply. They indicated two wells can be added within their existing wellfield and suggested Stratford might in fact be able to supply a portion of Charlottetown's water needs in the future.

Homebuyer and developer interest in single-detached homes is limited, both as a reflection of housing prices as well as different tolerance levels for the maintenance associated with larger properties. The focus in Stratford has recently been on semi-detached and rowhouse development. The planners said many international immigrants are incorporating an accessory unit in detached homes to accommodate their extended families and/or mitigate carrying costs.

Long-time town residents accustomed to detached homes on half-acre lots are uncomfortable with densification. The planners feel education is needed to convey the benefits of density such as reduced trip lengths and suitability for transit service. The planners suggested, on the other hand, that Stratford does not have the same commitment to low-rise development as Charlottetown where it is part of the city's historic character. They feel increased height can be accommodated in the town core with limited impact on existing development.

In discussing housing issues, Stratford staff emphasized escalating rents, which they said have doubled over the past five years, and observed that it is becoming increasingly difficult for individuals in the service sector and professionals working in the community to be able to find affordable housing within the town. They noted that short-term rental is not a significant issue in the town. They also suggested renoviction is not as much of a problem as in the city where landlords are trying to remove longer standing tenants who are currently paying rents that are significantly below what the current market will support.

The planners closed by returning to the subject of education and change. They noted the town has been developed as a largely residential suburb at the lowest possible density. The mindset needs to change for the town to become a complete community with employment as well as homes that can provide affordable accommodation for diverse residents.

4.2 STAKEHOLDER INTERVIEWS

Samantha Murphy interviewed a variety of representative individuals in Charlottetown to obtain their perspectives on housing issues. Contacts included real estate professionals, politicians, staff with key Provincial departments, and a variety of representatives of groups involved in housing provision:

- *Provincial Immigration (Jeff Young, Director, Office of Immigration)* – Immigrants to PEI are accustomed to higher density accommodation and tend to prefer apartments over detached housing. Housing shortages inhibit the development of many communities. Jobs cannot be filled and, when they are, the lack of long-term accommodation forces new residents to move on.

  More housing is needed if the province is going to grow. Developers are eager to meet demand but face shortages of labour and materials, as well as regulatory barriers. The government is working with the construction industry to address labour needs through in-migration of skilled workers. While Islanders generally support growth and welcome newcomers, many are resistant to development projects needed to accommodate additional population.

- *PEI Department of Finance* – Staff with the Province's Department of Finance are engaged in monitoring demographic trends. They noted that concerns with population growth on the Island have shifted from dealing with an aging and declining population to accommodating a younger, growing population fueled by in-migration.

  The Province needs to manage and accommodate growth to avoid returning to its previous challenge of dealing with an aging population. The dominant issue currently is housing supply. Other issues such as renoviction, and rising prices and rents are tied directly to the inadequate supply of dwelling units. The primary barriers to increasing units are seen to be resistance of long-time residents to increased housing density and the lag in municipal policy development to provide for growth. A more sophisticated development industry is also required as the small business approach that has traditionally provided single-detached units for Islanders is not equipped to pivot rapidly to the production of high-density structures that are now needed.

- *PEI Department of Social Development and Housing* – Like contacts with the Department of Finance, interviewees with Social Development and Housing follow population and housing trends closely. They expect continued growth with attendant pressures on housing supply. The Island is, however, adapting slowly to housing needs.

  Like their counterparts in Finance, PEI Housing staff feel immigration will continue to be needed to mitigate population aging and decline. Immigration is, however, increasing housing pressures without attracting tradespeople capable of addressing housing needs due to the focus of prior immigration programs. In addition, the Island's established construction sector has limited experience with higher density buildings.

  PEI's construction sector needs to "scale up" to meet contemporary housing needs. The public, at the same time, needs to come to terms with changes in housing stock. Staff with the Department share the belief articulated by many other contacts that higher density development is needed, and it is likely that a larger proportion of the population will rent and may initiate homeownership in attached housing rather than single-detached units. Public resistance to municipal approval of higher density housing projects is a major hurdle.

If immigration is to continue, housing is needed. Supply also needs to be increased to relieve pressures on the rental market. Housing shortages place pressure on rents. Landlords who cannot raise rents sufficiently in PEI's controlled market use renoviction and other strategies to displace tenants. Additional units for renters should mitigate this tendency.

- *Realtor* – One real estate agent interviewed emphasized through examples the degree to which prices have risen and the competition to buy reflected in offers typically coming in $10,000 to $20,000 over asking. He considers escalating prices and shortage of needed units to be the main problems in the Charlottetown market but also recognized issues in the rental market such as rising rents, renovictions, and the rise of short-term rentals.

- *Appraiser* – Our appraisal contact feels the public is very conservative. They want development to reflect their current housing and are reluctant to accept that young adults will not be housed in the same way as their parents. Change is needed to accommodate growing population but resistance to increased density is strong.

  Our contact considered supply to be the most important housing issue. He suggested financing is readily available to support the rising home price level. Charlottetown is perceived as a last bastion of affordability, but immigration has eroded its position. He questioned whether rents are rising as significantly as many people suggest, given that they are regulated by IRAC. Nonetheless, providing affordable rental accommodation is critical for low-income residents.

- *Major Landlord* – Stantec interviewed staff with a large apartment building and management company with rental properties across Canada that is very active in the Capital Region. They identified international immigration and, since the COVID lockdown started, inter-provincial migration as the main causes of housing pressures. They said Federal Government policy concerning immigration and the quota of immigrants assigned to PEI would be the primary factors in future growth.

  Representatives of the company emphasized that, while opportunities on the Island are attractive to their investors, taxes and regulatory issues are critical. They said that prices have escalated in PEI over the past decade and taxes have been a significant factor. They noted as an example that as labour and materials costs have risen 15% HST has been applied to both and has grown in proportion. Property taxes have likewise risen significantly along with costs for insurance and other requirements.

  While they shared the concerns of other landlords and developers we consulted with community resistance to new construction, they said land use regulation is time-consuming across Canada and they consider PEI one of the better jurisdictions in which they are active to get from application to construction. They also said they were not discouraged by rent controls provided reasonable increases are permitted. Predictability is important to them, and controls are factored into their assessment of development opportunities.

  On the other hand, they noted that PEI is the only province in which controlled rents are carried from one tenant to the next and they feel strongly that prospective tenants have ample opportunity in a competitive market to assess the value of an apartment. In their view, rent controls should protect long-term tenants who may lose their accommodation if they are not financially able to deal with an abrupt increase in rent, not new tenants who can look at a range of options to find a unit suited to their ability to pay.

- *Habitat for Humanity* – Rising prices, labour, and materials shortages are as challenging for Habitat as they are for conventional builders. Habitat projects may also meet resistance from neighbours who perceive residents as being on assistance but the need for Habitat grows as prices rise and an increasing proportion of the population cannot accumulate the necessary down payment for homeownership.

- *PEI Fight for Affordable Housing* – The current approach is overly reliant on market solutions. Even units produced under government programs are not affordable for many tenants. Units to be developed under National Housing Strategy, which requires 30% to be less than 80% of the median rent for the region, are barely affordable to start and will likely become less affordable over the next 20 years. Redevelopment for new apartment structures frequently results in demolition of affordable units and replacement by a larger number of units directed to the high end of the market.

  Our contacts advocated for strong Federal and Provincial investment in public and non-profit housing to encourage land trusts, co-ops, and housing associations in the context of a long-term vision and means to maintain affordable over time. Many also urged greater involvement from municipalities in the development and management of public housing. They also urged stronger protections for tenants to prevent renovictions and measures to house tenants in acceptable and affordable accommodation if they must be displaced.

  They noted wages are lower in PEI and the working or unemployed poor have less than their counterparts in many areas of the country. The PEIFAH's concern is more with availability and affordability than with specific unit types, although they did note the need for larger apartment units suitable for families and sharing of small accommodations among individuals who cannot afford separate accommodations (i.e., bachelor and one-bedroom units). The mental and physical consequences of displacement from housing are substantial for affected individuals.

  Throughout the interview, PEIFAH representatives emphasized the poor performance of the market in meeting low-income housing needs. While they consider housing to be in short supply like others, they gave more weight to issues that bear more directly on tenants (e.g., escalating rents, renoviction, and short-term rentals) and increased government action to provide needed social housing.

- *Native Council* – Rents are out of reach for Indigenous clients living off-reserve and two and three-bedroom units are in short supply. The Council's representatives believe large corporate landlords are conspiring to maintain and increase high rents. They feel renoviction, inadequate housing supply, and escalating home prices are the main housing challenges in the region.

- *PEI Association for Newcomers to Canada* – Representatives from the Association for Newcomers pointed out that immigrants are not uniform. Different ethnicities have different aspirations. Some are accustomed to apartments in dense urban areas; however, others migrated to Canada seeking space and land. They observed that PEI communities – particularly Stratford – have been actively and deliberately welcoming to immigrants. The Province needs to create a coordinated plan to provide housing at the regional level while protecting agriculture and other valued features.

- *Family Violence Prevention* – Many low-income families are challenged to obtain housing and remain housed regardless of rents. Landlords are reluctant to take families with children. Two and three-bedroom apartment units are in short supply, as are smaller units for those not interested in forming households.

- *University Students* – Stantec spoke with Anagha Muralidharan, UPEI's Vice-President Academic & External, who is an elected student representative employed by the University to advocate for students. Ms. Muralidharan stated that students are at significant disadvantage in the Charlottetown housing market because of lack of knowledge and money. Landlords take advantage of foreign students, in particular. She said that the Student Union has argued for provision of affordable student housing but currently would settle for inclusion in Provincial housing voucher programs. She provided survey information suggesting that many current UPEI students plan to leave the Island after graduation because of the cost of housing.

- *Elected Officials (Hannah Bell, MLA for District 11: Charlottetown-Parkdale, and Nate Hood, Senior Policy Advisor. PEI Green Party)* – Housing preferences are evolving under the influence of changing age structure and other features of the population. Increased housing development is needed but there does not seem to be a long-term plan for its provision. Withdrawal of government from provision of social housing has been critical. The private sector has not met the need for affordable housing.

  The inability of many to purchase a home exacerbates rental conditions. If people cannot afford a home, they stay in rental, increasing demand and pushing up rents. Rents are also driven up by in-migrants accustomed to higher prices and/or unfamiliar with the local market. International students are particularly vulnerable because landlords perceive them as having more money and less knowledge of the system, and, consequently, charge them premium rents.

  Private builders are supplying unit types that government will support/assist financially and which zoning will allow. It is not realistic to innovate or even provide alternative housing forms. In any case, financial supports from the Province are limited and difficult to access, and developers have little guidance concerning housing needs or any kind of framework within which to meet needs such as accommodating more people in downtown Charlottetown.

  Transit is particularly important as a support to housing choice and very little is done to either provide transit to housing or build housing that will encourage transit use.

  Affordability has become an issue even for employed professionals in two-income households. Community members are resistant to increased density but there are areas in downtowns where it can be incorporated with little impact on existing residential, particularly the downtowns where it could fill surplus commercial space and replace under-utilized commercial buildings.

4.3 FOCUS GROUP INTERVIEWS

During the week beginning on Monday, June 21, the consulting team arranged and conducted three focus group interviews with invited groups with distinct interests in local housing. The three sessions were as follows:

- *Affordable Housing Advocates* (Monday, June 21) – The session involved administrators of specialized housing facilities and with organizations working with and advocating for special needs populations.

- *Developers and Builders* (Wednesday, June 23) – Participants were land developers and/or builders active in the Capital Region.

- *Community Members* (Thursday, June 24) – Residents of the Capital Region recommended to the consultants for their interest in housing issues.

Sessions were facilitated by Samantha Murphy who walked participants through a series of questions concerning housing needs, challenges to meeting those needs, and potential actions to respond to housing concerns in the region.

4.3.1 AFFORDABLE HOUSING ADVOCATES

Affordable housing providers support groups in severe financial need or with special housing requirements such as the physically and mentally challenged, individuals dealing with addictions, the elderly, and individuals experiencing family violence. They also tend to be spokespeople for tenants and other disadvantaged groups that have difficulty finding and affording suitable housing such as immigrants and low-income families. Representatives from the sector said there is need in every housing category, but it is difficult to create the needed spaces.

Given their interest in the general affordability of housing, focus group participants cited many issues repeated below by developers and builders and general community members who are also trying to build or encourage the construction of needed units. All construction projects on the Island currently face labour and materials shortages, as well as barriers to approval. The approval system is also time-consuming and difficult as specialized and affordable units typically differ in terms of density of units and height from the standard neighbourhood fabric that planning policy and zoning requirements usually reinforce. Getting through approval processes that frequently involve changes in zoning and therefore public consultation, and then having to arrange for workers and materials increases the costs of projects and extends the time required to bring units online.

Specialized units are generally built on a smaller scale than general housing projects. Accommodations are usually added through adaptation of existing buildings or on infill lots. Infrastructure capacity and issues such as sprawl are less relevant than for general housing. On the other hand, community resistance is possibly stronger. Whereas residents typically oppose new housing and alternative housing types out of concern for environmental effects like traffic, as well as loss of privacy, and impacts on property values, specialized housing projects often face social concerns as well, which may extend to prejudice against expected occupants. Alternatively, gentrification of existing buildings, especially in the core area, has been described as resulting in the reduction of affordable and accessible units, notwithstanding the overall improvement in the physical condition of the units.

While the location of specialized units has little influence on urban sprawl, transportation access is critical to occupants of specialized housing. Many occupants have limitations that prevent them from driving or employing active transportation modes (i.e., walking, cycling, and other self-propelled forms of travel). Most face financial challenges, in any case, that make vehicle ownership difficult. In the region, based on availability of land, land costs, and zoning, more affordable units have tended to be built or located outside of the walkable core area in recent years and, in many cases, are insufficiently supported by transit routes and schedules that match commuting needs or the location of services. Housing close to work and amenities is critical not only to affordability but also, in many cases, to having a fulfilling life.

Affordable housing professionals were strong advocates for tenants. They noted that many landlords exercise advantages that they have over tenants. Many low-cost rental units are marginal accommodations with poor services and maintenance. If renters complain about shortcomings, many landlords simply refund their deposit and let them move on. In short, tenants who secure lower cost accommodation tend to "get what they pay for" as they have limited means to leverage fair treatment and reasonable service, and those with the greatest need tend to be the most vulnerable. In response, affordable housing professionals favour a landlord registration regime that would provide a framework for regular inspection as well as for registering rents.

4.3.2 DEVELOPERS AND BUILDERS

Housing providers said there is a strong demand for multiple-unit residential. First-time homebuyers seek semi-detached and townhouse units because they cannot generally afford single-detached homes. Many older homeowners are also interested in downsizing to attached housing types. A segment is also looking for more space because they are working from home. Contemporary buyers are interested in ready-built units as opposed to buying a lot and building a house separately as was common in the past.

Group participants said demand for rental apartment units is even stronger. Apartments are necessary to accommodate the young and newcomers to the area, as well as older people seeking to downsize and simplify housing arrangements. They are also more profitable, which has stimulated a shift in the sector from detached housing to apartment construction. Although there has been practically no residential high-rise construction (i.e., more than four stories) in the region, developers are interested in the opportunity as high-rise construction should lower costs and provide a living environment that would be attractive to many residents of the region, particularly the elderly.

Developers and builders also noted the substantial increase in interest from outside buyers. Buyers from Ontario and other areas of Canada are willing to purchase property based on online information and a virtual inspection. They are familiar with much higher home prices and rents than have historically been found in the Charlottetown market and have been a major factor in driving up prices and rents, factors that have fueled the recent surge in housing activity.

The group reinforced the perception of the affordable housing group that labour, materials, and land are all in short supply, and development costs on the Island are high. Industry participants are eager to provide more housing units, but the lack of workers is a significant challenge and cost factor that inhibits the ability of the industry to supply needed units.

Developers and builders also must deal with strong resistance to density from community members. NIMBYism is supported by municipal councils that frequently override the recommendations of planners. Housing providers would like to see clearer, more objective policies (e.g., form-based code) and easier acceptance by councils of the advice provided by their professional planning staff. Planners, as noted, generally favour the provision of attached units and apartments but councils frequently bow to community pressures to prevent developments that are perceived to change the character of neighbourhoods. The level of risk and uncertainty in bringing a proposal to the approval stage can be a deterrent for some developers, in part due to the costs associated with developing the project proposals.

The group argued for a new paradigm. They are aware of the environmental benefits of increased density and argued strongly for policy to make compact development a priority. Most recognized the value of the Special Planning Area regulation in containing sprawl. They, also, saw the need for subsidies to create affordable housing and were supportive of increased public housing and specialized units. They were, on the other hand, critical of rent control, which participants argued diminishes the incentive to build rental units and makes it difficult to provide and maintain quality units.

4.3.3 COMMUNITY REPRESENTATIVES

Interested community members who participated in our general focus group emphasized the need for family units to provide two to three or more bedrooms. They discussed the distribution of development and transportation issues in considerable depth. While less expensive housing can be obtained on the outskirts of the Capital Region, as well as in surrounding rural communities, low-cost transportation is an essential complement that is rarely available. Most households struggling to afford suitable accommodation also have difficulty owning and maintaining an automobile, but transit is rarely available outside the urban core of the region. Likewise, the group highlighted the challenges associated with entering the homeownership segment.

They recognized, however, strong resistance to high-density development in the urban core. Residents in established areas particularly oppose apartment projects but are also concerned with semi-detached and rowhouse developments.

In addition to transportation priorities, community participants also noted the environmental benefits of density. Both Cornwall and Stratford seek to preserve existing farmland within their limits and most community members feel that it is important to continue to maintain a balance between urban areas and open spaces in the region. Density facilitates the location of growing population on a smaller footprint and respects bordering agricultural lands. The gradual release of agricultural lands, furthermore, reduces the cost of extending services relative to simply opening all areas for development and potentially extending roads and water and wastewater networks to multiple areas.

4.4 OVERVIEW

The perspectives of the key groups we consulted differed on some important issues but aligned closely on several others. A key area of disagreement was rent control, which affordable housing advocates and many community members consulted value, but developers and builders decry. Community members value rent controls as a protection for the most vulnerable members of the population and criticized its abuse by landlords who some accuse of distorting past rents, abusing tenants, and renovicting occupants to circumvent controls. Housing developers and builders, on the other hand, feel that controls curtail profitability and, thereby, limit supply, ultimately resulting in both higher rents and less access to housing. Provincial staff interviewed and others noted that rental market issues are tied closely to supply constraints as the tight market has given landlords the upper hand in dealing with tenants, who can be readily replaced.

All three interest groups as well as every interview contact consulted agreed on the importance of increasing the density of development. Developers and builders contend that consumers want smaller units in more compact communities because they are more affordable and better suited to the needs and lifestyles of major sub-groups such as young adults, the elderly, and immigrants. They are also more profitable for developers and, therefore, important to the viability of the housing industry in which attractive returns are balanced by financial risk.

Affordable housing providers and community members supported density increases as well. They agreed with housing providers that density is critical to affordability not just of the dwelling unit itself but also related costs, particularly transportation expenditures. Many participants, in fact, called for expanded and improved transit to support affordable housing choices.

Most contacts are aware of the environmental and economic benefits of density and cited what are essentially "Smart City" arguments to support their views. Stantec has tackled the issue previously in a 2013 study for Halifax Regional Municipality (HRM) titled, *Quantifying the Costs and Benefits off Alternative Growth Scenarios*, which examined the likely impacts of alternative distributions of new housing in the municipality. The study, which is referenced on the first page of HRM's current Regional Municipal Planning Strategy (RMPS), calculated substantial financial and economic savings, health improvements, and moderate environmental benefits, based on examination of the full range of public and private services influenced by density.[38] Policy and regulatory changes that followed from the study and its influence on the RMPS have facilitated considerable change in HRM in the context of a housing surge similar to the Charlottetown's current circumstances but with a much more pronounced shift to multiple-unit construction, particularly high-rise apartments.

Notwithstanding continued reliance on low-rise construction, the Capital Region and adjacent areas have not been subject to extreme sprawl. While most areas of the region have been growing, development during the past decade has been increasingly concentrated in the core urban municipalities. Our estimates of population change over the past five years suggest that the largest gains were in the City of Charlottetown, while the farthest outlying areas of Queens County have experienced the slowest growth.

The limits imposed by the Special Planning Area regulation appear to have been reasonably effective. They have been reinforced, in any case, by the market preferences cited by most of the contacts consulted for this study. For the increasing proportion in the population seeking attached housing and apartment units, the City of Charlottetown, and the Towns of Cornwall and Stratford, have been the only option. Development regulations and available infrastructure in outlying areas generally limit construction to two units or less.

[38] Stantec Consulting Limited, *Quantifying the Costs and Benefits of Alternative Growth Scenarios: Final Report*, April 2013, p. 8.1.

The resulting challenge has been to obtain suitable land in the urban core of the region. The majority of contacts stated that serviced land zoned for higher density development is difficult to find. Most also complained that it is very difficult to obtain rezonings or other necessary planning changes to allow higher density projects. Outdated policy and resistance from long-standing residents more comfortable with single-detached development were cited repeatedly as critical barriers.

Most contacts believe that rental market stresses result from the inadequate supply of rental units. Private sector providers argue that rent controls exacerbate this situation by suppressing returns on rental accommodation relative the sale of units for homeownership. Affordable housing professionals and some community members have, however, responded that the private market does not meet the needs of low-income tenants, who cannot afford the rents normally expected from new units. They also continue to be concerned with the perceived tendencies of landlords to bully and manipulate tenants.

In general, all contacts favoured the provision of more specialized housing for the elderly, those with physical and mental disabilities, and individuals facing mental health challenges. Somewhat surprisingly, housing providers joined affordable housing advocates and community members in supporting increased production of public housing. Developers and builders agreed that affordable housing cannot be provided without subsidies from government to bring costs in line with the ability of less fortunate residents to pay.

5.0 POPULATION AND HOUSING TRENDS

The primary determinant of housing need, as noted, is demographic change. As the population of the Capital Region increases, residents require more housing units. As the population grows, also, changing age and other demographic features may influence household formation and create demand for additional housing in different forms. As families form, they need homes. As they have children, they may need to enlarge their accommodation. Further aging and other factors may also lead to division of households. As children get jobs and seek to live independently or start their own families, or when divorce causes a couple to divide assets and move apart residents of one dwelling unit may come to require two or three homes. Moves required to accommodate evolving household needs, furthermore, may lead to redistribution of households within the region, as when growing families move to suburbs to increase their living space or when older residents move to the urban core to improve their access to amenities and supporting facilities such as health care. Fundamentally though, these shifts are motivated by demographic influences and charting those influences is critical to calculating housing needs.

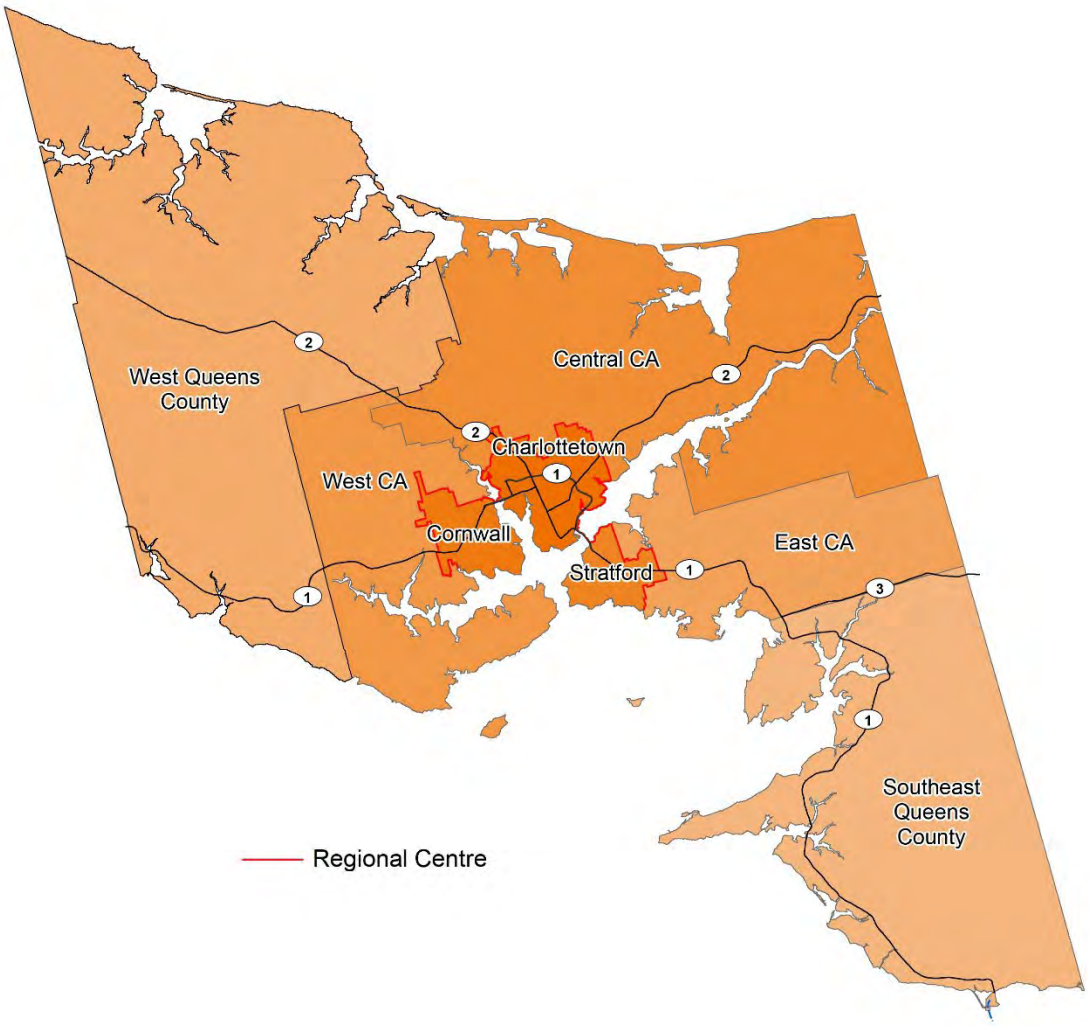
5.1 GEOGRAPHIC FRAMEWORK

While the focus of this study is the Capital Region composed of the City of Charlottetown, and the Towns of Cornwall and Stratford, their growth and change, and the related housing issues they face are influenced by their regional setting. The three urban municipalities are the core of a larger region within which most residents interact regularly with the urban core. By Statistics Canada's definition, the region associated with the core is described by the Charlottetown Census Agglomeration (CA), which we have referred to as a single entity above. Because our projection model is created within the framework of Canadian census divisions, it is natural to look at Queens County, the census division within which the CA is located. The CA accounted for 87.8% of the County's population in 2016 (78,858 of 89,770 people). Remaining residents are on the county's western and southeastern edges, which despite their rural character show high levels of interaction with the Capital Region municipalities.

In total, Queens County has 38 census subdivisions of which 19 comprise the CA. For analysis, we broke the CA outside the three Capital Region municipalities into west, central, and east components, and the balance of Queens County outside the CA into west and southeast areas (**Figure 5-1**). West to east, they are each composed of the following census subdivisions:

- *West Queens County* – Crapaud; Victoria; Lots 20, 21, 22, 23, 24, 29, 30, and 67; Breadalbane; Hunter River; the Resort Municipality; North Rustico
- *West CA* – Clyde River; Meadowbank; Lots 31 and 65; Rocky Point Reserve; Warren Grove
- *Central CA* – Miltonvale Park; Brackley; Lot 33; Union Road; Winsloe South; Lots 34, 35, and 36, Scotchfort Reserve; Lot 37; Mount Stewart
- *East CA* – Lots 48 and 49
- *Southeast Queens County* – Lots 50, 57, 58, 60, and 62.

Figure 5-1 Regional Subdivisions, Queens County, 2016



Source Census of Canada and Statistics Canada Estimates

The five areas have been created to provide a framework for discussing the distribution of housing development in Queens County relative to the Capital Region consisting of the three central urban municipalities. The areas are not recognized Statistics Canada geographies. Numbers for each area presented following were calculated by summing Statistics Canada data for the identified census subdivisions. We would also note that the former rural municipalities of Meadowbank, New Haven-Riverdale, Bonshaw, West River, and Afton were located within Lots 30 and 65 but were not recognized as census subdivisions by Statistics Canada. The five communities consolidated since the 2016 Census to become the Rural Municipality of West River in 2020.

Commuter flows between the identified areas illustrate their relative integration. Overall, based on 2016 data, 94.1% of trips to work originating in Queens and destined for a job location in Queens ended in one of the three Capital Region municipalities (**Table 5-1**). Trips originating in those three communities, furthermore, were nearly all destined for work within their limits (97.2%). For outer areas of the CA, the proportion of work trips that ended in the Regional Centre was only moderately less, ranging from 87.0% in the Central CA to 91.7% in the Western CA. The farther removed areas of Queens outside the CA boundary had lower proportions travelling to the Capital Region but proportions of commuters travelling to the urban core were still substantial (78.6% in Western Queens and 75.3% in Southeast Queens) strongly indicating that the three central municipalities were and continue to be the primary location of employment for residents throughout Queens County.

Table 5-1 Commuter Flows, Queens County, 2016

TO/FROM	West Queens	West CA	Charlotte-town	Stratford	Cornwall	Central CA	East CA	Southeast Queens	TOTAL	Regional Centre*	% in Regional Centre
West Queens	220	0	65	0	0	45	0	0	330	65	19.7%
West CA	0	140	40	0	25	0	0	0	205	65	31.7%
Charlottetown	990	1,350	12,565	3,300	1,800	2,850	850	320	24,025	17,665	73.5%
Stratford	0	55	330	540	45	80	170	0	1,220	915	75.0%
Cornwall	20	135	205	20	185	20	0	0	585	410	70.1%
Central CA	55	0	320	25	0	395	0	0	795	345	43.4%
East CA	0	0	20	30	0	0	60	0	110	50	45.5%
Southeast Queens	0	0	0	25	0	0	55	105	185	25	13.5%
TOTAL	**1,285**	**1,680**	**13,545**	**3,940**	**2,055**	**3,390**	**1,135**	**425**	**27,455**	**19,540**	**71.2%**
% from Capital Region	*78.6%*	*91.7%*	*96.7%*	*98.0%*	*98.8%*	*87.0%*	*89.9%*	*75.3%*	*94.1%*	*97.2%*	

* Charlottetown, Cornwall, and Stratford

Source Census of Canada 2016

5.2 PROJECTION METHODOLOGY

Many of the factors that dictate population change and housing need are reasonably predictable. Population change is a function of only three factors. The first two are rates of births and deaths in the population, which are tracked annually by province and territory in Canada. The trends in both are well-known and can be extrapolated from recent historical data. The third influence is net migration. The Census of Canada provides good data on local movement and in-migration for municipalities (i.e., census subdivisions), but information on out-migration at the local level is limited. We have, however, developed a model that, with sound projections of births and deaths, can estimate the difference between in-migration and out-migration reasonably accurately.

To create estimates of not only population numbers but also the age structure of the population, the model Stantec staff have developed incorporates all three foregoing factors. We apply the model frequently to assess population change in communities across Canada. It applies a standard approach called the cohort-survival method. The technique estimates population change by applying birth and death rates to the existing population. It calculates births by applying birth rates to the number of women of child-bearing age (i.e., 15 to 45 years of age) in five-year age groups within a locality. It determines deaths by multiplying the numbers of people in each five-year age group by the appropriate survival rate for that group.

Nowadays, birth rates tend to be highest for women in their late 20s and early 30s. Survival rates are lower for the very young (0 to 4 years), who are subject to childhood diseases and birth-related challenges, but increase significantly afterward, except for teen and early adult years when risky behaviors have an impact, particularly for males. Eventually, however, rates of survival gradually and steadily fall with advancing age. These factors combine to create natural increase in the population or the net difference between births and deaths. Natural increase is maximized where a high proportion of population members are in family forming/child-bearing age groups (i.e., 20 to 39 years). It may also be influenced by high local birth rates, which are most likely to occur in communities with strong economies (i.e., that provide assurance to couples that they will have reliable income to support a family). It is also beneficial to have high survival rates but their variation within most of Canada is generally insufficient to significantly influence absolute numbers in one location relative to others.

The much more influential determinant of local population change, in any case, is migration. The western provinces, for example, grew strongly until recently because economic opportunities there attracted in-migrants. The propensity to migrate, furthermore, is highest among young adults, which means that areas that attract proportionately more in-migrants also tend to augment their populations through higher rates of natural increase. Prince Edward Island and other provinces of Atlantic Canada have traditionally attracted modest in-migration. They have, at the same time, lost many residents through out-migration, particularly young adults who have left for education and employment opportunities elsewhere.

Migration is calculated in our model by estimating natural increase (i.e., births less deaths) in isolation in the subject population for past periods as if all residents were stationary (i.e., assuming no in or out-migration) and then comparing the result to the actual population recorded by the census. The residual or the difference between the population estimated based on natural increase and the actual population counted by the census is an estimate of net migration, which, as we have noted, is the only factor other than natural increase that influences population). With these estimates from past census periods, the model develops percentage rates of net migration for each five-year age-sex cohort that can be applied with future projections of births and deaths to calculate future population.

The model applies projected birth and death rates to current populations, along with the net migration rates calculated by the residual technique to generate estimates for future census years. The model can be adjusted to provide estimates based on any period comprising one or more five-year intervals from 2006 to 2021 (i.e., 2006-2011, 2006-2016, 2006-2021, 2011-2016, 2011-2021, and 2016-2021).

Local estimates such as we present below for Queens County and its component municipal jurisdictions and sub-areas are reconciled in the context of a model for the entire province. Our PEI projection, furthermore, is created within the context of a Canadian model within which provincial and territorial estimates are reconciled with an overall estimate for Canada. This ensures that the local estimates correspond to logical national and provincial frameworks. Populations of sub-areas within a region or municipality are similarly reconciled to the total regional or municipal population (e.g., the CA or county).

Age-sex cohort estimates can be applied to create a variety of related estimates. We regularly apply age-specific headship rates, calculated from census data to future cohort estimates to create future profiles of housing by structural type. Current readily available breakdowns of primary household maintainers are by ten-year age groups.

The number of primary household maintainers in an age group can be divided by the total population in that group to estimate the number of households likely to be formed by residents in the cohort. For example, in 2016, 50.4% of Queens residents between 25 and 34 years of age were primary maintainers and 17.7% lived in single-detached homes (see **Table 5-7**, below). If a future projection estimates the number in the 25 to 34-year age group in the Capital Region at 10,000 we would suppose 5,040 would maintain households and 1,770 of those homes would be single-detached dwelling units. Similar percentage headship rates can be calculated for seven other structural types of housing recognized by Statistics Canada and employed to project the number of households likely to occupy each type. We have also adjusted future headship rates as explained in **Section 6.1.2** dealing with dwelling unit estimates below.

5.3 CENSUS COUNTS AND ESTIMATES

The primary data used by our model is population counts by five-year age-sex cohorts from the 2006, 2011, and 2016, and 2021 censuses. Censuses are taken at five-year intervals in Canada in the mid-year of years ending with 1 and 6 (e.g., 2016 and 2021). Census populations are not completely accurate. Despite laws requiring response to the census, some people do not comply, and others are simply unaware of their responsibility. Mistakes are also occasionally made in the census data collection process that result in individuals being unintentionally excluded or counted more than once.

Estimates based on studies by Statistics Canada set net coverage (i.e., undercount less errors that result in double counting or otherwise adding to Census counts) at 2.36% for the 2016 Census. An estimate of undercoverage is not yet available for the 2021 Census. Undercoverage is commonly associated with more mobile groups in the population as well as with minorities. Young adults tend to be undercounted because they move more frequently for school and jobs. This tendency is also stronger for men than women, although the gap between the sexes is converging. Recent immigrants to Canada and aboriginal groups also tend to be undercounted because of communications issues and relative isolation.

Census taking in PEI is relatively accurate. The province had the fourth lowest undercoverage rate among 13 provinces and territories in 2016 and the third lowest level of overcoverage (**Table 5-2**). Overall, the Island's net undercoverage rate or coverage error of 2.36% ranked ninth. The low rate is attributable to the province's small territory and relatively stable population.

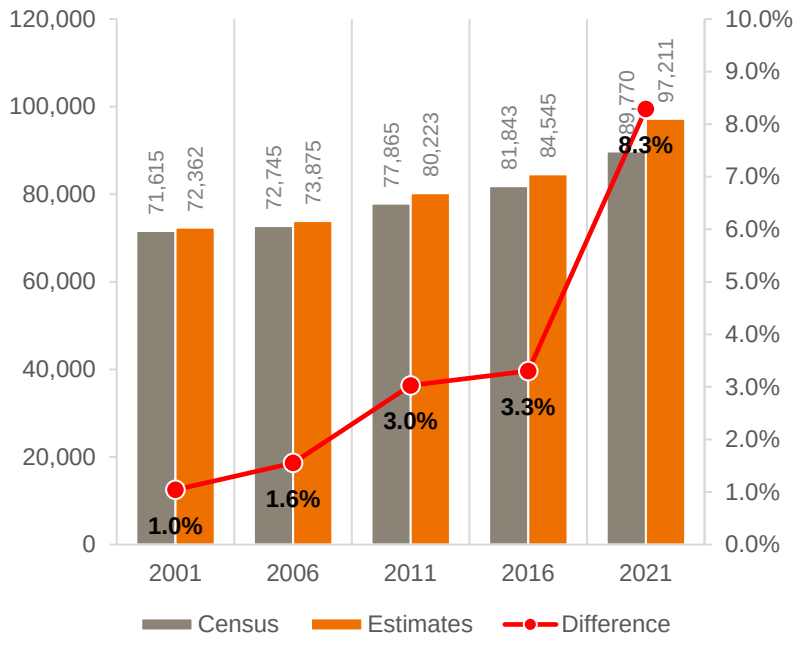
Table 5-2 Census of Canada Coverage, Canada and Provinces, 2016

Province/ Territory	Under-count		Over-count		Net Undercoverage
	Estimated Number	Estimated Rate	Estimated Number	Estimated Rate	
Newfoundland	20,848	3.94%	11,074	2.09%	1.85%
PEI	**5,875**	**4.01%**	**2,412**	**1.65%**	**2.36%**
Nova Scotia	34,872	3.70%	17,063	1.81%	1.89%
New Brunswick	32,382	4.24%	16,647	2.18%	2.06%
Quebec	211,077	2.57%	175,886	2.15%	0.42%
Ontario	640,831	4.63%	259,289	1.87%	2.76%
Manitoba	51,742	3.95%	19,847	1.51%	2.44%
Saskatchewan	56,494	4.99%	21,651	1.91%	3.08%
Alberta	188,706	4.51%	72,739	1.74%	2.77%
British Columbia	305,948	6.31%	108,681	2.24%	4.07%
Yukon	3,219	8.42%	849	2.22%	6.20%
NWT	3,500	7.83%	561	1.25%	6.58%
Nunavut	1,565	4.25%	636	1.73%	2.52%
Canada	**1,557,061**	**4.32%**	**707,335**	**1.96%**	**2.36%**

Source Statistics Canada

The situation has however been changing in Queens County. **Figure 5-2** summarizes population estimates with census counts for the last five national censuses taken in Queens. As the figure illustrates, estimates have been consistently higher than census numbers, as we would expect. The discrepancy has however increased from 1.1% in 2001 to 8.3% in 2016. The widening gap seems likely to be attributable to increased growth in the county over the period, given that new residents are harder to locate and count.

Figure 5-2 Population Estimates and Census Counts, Queens County, 2001-2021



Source Census of Canada and Statistics Canada Estimates

Recognizing that estimates correct for sometimes significant errors in census counts, we base our modelling on estimates. As Statistics Canada estimates do not breakdown population by age and sex for census subdivisions (i.e., municipalities), our model adjusts census age-sex breakdowns for municipalities and unorganized areas to Statistics Canada's total population estimates for those areas and then to the age-sex breakdown estimated for Queens County. We first adjust the age groups in each census subdivision by the percentage difference between the estimated number in each age cohort and the census count. That means, if, for example, the Statistics Canada estimate for males 20 to 24 years of age in Queens County is 14.2% more than the census count, as it was in 2016, we multiple the numbers for males in the 20 to 24 group by 114.2% for each municipality or area. The benefit is to allocate the adjustment to that age-sex cohort to locations within the county based on their representation in census counts as some areas are clearly more likely to attract certain age groups. Once we have made this age-sex adjustment, the model prorates the remaining difference between the estimate and census counts across municipalities and unorganized areas of Queens to bring those sub-area numbers in line with the county estimate.

The numbers displayed in following **Chapter 6.0**, therefore, are higher than the census counts with which many people are familiar. The rate of growth reflected in estimates is also higher. The benefit of using estimates is clearly important. Statistics Canada's 2021 estimate for Queens County currently indicates there were 10,912 more people in the county than the 2021 Census counted a number that is very close to the current population of the Town of Stratford.

Ignoring the presence of such a substantial number would result in a serious underestimate of housing needs. In some cases, below, we must use census numbers, most notably for past dwelling unit counts. We distinguish census numbers from estimates and estimate-based numbers where relevant. For projection purposes, we divide census-based dwelling unit numbers into census population counts to get appropriate ratios between population and housing that we apply to our population estimates to calculate future housing demand. In other words, our housing projections are coordinated with the use of population estimates as opposed to census counts.

5.4 COMPONENTS OF DEMOGRAPHIC CHANGE

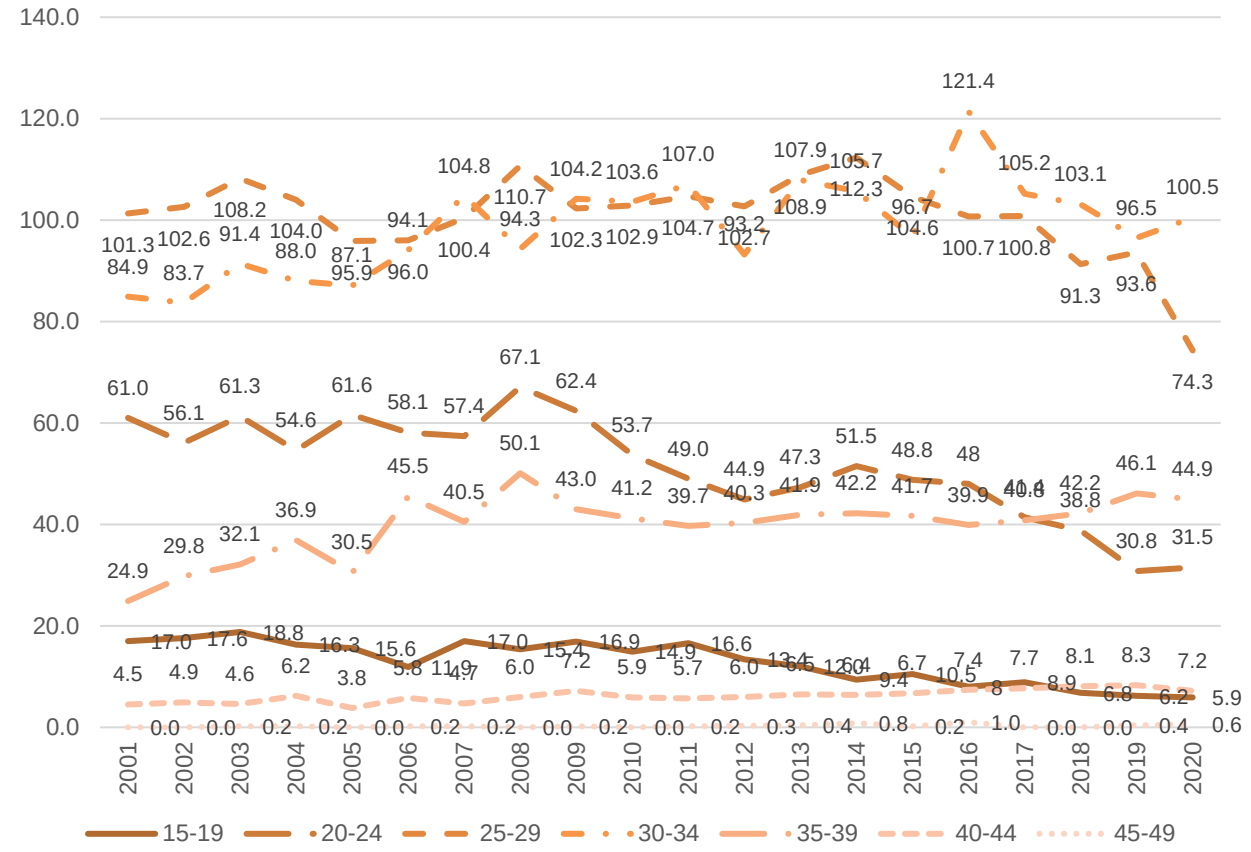
Given that local demographic changes are a function of births, deaths, and net migration (i.e., in-migration – out-migration), it is valuable to understand the trends behind each factor and their relative contribution to population change and composition. The age-specific birth and death rates we use in our model are recorded at the provincial level. Their fit with Queens County can be expected to be very good given that Queens currently accounts for 61.1% of the Island's population.

5.4.1 Fertility

Fertility is generally measured in terms of the number of live births to women in child-bearing age groups. The age span within which women normally have children is 15 to 49 years. As noted, while the overall rate of births in the population has largely been stable since 2001, significant shifts have taken place between age groups. The broad trend has been from younger age groups in which birth rates are declining to older groups in which rates are rising. The most striking changes have been for the 15 to 19

and 20 to 24 groups for which births have declined significantly and the 35 to 39 group, for which births have risen dramatically (**Figure 5-3**).

Figure 5-3 Births per 1,000 Women by Five-year Age Cohort, PEI, 2001-2019



Source Statistics Canada Table 13-10-0418-01

Key trends, in order of the five-year age groups, are as follows:

- 15-19 – Declined from a rates over 17 at the beginning of the century to 5.9 or barely a third of that level in 2019
- 20-24 – Declined to 31.5 or barely more than half of its 2001 rate (61.0)
- 25-29 – Fell from 101.3 to 93.6 in 2019 and then dropped abruptly to 74.3 in 2020
- 30-34 – Increased from 84.9 to 100.5, although it has reached as high as 120.3 (2016)
- 35-39 – Increased from 24.9 to 44.9
- 40-44 – Increased from 4.5 to 7.2
- 45-49 – Fluctuated below 1.0.

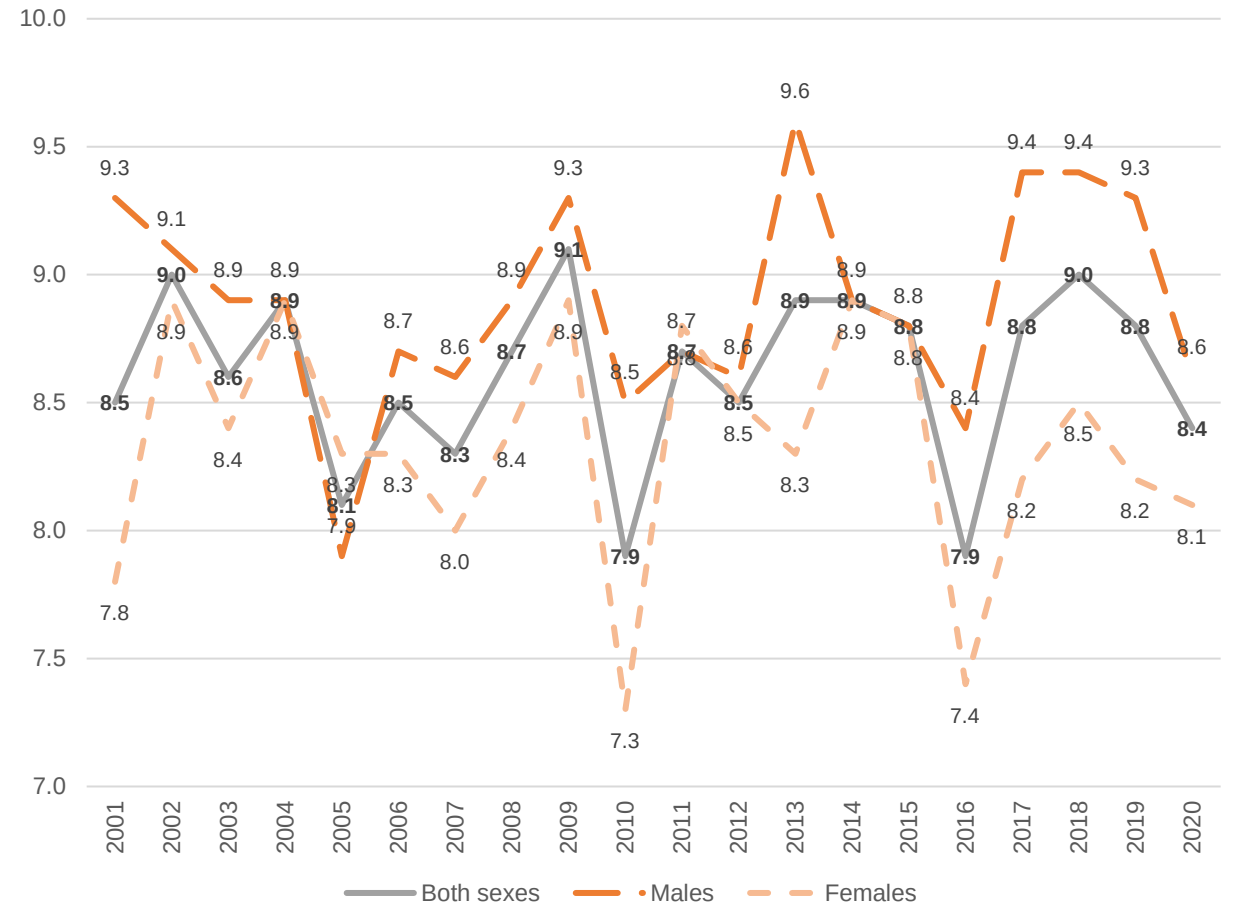
The postponement of childbearing across the population has affected total births. Overall, the crude birth rate or the number of live births per 1,000 population declined from levels frequently exceeding 10 prior to 2010 to 8.1 in 2020. The downward trend contributes to the continuing decline in household size.

5.4.2 Mortality

Mortality follows the pattern discussed above with higher rates in the first few years of life, lower rates thereafter, until they gradually escalate with advancing age. In addition, men have higher mortality than women throughout life. On average, consequently, women live longer than men and elderly women typically outnumber elderly men.

Since 2001, male mortality in PEI has fluctuated from 8.0 to 9.5, while female mortality has stayed between 7.2 and 8.9. Mortality for the two sexes together has been as low as 7.7 and as high as 9.0 but no trend upward or downward is apparent in the aggregate numbers or for any five-year cohort (**Figure 5-4**).

Figure 5-4 Mortality Rates, Males, Females, and Both Sexes, PEI, 2001-2019

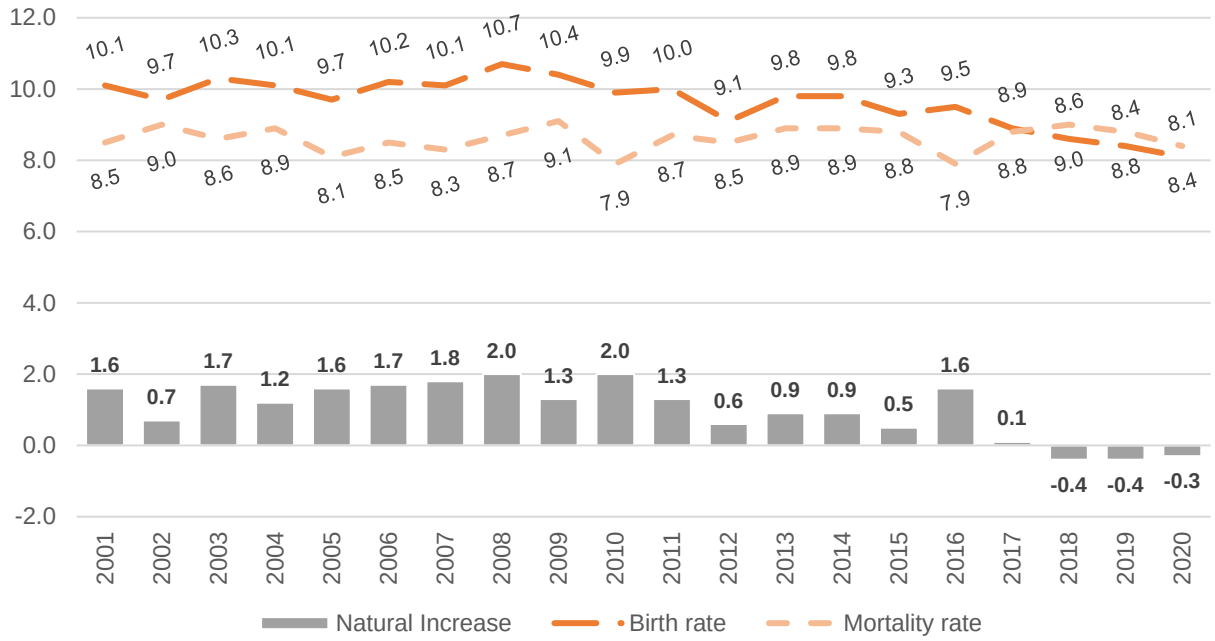


Source Statistics Canada Table 13-10-0710-01

5.4.3 Natural Increase

Natural increase or the difference between deaths and births in PEI's population was positive from 2001 through 2017; however, the death rate has exceeded the birth rate in since 2018 (**Figure 5-5**), although the excess of deaths over births has declined slightly each year since 2018. With negative natural increase, in-migration is essential to maintain the region's population.

Figure 5-5 Natural Increase, PEI, 2001-2019



Source Statistics Canada Tables 13-10-0418-01 and 13-10-0710-01

5.4.4 Migration

Migration is more volatile than births and deaths, and the relevant data is more complex. For one thing, there are three key types of migration: international, inter-provincial, and intra-provincial. As we have previously noted, data on local in-migration is readily available from the census but numbers for out-migration are not. Migration also takes several forms and has a variety of motivations. The leading reasons for moving are summarized in **Table 5-3** from the 2018 Canadian Housing Survey conducted by Statistics Canada.

According to data from the Canadian Association of Movers, typical Canadians move "five to six times" over a lifetime."[39] Islanders, as the table indicates, move at about the same rate as other Canadians (34.0% moved in the past five years versus 35.0% of all Canadians). They are less likely to move within their current community than other Canadians but that may well be attributable to the relatively small land areas of PEI municipalities (i.e., small moves are more likely to cross municipal boundaries). More significantly, a larger proportion arrived as international immigrants (6.6% versus 3.9% of all Canadian movers).

Changes in household location are generally the result of positive changes for the mover. The leading reasons for moving are to upgrade housing or the neighbourhood in which a household is currently located (27.3% and 19.8% of Canadian movers, respectively). The next two reasons are to become a homeowner or because of a change in household size (17.9% and 17.7% of Canadian movers, respectively). The most important motivation for moving that is arguably negative is to reduce housing costs (14.2%), which ranks as the fifth most important cause of moving for all Canadians. The top five reasons for moving were the same for PEI, although becoming a homeowner ranked only fifth in PEI and reduction in housing costs was fourth. The most clearly negative reason

Table 5-3 Indicators Related to Moving, PEI and Canada, 2018

	Canada		PEI	
Moving Origins	**Number**	**%**	**Number**	**%**
Moved in the past 5 years	5,238,000	35.0%*	21,100	34.0%
From the same city, town, village, township, municipality, or Indian reserve	3,194,200	61.0%[2]	10,600	50.2%
From a different city, town, village, township, municipality, or Indian reserve in Canada	1,838,100	35.1%	9,100	43.1%
From outside of Canada	205,000	3.9%	1,400	6.6%
Plans to move in less than 5 years	3,164,900	60.4%	9,600	45.5%
Moving Motives				
• Forced to move by a landlord, bank, other financial institution, or government	330,800	6.3%**	1,500	7.1%
• Due to a natural disaster or fire	30,300	0.6%	0	0.0%
• New job or job transfer	552,000	10.5%	2,700	12.8%
• New school	240,100	4.6%	700	3.3%
• To form own household	641,800	12.3%	2,000	9.5%
• To be closer to family	482,700	9.2%	2,800	13.3%
• Change in household or family size	926,200	17.7%	3,900	18.5%
• To reduce commuting time	424,700	8.1%	1,100	5.2%
• To upgrade to a larger or better-quality dwelling	1,427,800	27.3%	4,800	22.7%
• To reduce housing costs	741,400	14.2%	3,800	18.0%
• To be in a more desirable neighbourhood	1,036,700	19.8%	4,300	20.4%
• Personal health reasons	302,300	5.8%	2,000	9.5%
• To become a homeowner	939,500	17.9%	3,000	14.2%
• Other reasons	133,200	2.5%	500	2.4%

Notes:
* % of all households in the geography
** % of movers in the geography

Source Statistics Canada, Table 46-10-0044-01

3939 Canadian Association of Movers, "Canadian Moving and Storage Fact Sheet," undated, Canadian-Moving-Storage-Data.pdf (getmiboxsystem.com). The numbers suggest Canadians are much less prone to moving than Americans, who according to similar statistics move 11.7 times on average in the lives. See: Tyler Wood, "Moving Industry Statistics," November 4, 2020, https://www.movebuddha.com/blog/moving-industry-statistics/

to move, being evicted or forced to move, ranked tenth in both Canada and PEI, but occurred with enough frequency to be concerning in both cases (6.3% and 7.1%, respectively).

Table 5-4 summarizes movers in Queens County in each of the regional subdivisions illustrated in **Figure 5-1**, above. In terms of absolute numbers and in proportion to its population, the City of Charlottetown is the primary destination of all movers; however, movers include individuals who have relocated within their municipality of residence as well as migrants who come from outside the jurisdiction. Both Stratford and Cornwall draw more migrants (i.e., internal migrants plus external migrants) in proportion to their population than Charlottetown. Charlottetown, in fact, attracts the least intra-provincial migrants of any of the areas we have defined in Queens. On the other hand, it is clearly the preferred destination of external migrants coming to the region from countries other than Canada and just behind Stratford and Cornwall for migrants moving to Queens from other provinces and territories in Canada.

Table 5-4 Five-year Mobility Status, Queens County and Sub-areas to 2016

	West Queens	West CA	Charlotte-town	Stratford	Cornwall	Central CA	East CA	SE Queens	TOTAL
TOTAL	**8,565**	**5,200**	**33,180**	**9,055**	**5,040**	**9,200**	**2,955**	**2,720**	**75,915**
Non-movers	6,450	3,900	17,355	5,355	3,160	6,680	2,205	2,090	47,195
Movers	2,140	1,300	15,830	3,695	1,880	2,510	750	630	28,735
Non-migrants	585	365	8,570	1,510	715	785	225	205	12,960
Migrants	1,575	920	7,260	2,190	1,165	1,720	525	435	15,790
• Internal migrants*	1,460	875	4,635	1,660	1,055	1,675	470	400	12,230
– Intra-provincial*	975	565	2,340	840	700	1,140	325	275	7,160
– Interprovincial	495	320	2,295	820	355	545	140	115	5,085
• External migrants	105	45	2,625	530	105	60	55	30	3,555
% of Population									
Movers	25.0%	25.0%	47.7%	40.8%	37.3%	27.3%	25.4%	23.2%	37.9%
Migrants	18.4%	17.7%	21.9%	24.2%	23.1%	18.7%	17.8%	16.0%	20.8%
• Internal migrants[1]	17.0%	16.8%	14.0%	18.3%	20.9%	18.2%	15.9%	14.7%	16.1%
– Intra-provincial[1]	11.4%	10.9%	7.1%	9.3%	13.9%	12.4%	11.0%	10.1%	9.4%
– Interprovincial	5.8%	6.2%	6.9%	9.1%	7.0%	5.9%	4.7%	4.2%	6.7%
• External migrants	1.2%	0.9%	7.9%	5.9%	2.1%	0.7%	1.9%	1.1%	4.7%

* Internal migrants are movers changing location within their CSD (municipality) of residence. The numbers recorded are not reflective of migration within the sub-regional areas defined comprised of multiple CSDs (i.e., other than Charlottetown, Cornwall, and Stratford). Some movers relocating within a sub-regional area will be recorded as intra-provincial migrants.

Source Census of Canada 2016

International immigrants constitute 8.9% of Queens County's population. The proportion is largest in Charlottetown (12.4%) and tends to decline with distance from the urban centre (**Table 5-5**). By contrast, the percentage of immigrants in Canada's population is 21.9%. Although the Island has traditionally not been a favoured destination for immigrants, like most of Atlantic Canada, the pattern has been changing as immigration has risen significantly in the past five years. In the decade from 2001 to 2010, Queens County attracted over 1,500 immigrants, more than three times the number it drew in each of the two

preceding decades. In the five years since 2011, the county welcomed 3,010, or twice as many as the preceding decade in half the time (**Figure 5-6**).

Although international immigrants are the smallest group among the three categories of movers we have noted, the Census provides considerably more information on their characteristics. The age profile in **Table 5-5** illustrates the family-age bias in immigrant groups. On arrival, 11.2% of immigrants up to 2016 were under 5 years, while 21.2% were between 5 and 14 years in comparison to 5.0% and 11.1%, respectively, of all Queens County residents. While the discrepancy drops for the 15 to 24-year cohort (15.2% versus 12.7%), it rises markedly for the 25 to 44-year group (40.9% compared to 24.2%). Only a small proportion of immigrants arrive after 44 years of age (11.0% relative to 47.1% of the County population).

Table 5-5 Immigration, Queens County and Sub-areas to 2016

	West Queens	West CA	Charlotte-town	Stratford	Cornwall	Central CA	East CA	SE Queens	TOTAL
Total Population	9,000	5,480	34,765	9,630	5,320	9,550	3,140	2,890	79,775
Non-immigrants	8,455	5,185	29,665	8,565	4,955	9,135	2,985	2,635	71,580
Immigrants	500	300	4,295	925	320	385	130	255	7,110
% Immigrants	5.6%	5.5%	12.4%	9.6%	6.0%	4.0%	4.1%	8.8%	8.9%
• Before 1981	205	70	675	190	55	230	50	145	1,620
• 1981 to 1990	95	20	175	40	25	45	20	20	440
• 1991 to 2000	70	20	245	55	20	20	15	30	475
• 2001 to 2010	85	90	1,010	155	110	45	20	30	1,545
– 2001 to 2005	40	40	220	25	45	20	10	30	430
– 2006 to 2010	65	45	790	125	65	30	0	0	1,120
• 2011 to 2016	45	80	2,185	480	110	50	20	40	3,010
Non-permanent Residents	30	10	805	140	40	10	20	20	1,075
Age at Immigration									
Under 5 years	75	50	375	140	60	55	20	20	795
5 to 14 years	85	60	925	220	65	90	35	50	1,530
15 to 24 years	100	60	640	95	40	55	20	75	1,085
25 to 44 years	185	105	1,845	380	115	15 0	50	85	2,915
45 years and over	40	20	505	85	45	40	10	35	780

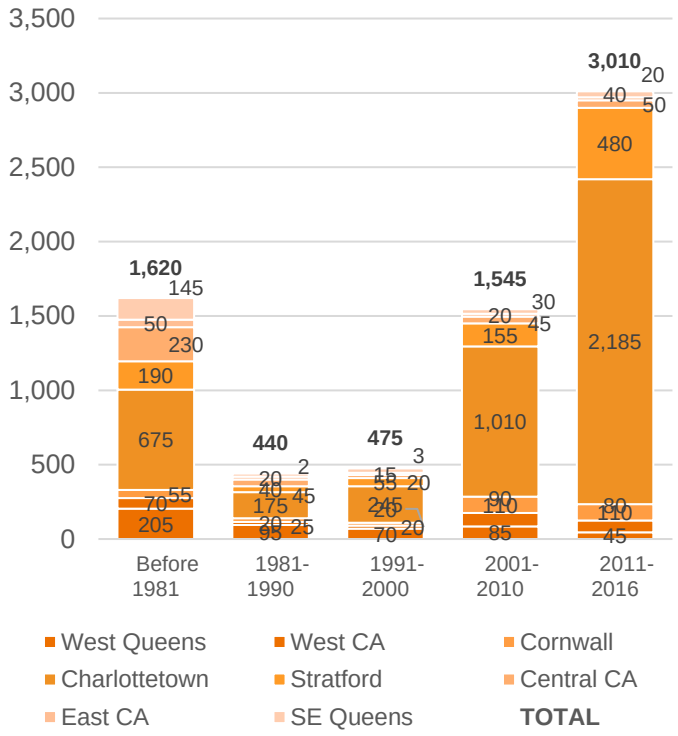
Source Census of Canada 2016

More than half of immigrants in the region are from Asia (50.4%), with China the most prominent origin. English-speaking countries remain a significant component, with the United States and United Kingdom the leading countries of origin in the Americas and Europe respectively, accounting for 24.2% of immigrants between them.

Regardless, although international and inter-provincial migration are important, local population movements involve much larger numbers. Non-migrant movers over the 2011 to 2016 period (i.e., those who moved within their current census subdivision or municipality of residence) constituted 17.1% of the population and intra-provincial migration accounted for 9.4% or 26.5% together, relative to 11.4% who moved from another province or country.

Intra-regional migration or moving is motivated by a variety of factors. The most prominent is life cycle changes. Classically, as we have briefly alluded to at the beginning of this chapter, households forming and growing families often move to suburban areas where they can usually obtain more accommodation space and land area at lower cost than in the urban core. As these individuals age, they often return to urban accommodation. In the past 20 to 40 years, we have found increasing numbers of seniors who have raised their families gravitate back to central urban areas.

Figure 5-6 Immigration by Period and Origin, Queens County, 1981-2016



Immigrant Origins

Birthplace	Immigrants	%
Americas	1,100	15.4%
• US	860	12.1%
Europe	2,120	29.8%
• UK	860	12.1%
Africa	305	4.3%
Asia	3,590	50.4%
• China	1,770	24.9%
TOTAL	**7,120**	

Source Statistics Canada Tables 13-10-0418-01 and 13-10-0710-01

Our awareness of these tendencies has been influenced by the broad trends that have shaped our population since the end of World War II. From the 1950s into the 1980s, housing development was dominated by a wave of suburbanization that accommodated families created through the Baby Boom. From the 1990s, growing numbers of empty nesters and seniors have revived inner city areas in a quest for walkable neighbourhoods and specialized housing types.

These overarching trends have many exceptions and qualifications, though. Many seniors, for example, want to stay in suburban homes and some even seek rural locations farther from the city. Many long-time rural residents, on the other hand, eventually move to an urban centre for more convenient access to services, particularly medical care, reinforcing the long-term shift of population from rural to urban areas that has characterized Canadian demography since Confederation. Today, as well, parents with families, who are typically older than their counterparts in previous generations, are attracted by the convenience, walkability, and amenities available in improving urban environments. Examination of local migration

tendencies, therefore, can reveal a great deal about the attraction and features of Queens County and its sub-areas, including the three Capital Region municipalities, from which we can infer motivations for decisions on housing location and choices of structural types.

5.5 POPULATION DISTRIBUTION

From 2001, population distribution has generally been stable. Based on Statistics Canada estimates over the period the share of Queens County population in the Capital Region has increased from 60.1% to 62.7%. Most of the shift of population came between 2006 and 2011 when the three core municipalities increased their share from 60.4% to 62.1%. In other Census periods, the Capital Region also increased its share but by relatively small increments (**Table 5-6**).

Table 5-6 Population Change, Queens and Capital Region, 2001-2021

	2001	2006		2011		2016		2021	
Geography	**No.**	**No.**	**Change**	**No.**	**Change**	**No.**	**Change**	**No.**	**Change**
Charlottetown	32,639	32,674	0.1%	35,625	9.0%	37,237	4.5%	42,793	14.9%
Stratford	6,393	7,205	12.7%	8,873	23.2%	10,029	13.0%	11,744	17.1%
Cornwall	4,456	4,772	7.1%	5,327	11.6%	5,518	3.6%	6,369	15.4%
Capital Region	**43,488**	**44,651**	**2.7%**	**49,825**	**11.6%**	**52,784**	**5.9%**	**60,906**	**15.4%**
Share of Queens	*60.1%*	*60.4%*		*62.1%*		*62.4%*		*62.7%*	
East CA	2,754	2,882	4.6%	3,079	6.8%	3,234	5.0%	3,695	14.3%
Central CA	8,754	8,824	0.8%	9,337	5.8%	9,791	4.9%	11,467	17.1%
West CA	4,828	5,110	5.8%	5,304	3.8%	5,689	7.3%	6,634	16.6%
Southeast Queens County	3,336	3,251	-2.5%	3,183	-2.1%	3,320	4.3%	3,856	16.1%
West Queens County	9,202	9,157	-0.5%	9,495	3.7%	9,727	2.4%	10,653	9.5%
Queens County	**2,754**	**2,882**	**4.6%**	**80,223**	**8.6%**	**84,545**	**5.4%**	**97,211**	**15.0%**

Source Statistics Canada Estimates 2001-2021

The Charlottetown Area Special Planning Area regulation appears to have contributed to the mitigation of sprawl, but we would speculate that the attraction of the urban environment has been more important. Movers from within PEI have been drawn from more rural areas by jobs, urban amenities, and services. The aging of residents within the region also contributed as older age groups tend to favour locations near the urban centre as just discussed. Recent migrants from other provinces have been drawn by relatively inexpensive real estate opportunities as much as by jobs in the urban core. International immigrants typically settle in urban areas because of the availability of supports and jobs as they establish themselves in a new environment. Many will stay but some can be expected to move to other areas in the region and the province, as well as to other locations in Canada.

A key feature of the changing settlement pattern has been the rapid growth of Stratford, which grew by 23.2% from 2006 to 2011, 13.0% from 2011 to 2016, and 17.1% from 2016 to 2021. Development in Stratford slowed because a large quantity of land was withheld from development by local owners and by limitations on sewage treatment facilities serving the community. Both issues have since been resolved and Stratford is now expected to return to a higher level of growth. At the same time, Charlottetown and Cornwall grew more moderately from 2001 to 2016 but essentially matched Stratford over the past five

years, with Charlottetown jumping from 4.5% growth to 14.9%, and Cornwall moving from 3.6% to 15.4%. A similar jumps were experienced in the rural areas outside the Capital Regions, which increased their five-year growth rates from less than 10% to the 15% to 20% range, except for the Western County, which still managed a healthy 9.5% increase.

The issues that dampened development in Stratford are not unique. Charlottetown expanded its wastewater treatment capacity to meet its needs while also providing additional capacity for Stratford. Separately, Cornwall has recently developed an additional wellfield to increase water availability for current residents and future development. The Town is also facing wastewater treatment constraints that it expects to resolve by dredging its existing treatment lagoons, but it may face similar issues to Stratford in accessing vacant lands within its boundaries because of a combination of ownership issues, agricultural land preservation policies, and challenges to extending service networks. Constraints on land development resulting from policy, technical limitations, ownership issues, resident resistance, and other concerns may limit the future direction of development. Outlying areas of Queens County can absorb development that the Capital Region cannot accommodate but on unserviced land at lower density impacting the traditional rural character and requiring significant investments in roads, utilities, schools, and community facilities.

5.6 HOUSING TRENDS

Our methodology for estimating future housing is tied to our approach to population projection. In addition to the size of the population, housing need is most strongly influenced by its age composition. The need for housing in specific forms and the ability to pay to meet housing needs evolve as people age. When individuals are young and single, they generally require less space and normally have limited financial capacity to afford more. As they grow older, start careers, and form families, they need and usually can afford more space. They often move from an apartment to an attached home (i.e., semi or rowhouse) or a single-detached home. As families grow many aspire to a single-detached home or to a larger single-detached home. When children leave the home, down-sizing becomes an option that may be influenced by physical and financial limitations or a desire to be free of housing responsibilities as aging takes place.

The headship rates we apply to our population estimates reflect these tendencies. The propensity of individuals to form households increases with age until they become elderly and their likelihood of heading a household declines to a degree. People in their twenties and thirties are more likely to be tenants in apartment buildings, although they tend to move to own detached homes throughout this period. As they age further, the likelihood of owning a detached home increases until post-retirement and tendencies to downsizing and simplification bring a shift back to apartments (**Table 5-7**).

5.6.1 National Comparison

While changing age structure in the population significantly shapes housing demands, other factors also play a part. The costs of housing options, which have changed radically in the Charlottetown region, are an influential factor as are tastes. While there is no reliable method to predict changes in either, there is a clear correlation between both and the progress of urban development. As communities grow and population increases, the need to locate close to key activity centres in the region normally grows.

Commutes to work become longer and more time consuming and residents tend to place increasing value on locations that provide easier access to the downtown and business centres where they work and shop. Land prices rise in central locations and denser forms of development, particularly apartment buildings become an attractive proposition for developers both to extract value from expensive land and to provide accommodation for large numbers who value access over space.

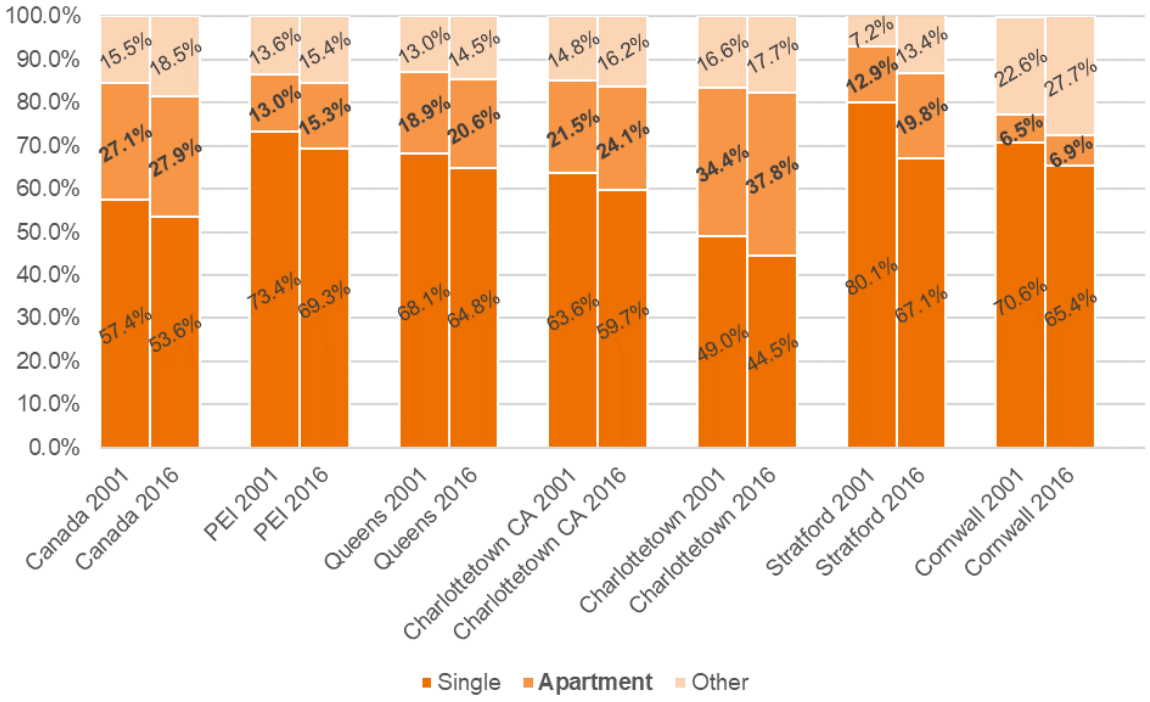
Table 5-7 Primary Household Maintainers by Age Group and Structural Type, Capital Region, 2016

Age Cohort	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
15-24	1,155	110	10	125	110	75	715	0	0
25-34	3,300	1,160	15	425	165	115	1,385	0	45
35-44	3,365	1,930	10	300	180	80	785	10	80
45-54	3,945	2,400	10	370	100	80	910	0	95
55-64	4,310	2,540	0	330	145	85	1,100	0	100
65-74	3,405	1,905	0	300	65	50	980	15	105
75-84	1,735	775	0	135	65	50	675	10	50
85+	710	245	0	20	10	20	390	10	10
TOTAL	**21,950**	**11,055**	**55**	**2,015**	**840**	**555**	**6,930**	**35**	**480**
Probability of Household Formation									
15-24	16.9%	1.6%	0.1%	1.8%	1.6%	1.1%	10.4%	0.0%	0.0%
25-34	50.4%	17.7%	0.2%	6.5%	2.5%	1.8%	21.2%	0.0%	0.7%
35-44	53.1%	30.4%	0.2%	4.7%	2.8%	1.3%	12.4%	0.2%	1.3%
45-54	56.0%	34.1%	0.1%	5.3%	1.4%	1.1%	12.9%	0.0%	1.3%
55-64	61.5%	36.3%	0.0%	4.7%	2.1%	1.2%	15.7%	0.0%	1.4%
65-74	62.9%	35.2%	0.0%	5.5%	1.2%	0.9%	18.1%	0.3%	1.9%
75-84	62.5%	27.9%	0.0%	4.9%	2.3%	1.8%	24.3%	0.4%	1.8%
85+	55.7%	19.2%	0.0%	1.6%	0.8%	1.6%	30.6%	0.8%	0.8%
TOTAL	**50.8%**	**25.6%**	**0.1%**	**4.7%**	**1.9%**	**1.3%**	**16.0%**	**0.1%**	**1.1%**

Source Census of Canada 2016

Urbanization is advancing in this manner in the Charlottetown area. While shifts among structural types tend to be modest and gradual, they are taking place in the Capital Region. Although the proportions of dwelling units in apartments in PEI, Queens County, and the Capital Region are considerably less than the national norm, there has been a definite shift from single-detached to apartment accommodation since 2001 (**Figure 5-7**). In Canada, the share of dwelling units in multi-unit apartments increased marginally from 27.1% to 27.9% between 2001 and 2016, but on the Island. it increased by 2.3 percentage points from 13.0% to 15.3%, with a slightly larger shift in the Charlottetown CA (2.6 percentage points). Increases in Stratford were even more pronounced (6.9 points) and were accompanied by moves to units categorized in the Other category (6.2 points), which includes semi-detached housing and rowhouses. While the shift to apartments in Cornwall was modest (0.4 points), it showed a similar increase to Stratford in the Other category (5.1 points).

Figure 5-7 Percentage Shares by Structural Type, Canada, Queens County, and Capital Region Sub-areas, 2001-2016

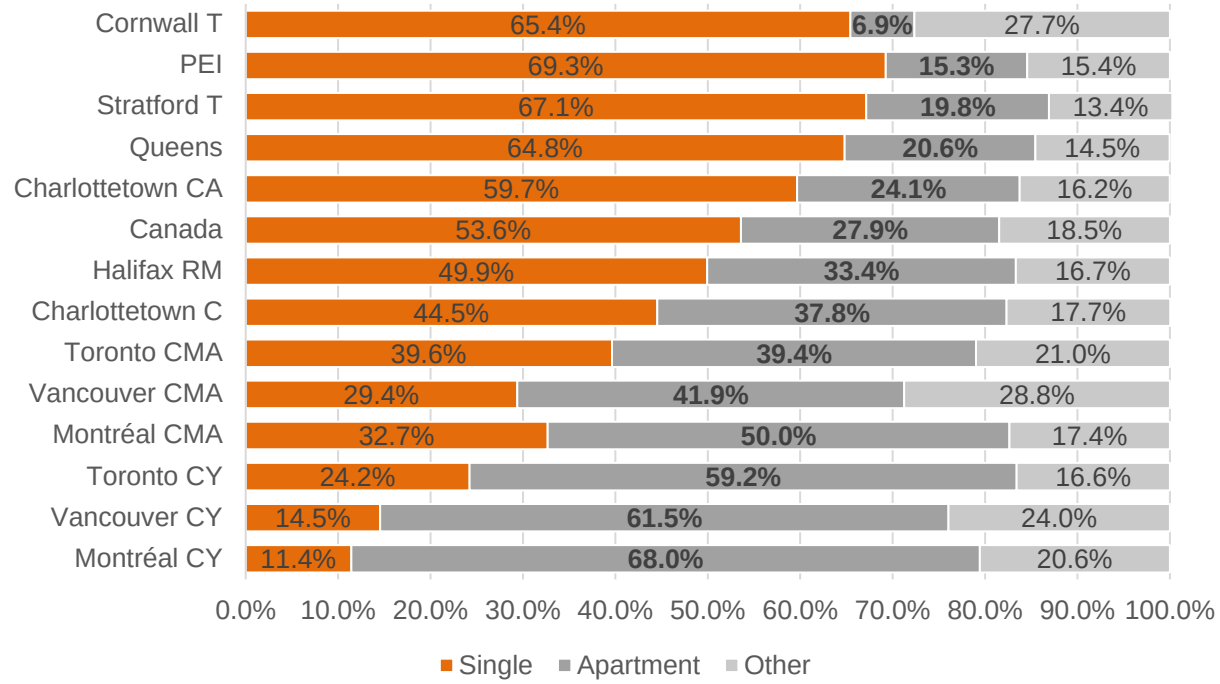


Source Census of Canada 2011 and 2016

The potential for the housing profile to shift further is considerable. **Figure 5-8** provides a simplified distribution of housing types in high profile Canadian cities and census metropolitan areas in relation to geographies in Queens County and the Capital Region discussed above. Across Queens County, just over 20% of dwelling units are in multiple-unit buildings. Within the Capital Region, roughly 31.3% of all dwelling units are apartments in low and high-rise multi-unit structures, although 37.0% of units in the City of Charlottetown are in multi-unit apartment buildings.

The proportions in multi-unit buildings are usually much higher in larger centres, particularly large central cities. Halifax Regional Municipality (HRM), which has a mixture of urban and rural communities like Queens County, albeit on a significantly larger scale, has 33.4% of dwelling units in apartments. The Montreal, Toronto, and Vancouver CMAs, which also contain mixtures of urban and suburban development but exclude more distinctly rural areas such as are included in Queens and HRM, respectively have 50.0%, 39.4%, and 41.9% of units in apartment buildings. Their respective central cities all have considerably higher proportions at 67.1%, 69.3%, and 65.4%. The numbers demonstrate a clear direct correlation between population and the emphasis on high-rise accommodation as well as between central cities in which population is concentrated relative to CAs and CMAs, which include more dispersed suburban areas, although Montreal, which is famous for walk-up apartment structures, is an exception to the rule.

Figure 5-8 Percentage Shares by Structural Type, Select Canadian Geographies, 2016



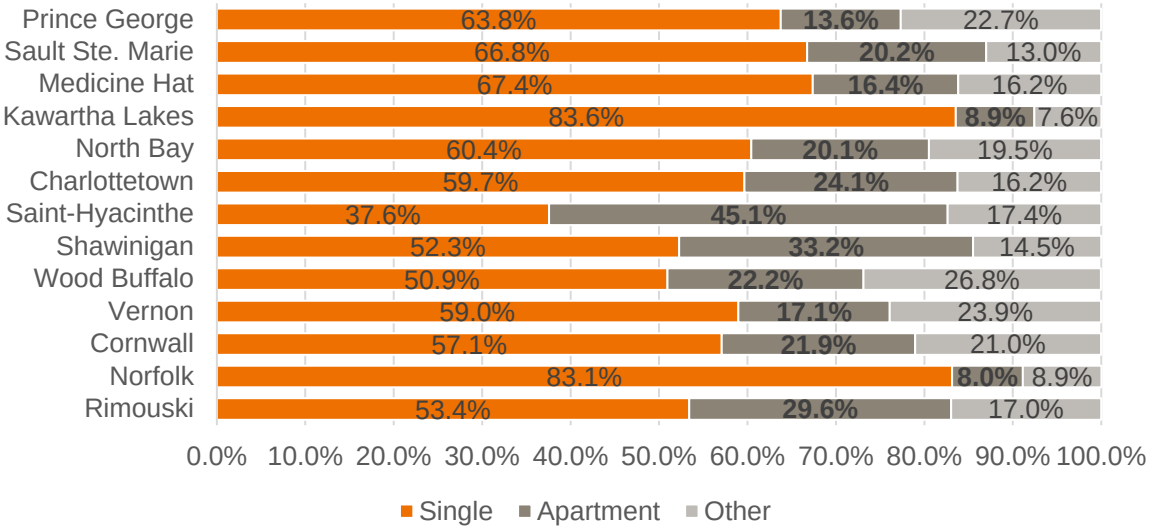
Select Geography	Dwelling Units	Single	Apartment 5+ storeys	Apartment 1-4 storeys	All Apartments	Rank
Canada	14,072,080	11.4%	9.9%	18.0%	27.9%	
PEI	59,470	14.5%	0.1%	15.2%	15.3%	12
Queens	33,975	24.2%	0.1%	20.5%	20.6%	10
Charlottetown CA	**28,950**	**32.7%**	**0.1%**	**24.0%**	**24.1%**	**9**
Charlottetown C	**16,100**	**29.4%**	**0.3%**	**37.5%**	**37.8%**	**7**
Stratford T	3,820	39.6%	0.3%	19.5%	19.8%	11
Cornwall T	2,025	44.5%	0.0%	6.9%	6.9%	13
Halifax RM	173,460	49.9%	12.1%	21.3%	33.4%	8
Montréal CY	870,370	67.1%	14.5%	53.5%	68.0%	1
Montréal CMA	1,727,310	53.6%	8.8%	41.2%	50.0%	4
Toronto CY	1,112,930	69.3%	44.3%	14.9%	59.2%	3
Toronto CMA	2,135,905	59.7%	29.4%	10.0%	39.4%	6
Vancouver CY	283,915	65.4%	29.3%	32.2%	61.5%	2
Vancouver CMA	960,895	64.8%	16.7%	25.2%	41.9%	5

Source Census of Canada 2016

To further assess the position of Charlottetown, it is interesting to compare the Charlottetown CA to other census agglomerations of similar size. **Figure 5-9** provides the same data as **Figure 5-8** for Charlottetown's CA and 12 other Canadian CAs with 25,000 to roughly 35,000 dwelling units. In this grouping of 13 communities, the Charlottetown CA had the fourth highest proportion of dwelling units in

apartment structures, following three centres in Quebec (i.e., Saint-Hyacinthe, Shawinigan, and Rimouski). Charlottetown, however, has a very low proportion of high-rise apartment units, ranking above only Shawingan in terms of the share of units in structures with five or more storeys. The large variation among these centres reflects local culture and tastes. Quebecers, for example, have a strong tradition of apartment living that is prominent in Montreal but is also reflected in medium-sized centres in the province. Shifts in preferences are also possible, however, and are apparent in Charlottetown as well as other locations in Atlantic Canada where single-detached homes have been the traditional standard. This may reflect a more positive view of urban living, a shift in accommodation preferences from quantity to quality, or economic motivations such as the desire to reduce housing and commuting costs.

Figure 5-9 Percentage Shares by Structural Type, Comparable Census Agglomerations, 2016



Census Agglomeration	Dwelling Units	Single	Apartment 5+ storeys	Apartment 1-4 storeys	All Apartments	Rank
Rimouski	25,455	53.4%	2.4%	27.3%	29.6%	3
Norfolk	26,005	83.1%	1.6%	6.4%	8.0%	13
Cornwall	26,085	57.1%	4.4%	17.5%	21.9%	6
Vernon	26,180	59.0%	1.2%	16.0%	17.1%	9
Wood Buffalo	26,225	50.9%	2.2%	20.0%	22.2%	5
Shawinigan	26,335	52.3%	0.0%	33.2%	33.2%	2
Saint-Hyacinthe	27,005	37.6%	0.5%	44.5%	45.1%	1
Charlottetown	**28,950**	**59.7%**	**0.1%**	**24.0%**	**24.1%**	**4**
North Bay	30,125	60.4%	6.3%	13.8%	20.1%	8
Kawartha Lakes	31,105	83.6%	2.2%	6.7%	8.9%	12
Medicine Hat	31,500	67.4%	0.7%	15.8%	16.4%	10
Sault Ste. Marie	34,530	66.8%	6.1%	14.2%	20.2%	7
Prince George	35,095	63.8%	1.2%	12.4%	13.6%	11
Rimouski	25,455	53.4%	2.4%	27.3%	29.6%	3

Source Census of Canada 2016

5.6.2 Changes in Structural Type and Tenure

As the preceding examples demonstrate, denser construction is to be expected as population increases. Land costs inevitably rise with growth, so that more intensive use of land is required to maintain both affordability and profitability. It is also important to mitigate other influences such as longer commute times, the cost of extending roadways and water and sewer networks, and the provision of adequate open space and community facilities.

From 2001 through 2016, as population in Queens County and the Capital Region grew, the proportion of households accommodated in different structural types shifted away from single-detached units. Over the 15-year period, the share of dwelling units in detached homes declined by 4.4 percentage points. Households shifted to semis, rowhouses, and duplex units, which gained 2.7 percentage points, and low-rise apartments, which increased by 2.5 points. Movable dwellings and other attached units also lost minor shares totaling 0.8 points (**Table 5-8**). There is considerable scope for further changes in housing stock given the patterns in larger urban centres and in select communities of similar size to Charlottetown in which apartments have traditionally had a large role in housing.

The overall shift from detached units (i.e., single-detached homes and movable dwellings) was accompanied by a similar shift from ownership, which is the dominant form of tenure for detached housing to rental, which is usual for apartments. In 2001, owned dwelling units constituted 57.4% of the housing stock in the Capital Region but, by 2016, dropped to 54.6% or by 2.8 percentage points (4.9%). As the proportion of owned housing rose to 59.2% in 2006, the more recent trend was a ten-year decline of 4.6 percentage points (7.8%).

Table 5-8 Housing by Structural Type, Capital Region, 2001-2016

Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2001	17,135	9,420	30	1,410	405	420	4,960	60	430
% of Total	*100.0%*	*55.0%*	*0.2%*	*8.2%*	*2.4%*	*2.5%*	*28.9%*	*0.4%*	*2.5%*
2006	18,045	9,835	40	1,625	450	545	5,020	65	455
% of Total	*100.0%*	*54.5%*	*0.2%*	*9.0%*	*2.5%*	*3.0%*	*27.8%*	*0.4%*	*2.5%*
2011	20,165	10,860	55	1,825	690	545	5,715	40	420
% of Total	*100.0%*	*53.9%*	*0.3%*	*9.1%*	*3.4%*	*2.7%*	*28.3%*	*0.2%*	*2.1%*
2016	21,945	11,095	40	2,045	810	600	6,905	35	430
% of Total	*100.0%*	*50.6%*	*0.2%*	*9.3%*	*3.7%*	*2.7%*	*31.5%*	*0.2%*	*2.0%*
Percentage Point Change in Shares 2001-2016		*-4.4*	*0.0*	*1.1*	*1.3*	*0.3*	*2.5*	*-0.2*	*-0.6*

Source Stantec Consulting Limited

5.6.3 Recent Change in the Capital Region

Critical changes have taken place since 2016. While preceding data from the Census of Canada, establishes that housing patterns in Queens County and the Capital Region have been changing for some time, the most dramatic changes have been experienced in the past five years as population increase has accelerated and house prices have escalated. While access to 2021 Census data to be released in September 2022 will be critical to understanding fully the impact of the last few years, development permits issued by the local municipalities, which are summarized in **Figure 5-10**, offer important insights to recent developments.

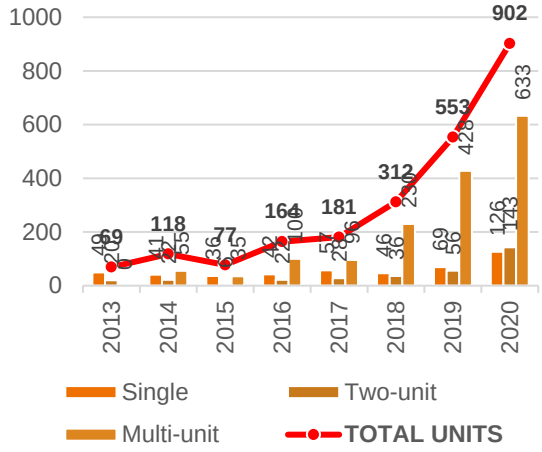
Unfortunately, the data is not perfect as the municipalities record building types somewhat differently and cannot necessarily provide data for the same timeframe. Dwelling unit numbers presented in **Figure 5-10** cover 2011 to 2020 for Cornwall and Stratford but only 2013 to 2020 for the City of Charlottetown. In addition, Charlottetown could only provide a summary of permit data to June 2020. Stantec compiled the number of dwelling units approved over the balance of the year from weekly building permit reports posted on the City's website, which required some interpretation of the text descriptions in the reports. In general, Stantec compiled the numbers shown from summaries provided in varied formats by each municipality, which required some interpretation of the records by Stantec staff.

The numbers, nevertheless, clearly reflect an abrupt rise in residential construction in recent years (**Figure 5-11**). In 2015, permits for all dwelling unit types started a striking increase, jumping from 183 units in 2015 to 315 in 2016 and increasing in each following year. While construction has increased in all three dwelling unit categories shown, the most marked rise has clearly been in apartment construction. With substantial annual increases each year in between, apartment construction grew to nearly four times its 2015 level by 2019. With the reservation concerning Stantec's compilation of City of Charlottetown dwelling unit numbers for the last half of 2020, it appears the steep upward trend has continued into 2020. Regardless, in the four complete years from 2016 to 2019, the three core municipalities added 2,267 dwelling units according to their permit records, of which 64.8% were in apartment structures. Based on our count of additional units approved by the City of Charlottetown in the last half of 2020, we calculate, over a thousand more units of all types were added, further growing the annual increase in housing starts experienced since 2016.

Figure 5-10 Dwelling Units Approved by Structural Type, Charlottetown, Cornwall and Stratford, Development Permit Data, 2011-2020

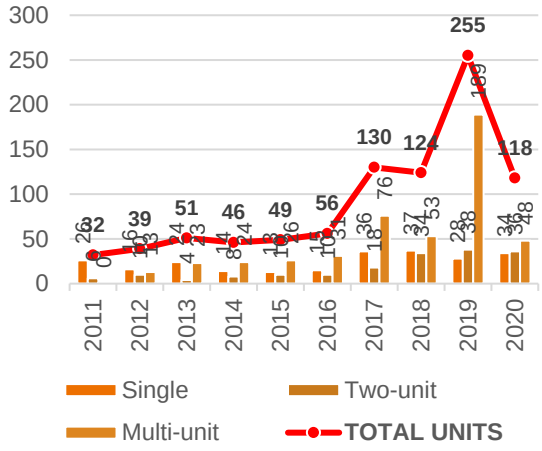
Charlottetown

Year	Single	Two-Unit	Multi-unit	TOTAL UNITS
2011	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A
2013	49	20		69
2014	41	22	55	118
2015	36	6	35	77
2016	42	22	100	164
2017	57	28	96	181
2018	46	36	230	312
2019	69	56	428	553
2020	126	143	633	902



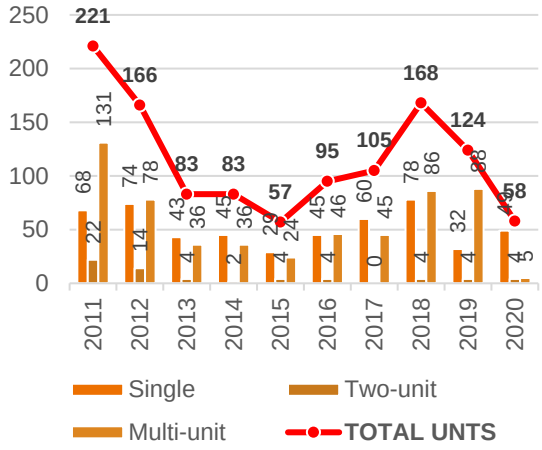
Cornwall

Year	Single	Two-Unit	Multi-unit	TOTAL UNITS
2011	26	6	0	32
2012	16	10	13	39
2013	24	4	23	51
2014	14	8	24	46
2015	13	10	26	49
2016	15	10	31	56
2017	36	18	76	130
2018	37	34	53	124
2019	28	38	189	255
2020	34	36	48	118



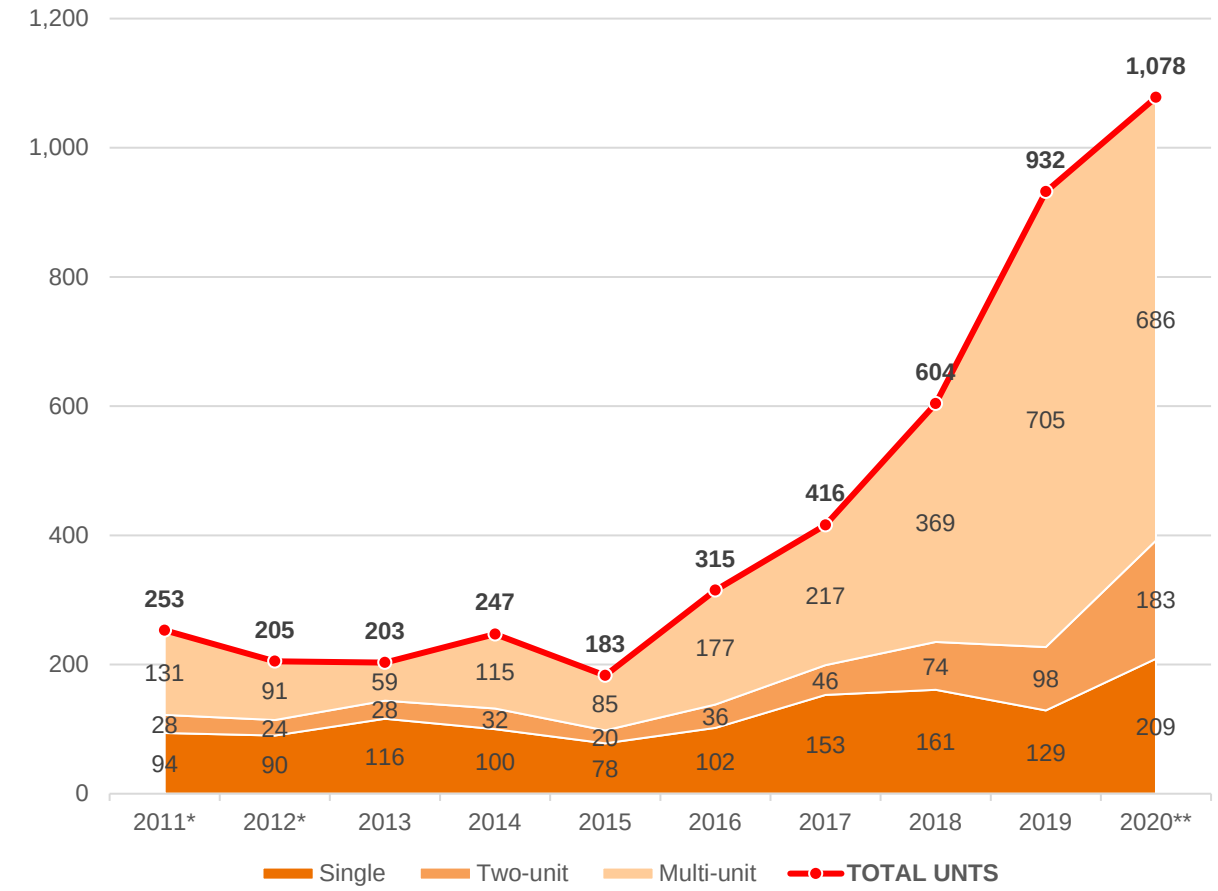
Stratford

Year	Single	Two-Unit	Multi-unit	TOTAL UNITS
2011	68	22	131	221
2012	74	14	78	166
2013	43	4	36	83
2014	45	2	36	83
2015	29	4	24	57
2016	45	4	46	95
2017	60	0	45	105
2018	78	4	86	168
2019	32	4	88	124
2020	49	4	5	58



Source City of Charlottetown, Town of Cornwall, and Town of Stratford some compilation by Stantec

Figure 5-11 Dwelling Units Approved by Structural Type, Capital Region, Development Permit Data, 2011-2020



* No data for City of Charlottetown
** Data for City of Charlottetown compiled by Stantec

Source City of Charlottetown, Town of Cornwall and Town of Stratford, some compilation by Stantec

6.0 FUTURE POPULATION AND HOUSING

Queens and its component areas have been increasing their populations steadily since 2001. In all four census periods, all three Capital Region municipalities gained population, often in excess of 10% over five years. More rural areas we have defined in the balance of the region have also generally increased their numbers. From 2016 to 2021 every part of region grew substantial, ranging from 9.5% in the rural Western CA to 17.1% in both the Town of Stratford and the Central CA (seen **Table 5-6,** above).

Based on comparison of 2001 and 2021 population estimates from Statistics Canada population in the county has grown by 34.3% over the past 20 years. Stratford had the largest increase at 83.7%. Charlottetown, despite a decrease in its share of residents, grew by 31.1% and Cornwall added 42.9%. In the balance of the region, the Eastern portion of the CA grew by 34.2%, the Central CA by 31.0%, and the West CA by 37.4%. The outer areas beyond the CA boundary experienced less growth but the Southeast area of Queens added 15.6% to its number of residents and the West gained 15.8%.

6.1 POPULATION AND DWELLING UNIT ESTIMATES

To further understand the influence of Stantec-developed population estimates based on the trends reflected in Statistics Canada population estimates for 2011, 2016, and 2021. All projections of natural increase incorporate long-term trends in births and deaths for PEI. Migration estimates are developed for each relevant area based on past census periods. Our initial projection is based on the five years from 2011 to 2016; our second reflects change in the extended period from 2011 to 2021; and the third and final period reflects the very strong growth experienced since 2016.

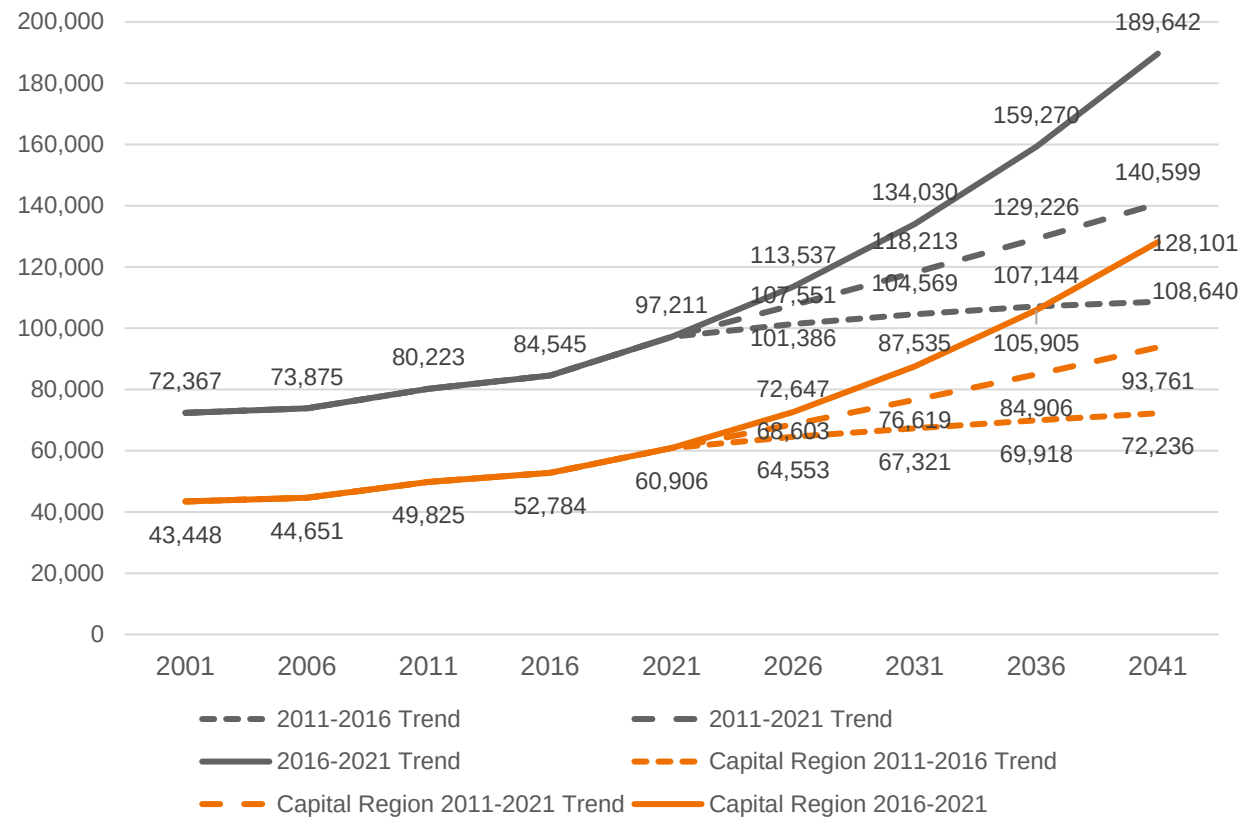
Statistics Canada has issued population estimates for Canada, the provinces and territories, census divisions (Kings, Queens, and Prince Counties in PEI), and all census subdivisions. Numbers for 2021 were developed by extrapolating the 2020 estimates based on annual change reflected in Statistic's Canada's estimates for the preceding four years. Estimates for Canada, PEI, and census division provide the same detail as census counts. Estimates for census subdivisions are for total populations only but we can develop age and sex profiles using breakdowns for the Queens County Census Division in which the subdivisions comprising the region are located.

Our model produces estimates of population by five-year age and sex cohorts. It also generates migration estimates for the same groupings, which are useful for understanding the sources and impacts of growth, and its influence on local age structure. Estimates of population and migration are available for each of the regional sub-areas illustrated in **Figure 5-1**, above, allowing us to assess not only the change in overall regional population but also expectations for its future distribution within Queens County.

6.1.1 Population Estimates

Figure 6-1 illustrates the three population scenarios created. As noted, although growth in Queens County and the Capital Region from 2011 to 2016 was strong, it has accelerated since 2016. Scenario 1 based on 2011 to 2016, therefore, results in the smallest population increase of the three generated for the region. It anticipates growth in Queens County from 97,211 in 2021 to 108,640 by the horizon year of 2041 and from 54,537 to 66,186 in the Capital Region. The second scenario combining the slower rate of growth between 2011 and 2016 with the increased growth experienced since 2016 results in a stronger upward trend reflected in an increase in County population to 140,599 and in the Capital Region to 85,701. The third and final scenario focuses on the region's very robust growth from 2016 to 2021 and predicts the County will have 189,642 residents and the Capital Region 116,832 by 2041.

Figure 6-1 Population Estimates, Capital Region and Queens County, 2001-2041



Source Statistics Canada Estimates 2001 to 2021, Stantec estimates 2026 to 2041

For context, the Province of PEI's recently produced "Medium Scenario" for future population on the Island anticipates a 2041 population of 206,080.[40] The Province has not issued sub-provincial estimates for its counties or municipalities. Our Scenario 1, 2, and 3 estimates for Queens were respectively developed in the context of predicted Island-wide populations of 162,166, 207,038, 275,564 on the Island in 2041. The Province's projection is, therefore, roughly midway between our Scenarios 1 and 3, and very close to our expectation in Scenario 2 from which it differs by just 958 (0.5% difference).

The key driver behind each projection is migration. Projections of expected birth and death rates are the same for all three scenarios. They incorporate the influence of recent in-migration on population age and sex profiles on PEI's birth and death rates. As summarized in **Section 5.4**, as well as **Figure 5-3**, **Figure 5-4**, and **Figure 5-5**, above, shifts in age-specific birth rates have tended to balance each other, although the overall trend has been moderately downward, while death rates have changed moderately. In-migration, on the other hand, has varied as noted, increasing in the 2011 to 2016 period, relative to previous years, and strengthening further since 2016 (**Figure 6-2**).

Since 2006, migration rates into Queens have been strong and rising. In the 2006 to 2011 period shown in the upper left corner of **Figure 6-2**, five-year rates for most cohorts other than the 25 to 29 group, were between 5 and 10%. The 25 to 29 group, however, lost about 9%. With rising rates in subsequent five-year periods, estimated net migration over the extended period from 2006 to 2021 rose to averages over 10% or even 20%. Over the 15-year period, the region's attraction has clearly grown. While the broad profile is similar, with the highest levels of in-migration expected for family-aged cohorts, neutral results are anticipated for infants, and net out-migration is expected in the older cohorts. The increase in in migration since 2016 is particularly noteworthy with high rates of in migrations in all groups from 5 to 55 years and spectacular percentages for young adults in their twenties.

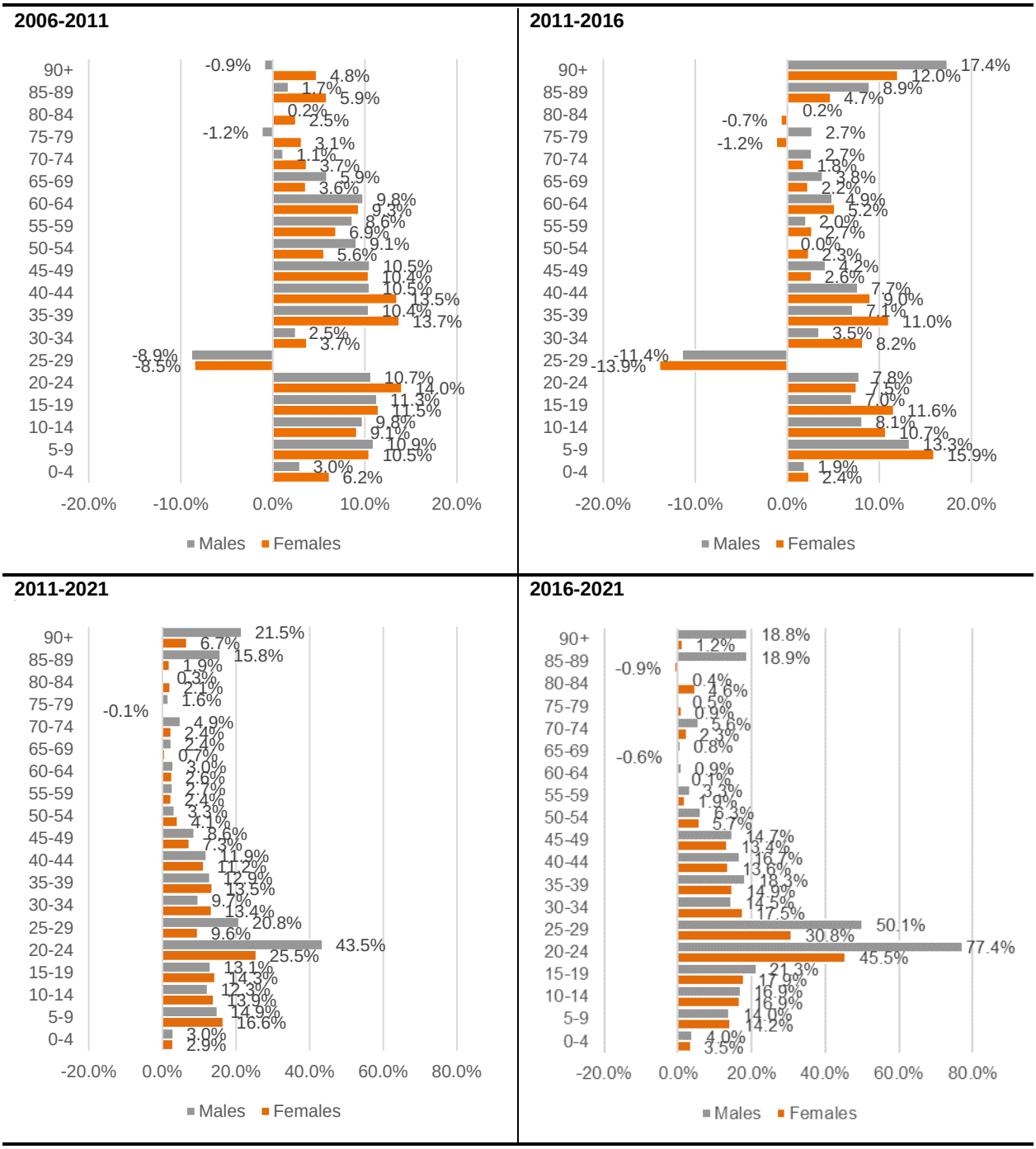
The trends apparent in the three periods on which our estimates have been based can be summarized as follows:

- *Scenario 1 (2011 to 2016)* – Migration estimates for the last complete census period, which were used to generate Scenario 1, indicate Queens County gained population in nearly all age groups with substantial increases in family-aged cohorts from 30 to 49 years of age and the associated youth and young adult cohorts from 5 to 24. The infant age group was essentially neutral with modest out-migration of females balanced by stronger in-migration of males. The county also experienced out-migration among 25- to 29-year-old males and in some cohorts over 80 years.
- *Scenario 2 (2011 to 2021)* – Migration rates for the 2011 to 2021 are the average of the 2011 to 2016 and 2016 to 2021 periods. Estimates of net migration still indicate strong in-migration to the region in most age cohorts. The only groups showing net population losses are 50 to 54, for which moderate outflow is estimated, and the groups from 75 to 89, for which we have estimated net out-migration from the region in all the periods we have examined. The groups showing the

[40] Prince Edward Island Statistics Bureau, Department of Finance, Economics, Statistics and Federal Fiscal Relations, "Prince Edward Island Population Projections, 2021-2060," March 4, 2021.

largest percentage increases are young children from 5 to 9 and young adults from 20 to 24, although net in-migration was substantial in all age groups between 5 and 50.

Figure 6-2 Five-year Net Migration Estimates, Queens County, Scenario 1, 2001-2016 and 2011-2016



Source Stantec Consulting Ltd.

- *Scenario 3 (2016-2021)* – In the second half of the decade, in-migration to the region increased significantly from the strong levels experienced between 2011 and 2016. Whereas five-year net migration rates generally ranged from 5% to 15% between 2011 and 2016, many cohorts saw in-migration move into the 15% to 20% range, including the previously weak 25 to 29-year cohort, for which our model estimates female in-migration at 18.3% and male in-migration at 26.3%. Most remarkably, in-migration of females 20 to 24 reached 40.3% and for males hit 52.7%. While in-migration of groups over 50 weakened considerably, it was more than out-weighed by the rise of young adult and family-aged in-migration.

The scenarios are presented following in terms of the resulting population age profiles and the distribution of residents within the region. Since 2006, the region has gained residents through migration who are in their reproductive years. These new residents, furthermore, have brought children with them who not only augment the increase in population but are also growing into young adults who can be expected to replenish the local population when they form families and become parents.

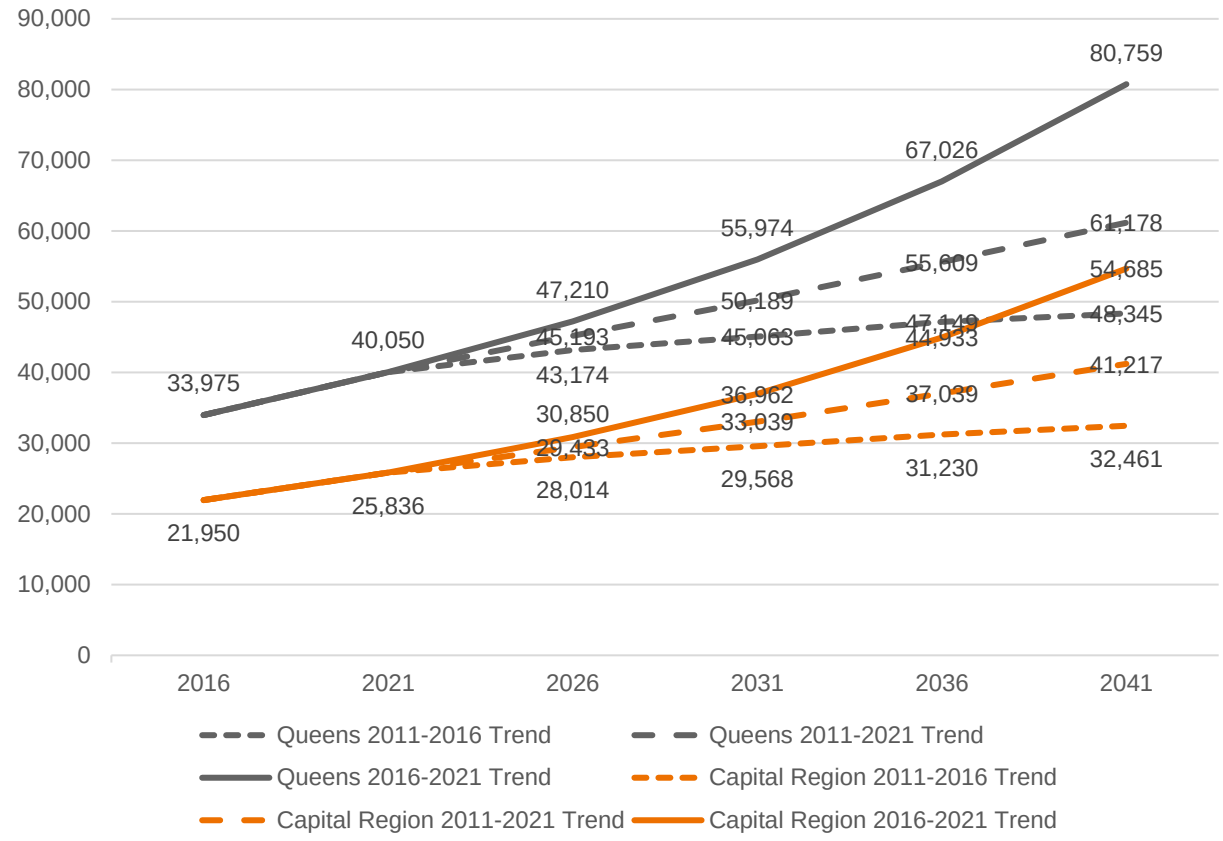
6.1.2 Dwelling Unit Estimates

As previously explained, population estimates can be employed to develop future housing estimates by applying age-specific headship rates to calculate the number of dwelling units in each of nine structural types recognized by Statistics Canada. Our projection of dwelling units in the region was developed from our population estimates. Estimates show the influence of differing population age profiles associated with each scenario based on household formation rates associated with each ten-year age cohort beginning at age 15 for each of the region's sub-areas. For the future, we assumed a 1.5% increase in rates of household formation and a shift of 1.0% from detached homes to attached and apartment units over each five-year census period.

To 2016, our dwelling unit estimates are based on past census counts of structural types in the region adjusted to Statistics Canada estimates. For 2021, we estimated dwelling unit counts by multiplying our short-term projection of Statistics Canada population estimates from 2016 to 2020 to 2021 and the headship rates derived from 2016 Census data. We assumed the same 1.5% increase in household formation and 1.0% shift from single-detached homes to attached and apartment units as we carried to our estimates from 2021 to 2041. We further adjusted our estimates for the Capital Region to incorporate a 3.75% shift from ownership to rental in each five-year period to reflect continuation of the move from owned to rental accommodation documented from 2006 to 2016 and strongly suggested by building permit data since 2016.

Our estimates, therefore, assume 40,050 dwelling units in Queens County in 2021 and 25,836 in the Capital Region in all scenarios before applying trends from the 2011 to 2016, 2011 to 2021, and 2016 to 2021 periods to generate alternative scenarios for the 2026 to 2041 period (**Figure 6-3**) in the same manner as we employed to develop population estimates. The three future estimates range from 48,345 dwelling units in Queens County and 32,461 in the Capital Region by 2041 in Scenario 1 based on trends from 2011 to 2016 to 80,759 and 54,685 in Scenario 3 based on the more recent 2016 to 2021 period. Scenario 2 combining the two periods (i.e., 2011 to 2021) to create a scenario between the two extremes, anticipates 61,178 dwelling units in Queens and 41,217 in the Capital Region by the 2041 horizon year.

Figure 6-3 Dwelling Unit Estimates, Queens County and the Capital Region, 2016-2041



Source Statistics Canada Estimates 2001 to 2021, Stantec estimates 2026 to 2041

6.2 SCENARIO 1

Scenario 1, which is based on the experience of PEI, Queens County, and the Capital Region from 2011 to 2016, predicts the smallest population increase of the three scenarios created. It also anticipates continued population aging, which has been a long-standing demographic issue for PEI, as it has been for most of Atlantic Canada. A third key feature is the strong growth of the Town of Stratford, which increased its population by 23.1% between 2011 and 2016 or nearly twice as much as the Town of Cornwall, the next fastest growing area in the region. This rapid growth is reflected in the allocation of a large share of future population to Stratford in the scenario.

Age Profile

Applying 2011 to 2016 trends, we anticipate population in Queens County and the Capital Region will continue to age. While we expect population to rise moderate, we also anticipate a continued shift from the youngest age cohorts to the oldest. Between 2001 and 2021, the proportion of youth from 0 to 14 years of age in the Capital Region fell from 17.7% to 15.4%, although it held static at 15.4% from 2016 to 2021. At the same time, the share of population represented by seniors over 65 years of age grew from 14.4% to 18.5% (**Figure 6-4**).

Applying 2011 to 2016 trends, our model calculates that both shifts will continue with the share of youth falling to 13.4% by 2041 and the proportion of seniors rising to 20.9% over the same period. The dependency ratio or the proportion of dependents (youth 0 to 14 and seniors 65 and over) to the working age population (15 to 64) will increase from 51.3 per hundred of working age in 2021 to 57.0, continuing the established upward trend (the ratio was 47.3 in 2001).

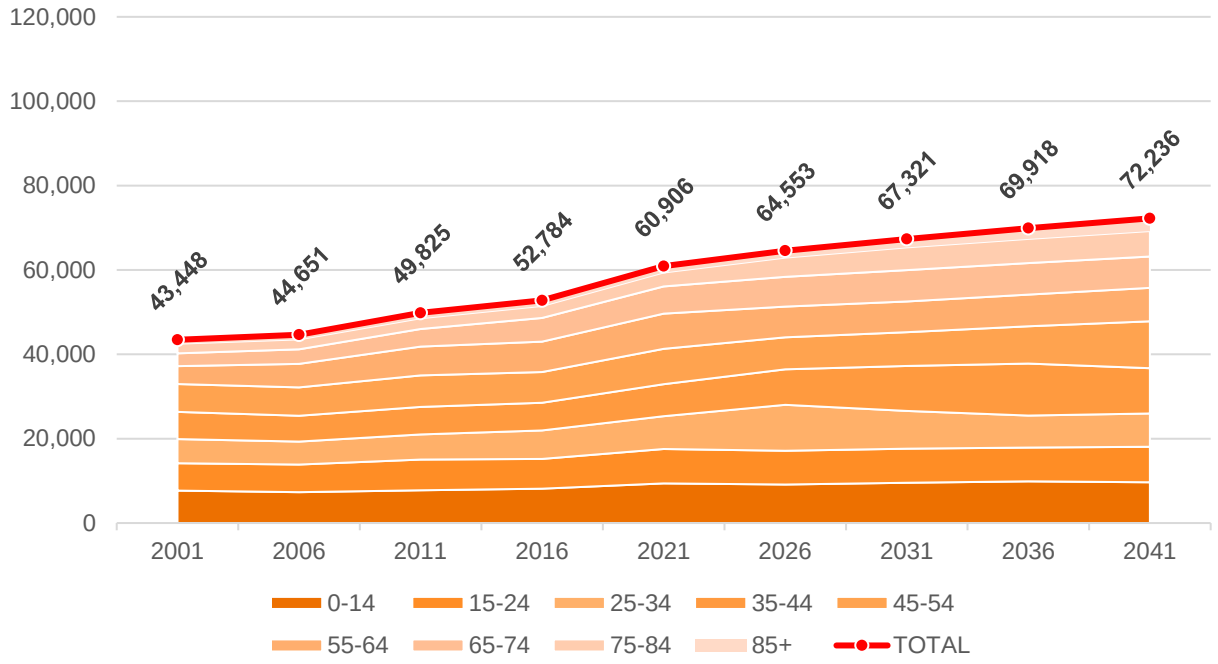
This feature of the region's population profile, which means that proportionately more dependents will rely on relatively fewer workers over time, is inevitable without significant in-migration. It is a function of Baby Boomers first moving out of child-rearing age groups beginning in the 1990s and now into old age. This large group, which is currently between 55 and 75 years of age and constitutes about a quarter of the region's population, can no longer contribute to natural increase. The only available means to increase births in the population is through raising the birth rate among younger adults already in the region and/or attracting immigrants with families or in age groups with the potential for additional births.

Birth rates have trended downward, but increased immigration to the region has brought families with children. In-migration from 2011 to 2016 encouraged a slight increase in the proportion of youth and young adults in the Capital Region; however, a long-term decline is expected to begin in 2026 as the population continues to age and deaths in the large population of elderly residents exceeds births to the current relatively smaller generation of young adults. The projection suggests that, while the period between 2011 and 2016 saw increased in-migration to Queens and the Capital Region, it was not sufficient to overcome the long-term effect of declining reproductive capacity in the domestic population, which we have noted has already taken hold (see **Subsection 5.4.3** above).

Intra-regional Distribution

Examination of the 2011 to 2016 estimates for the region's three central municipalities signals their specific roles. The City of Charlottetown reflected similar tendencies to the region as a whole with the highest levels of in-migration in youth, young adult, and family aged cohorts, but with out-migration in the 20 to 29 and 30 to 34-year groups. In contrast to the wider county, however, the city experienced very high out- migration of infants (0 to 4 years) compared to essentially neutral estimates for the region and significant in-migration in senior citizen age groups in which the region as a whole loses numbers (**Figure A-2** in **Appendix A**). Movement by infants is normally associated with migration of new families, who typically move from cities to suburbs.

Figure 6-4 Population by Age Group, Capital Region, Scenario 1, 2001-2041



Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	7,696	7,322	7,762	8,138	9,399	9,120	9,555	9,878	9,684
15-24	6,474	6,543	7,274	7,068	8,152	8,010	8,063	8,032	8,388
25-34	5,741	5,451	5,980	6,758	7,795	10,911	8,971	7,586	7,888
35-44	6,454	6,117	6,507	6,547	7,560	8,402	10,669	12,314	10,736
45-54	6,579	6,726	7,471	7,270	8,390	7,588	7,990	8,854	11,142
55-64	4,253	5,563	6,852	7,233	8,344	7,282	7,263	7,501	7,929
65-74	3,028	3,464	4,164	5,587	6,447	7,046	7,463	7,457	7,414
75-84	2,278	2,367	2,553	2,865	3,303	4,556	5,371	5,724	6,034
85+	944	1,097	1,263	1,316	1,516	1,637	1,976	2,573	3,022
TOTAL	**43,448**	**44,651**	**49,825**	**52,784**	**60,906**	**64,553**	**67,321**	**69,918**	**72,236**
% Change		*2.8%*	*11.6%*	*5.9%*	*15.4%*	*6.0%*	*4.3%*	*3.9%*	*3.3%*
Proportions of Total Population									
0-14	17.7%	16.4%	15.6%	15.4%	15.4%	14.1%	14.2%	14.1%	13.4%
15-24	14.9%	14.7%	14.6%	13.4%	13.4%	12.4%	12.0%	11.5%	11.6%
25-34	13.2%	12.2%	12.0%	12.8%	12.8%	16.9%	13.3%	10.8%	10.9%
35-44	14.9%	13.7%	13.1%	12.4%	12.4%	13.0%	15.8%	17.6%	14.9%
45-54	15.1%	15.1%	15.0%	13.8%	13.8%	11.8%	11.9%	12.7%	15.4%
55-64	9.8%	12.5%	13.8%	13.7%	13.7%	11.3%	10.8%	10.7%	11.0%
65-74	7.0%	7.8%	8.4%	10.6%	10.6%	10.9%	11.1%	10.7%	10.3%
75-84	5.2%	5.3%	5.1%	5.4%	5.4%	7.1%	8.0%	8.2%	8.4%
85+	2.2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.9%	3.7%	4.2%

Source Statistics Canada Estimates 2001 to 2016; Stantec estimate 2021; and Stantec estimates 2026 to 2041

As a suburban area, Cornwall was attractive to family-aged residents from 30 to 44 years with infants as well as children but lost significant numbers of young adults from 15 to 29 years. The town had mixed results in older age groups. Age cohorts over 64 years include some that gained and others that lost population, although out-migration in the oldest age group was pronounced.

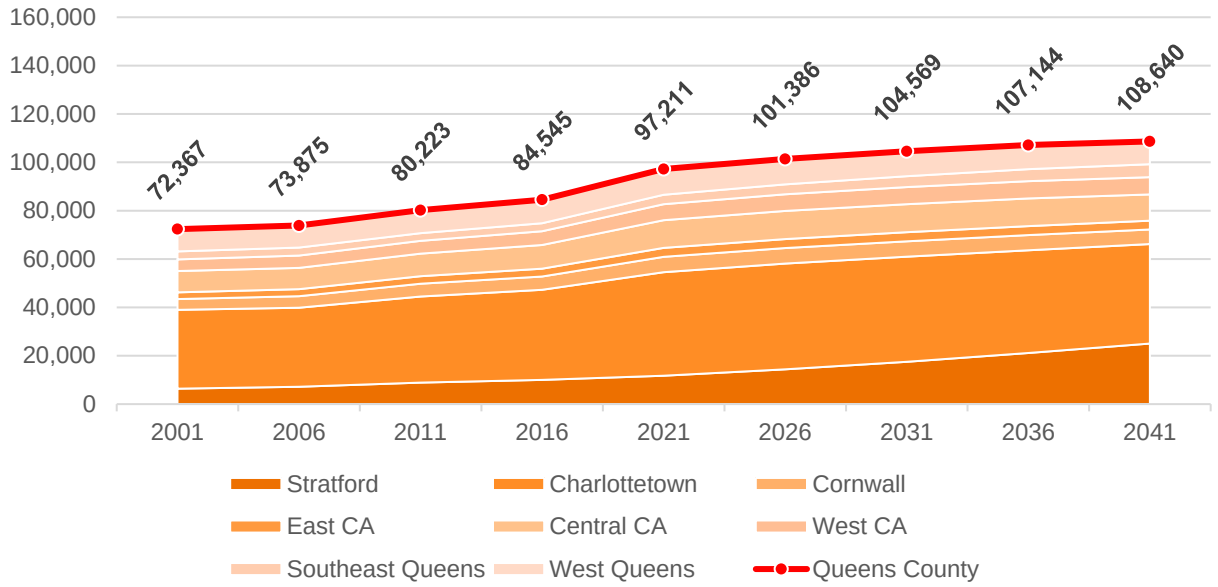
Stratford, as the fastest growing municipality in the region, attracted net in-migration in nearly every age group with out-migration estimated only for some cohorts of males over 80. The town was very attractive for youth, young adult, and family-aged groups. Indeed, for cohorts from infants to 55 years of age, our five-year estimates of in-migration for the town generally exceed 10% and top 25 or 30% in many cases.

Broadly, estimates suggest Charlottetown attracted more mature families with children, explained by the high levels of in-migration from 5 to 19 and the substantial out-migration of infants associated with younger families. Presumably, many families adding babies moved to Stratford and Cornwall where in-migration levels for infants were high. Charlottetown, surprisingly, did not have a significant attraction for individuals from 25 to 34, although it did very well with the preceding 20 to 24 group. The city likely attracts the latter cohort through UPEI, Holland College, and other education opportunities, as well as with entry-level jobs. It is surprising that job opportunities are not sufficient for others in their late twenties, but it would appear the suburban municipalities and, perhaps, farther outlying areas drew some family-forming young adults away at that age. The attraction of the city for the oldest seniors reflects a common tendency in urban regions in which the elderly to move to more walkable central areas where health services also tend to be more accessible.

Cornwall and Stratford were and continue to be destinations for expanding families. Stratford's attraction from 2011 to 2016 is clear. The town drew all groups. Cornwall, on the other hand, attracted in-migrants within a relatively narrow age band. In-migration rates to Stratford were also higher than those for Cornwall in most age groups, and Cornwall lost young adults, while Stratford attracted them. One factor underlying the latter feature may be the relatively quick access from Stratford to Holland College, which is near the Hillsborough Bridge in Charlottetown. The UPEI campus, on the other hand, is roughly equidistant from the two towns.

Outlying areas of Queens all attracted families and children. The central and western areas (Central CA, West CA, and West Queens) attracted older families but lost young adults and the elderly. The East CA and Southeast Queens County attracted in migrants in most age groups with family-aged adults accounting for the highest rates (see **Figure A-2** in **Appendix A**).

Figure 6-5 Population by Municipalities and Sub-areas, Queens County and Sub-areas, Scenario 1, 2001-2041



Community/Area	2001	2006	2011	2016	2021	2026	2031	2036	2041
Stratford	6,387	7,205	8,873	10,029	11,744	14,371	17,535	21,150	25,058
Charlottetown	32,594	32,674	35,625	37,237	42,793	43,761	43,415	42,508	41,128
Cornwall	4,466	4,772	5,327	5,518	6,369	6,421	6,371	6,259	6,049
Capital Region	**43,448**	**44,651**	**49,825**	**52,784**	**60,906**	**64,553**	**67,321**	**69,918**	**72,236**
% Change		*2.8%*	*11.6%*	*5.9%*	*15.4%*	*6.0%*	*4.3%*	*3.9%*	*3.3%*
East CA	2,780	2,882	3,079	3,234	3,695	3,728	3,754	3,731	3,649
Central CA	8,812	8,824	9,337	9,791	11,467	11,600	11,615	11,387	10,866
West CA	4,809	5,110	5,304	5,689	6,634	6,881	7,098	7,184	7,117
Southeast Queens	3,314	3,251	3,183	3,320	3,856	4,140	4,496	4,944	5,350
West Queens	9,204	9,157	9,495	9,727	10,653	10,484	10,286	9,981	9,422
Queens County	**72,367**	**73,875**	**80,223**	**84,545**	**97,211**	**101,386**	**104,569**	**107,144**	**108,640**
% Change		*2.1%*	*8.6%*	*5.4%*	*15.0%*	*4.3%*	*3.1%*	*2.5%*	*1.4%*
Proportions of Queens County Population									
Stratford	8.8%	9.8%	11.1%	11.9%	12.1%	14.2%	16.8%	19.7%	23.1%
Charlottetown	45.0%	44.2%	44.4%	44.0%	44.0%	43.2%	41.5%	39.7%	37.9%
Cornwall	6.2%	6.5%	6.6%	6.5%	6.6%	6.3%	6.1%	5.8%	5.6%
Capital Region	**60.0%**	**60.4%**	**62.1%**	**62.4%**	**62.7%**	**63.7%**	**64.4%**	**65.3%**	**66.5%**
East CA	3.8%	3.9%	3.8%	3.8%	3.8%	3.7%	3.6%	3.5%	3.4%
Central CA	12.2%	11.9%	11.6%	11.6%	11.8%	11.4%	11.1%	10.6%	10.0%
West CA	6.6%	6.9%	6.6%	6.7%	6.8%	6.8%	6.8%	6.7%	6.6%
Southeast Queens	4.6%	4.4%	4.0%	3.9%	4.0%	4.1%	4.3%	4.6%	4.9%
West Queens	12.7%	12.4%	11.8%	11.5%	11.0%	10.3%	9.8%	9.3%	8.7%

Source Statistics Canada Estimates 2001 to 2016; Stantec estimate 2021; and Stantec estimates 2026 to 2041

The increase in Stratford was substantial and began to strain the town's capacity to accommodate more population. Our Scenario 1 estimates for the 2021 to 2041 censuses suggest that Stratford will increase its proportion of the county's population by 2 to 3 percentage points in each future five-year census period, growing from a 2021 share of 12.1% to 23.1% in 2041. By contrast, although the City of Charlottetown grew significantly from 2011 to 2016, our Scenario 1 projection predicts that it will lose population over the next 20 years and its share of population will decrease substantially from 44.0% in 2021 to 37.9% in 2041. The Town of Cornwall, for its part, is projected to increase marginally from 6.6% of the region's population in 2021 to 5.6% in 2041. The East CA is also expected to continue with a fixed share of the region's population (3.8%) but other outlying areas, despite absolute gains in population, are expected to see their shares decline.

Recent shifts and projected change do not suggest sprawl is a significant factor. The Capital Region will increase its share of Queens County's population from 62.7% in 2021 to 66.5% in 2041; however, the gains will be entirely taken by Stratford.

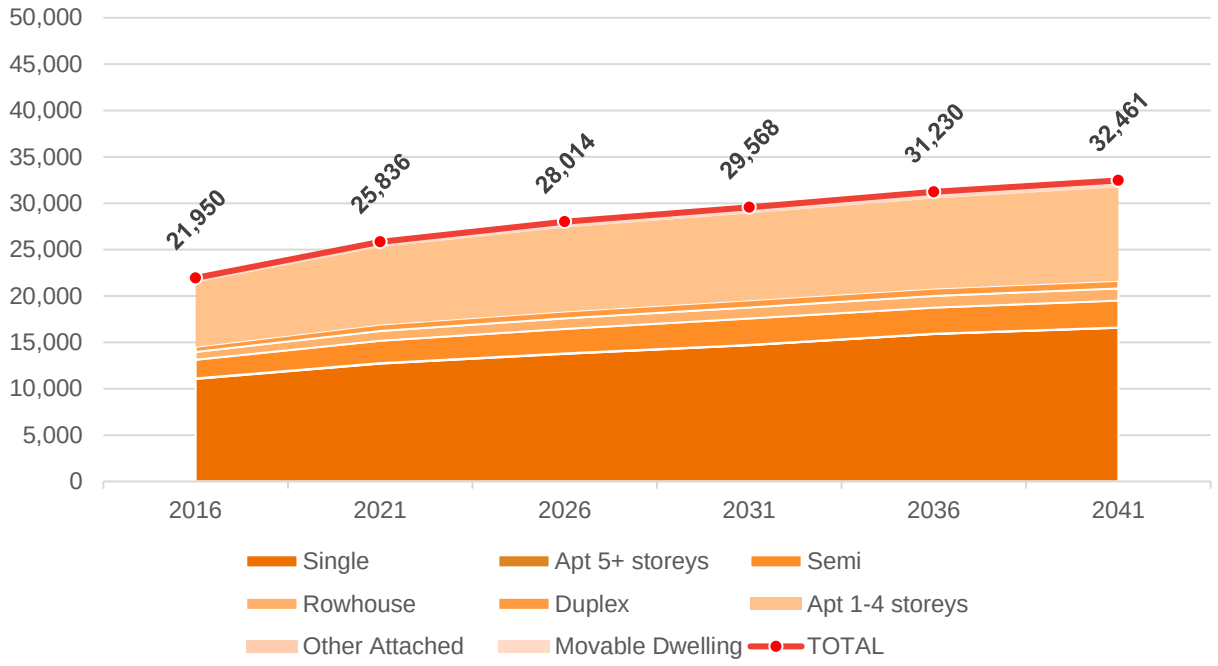
Housing Needs

Although we expect the number of units to increase in every dwelling unit category under Scenario 1, our detailed projection of housing types suggests an eventual increase in the proportion of single-detached homes in the Capital Region and decreasing proportions of attached housing and apartments (**Figure 6-6**). While we have estimated a decrease in the proportion of dwelling units classified as single-detached between 2016 and 2021 and project that it will continue moderately through 2041, Scenario 1 assumes more moderate future in-migration from now to 2041 than in the past five years. Without the continued influx of large numbers of in-migrants, population will age as we have noted. Although the majority of recent in migrants will move into age cohorts in which individuals tend to favour ownership of single-detached homes (i.e., 35 to 55 years), the bulk of the population will advance to stages in which downsizing will become a factor. Even when sub-areas are examined in detail, shifts are modest (**Figure A-3** in **Appendix A**).

Our model projects the restoration of the share of housing in single-detached units to 50.9% in 2036 and a further slight increase to 51.0% in 2041. Given that roughly 90% of single-detached units are typically owned as opposed to rented, rates of ownership are projected to follow a similar pattern, with the ratio between ownership and rental rising to 54.8/45.2 in 2041. For the balance of Queens County, where detached homes have traditionally accounted for more than 90% of all housing, application of the 2011 to 2016 trend suggests a very slight increase in the share of single-detached dwellings and an increase in the percentage owned homes from 80.4% in 2016 to 82.6% in 2041.

Unsurprisingly, the changing geographic distribution of housing units mirrors the expected distribution of population. We expect all areas of the region to have significantly more dwelling units in 2041 than they had in 2016 (**Figure 6-7**). In Scenario 1, we anticipate Stratford will increase its proportion of the region's dwelling units from 10.7% to 17.6%, while Charlottetown's share will decline by 2.3 percentage points from 2021 to 2041. Cornwall, on the other hand, is expected to increase its share by a percentage point from 5.8% to 6.8%. Although the number of dwelling units is expected to increase in areas outside the Capital Region, the shares of housing in all the rural areas are expected to decline.

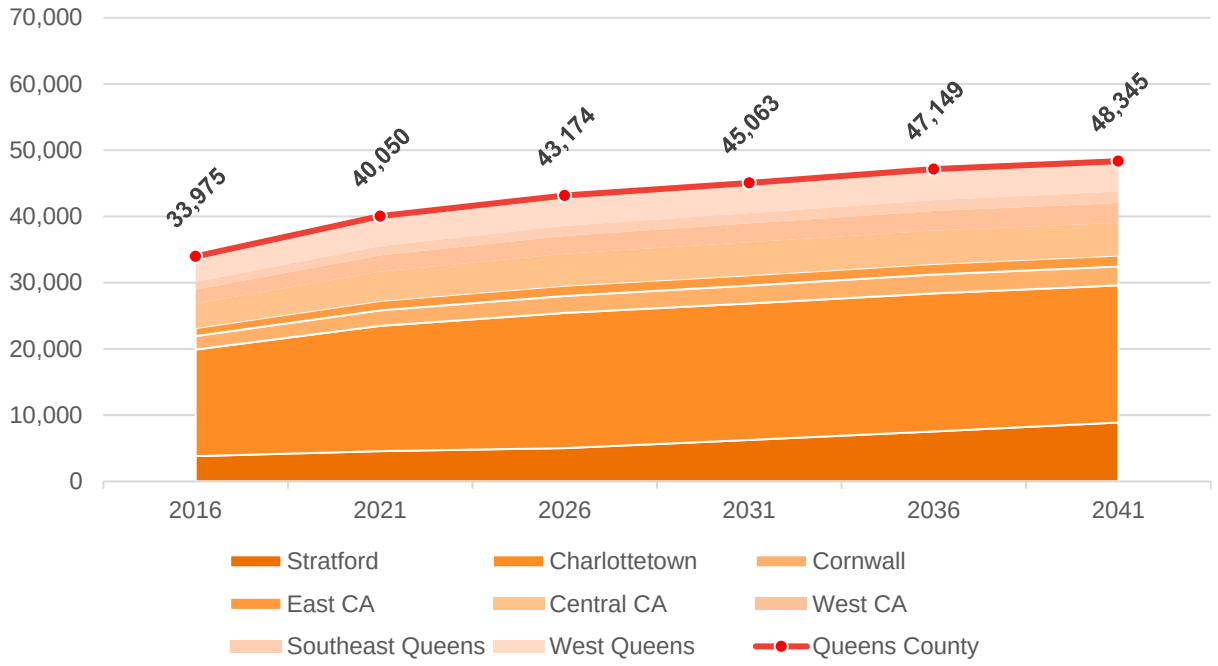
Figure 6-6 Dwelling Units by Structural Type, Capital Region, Scenario 1, 2016-2041



Census Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	21,950	11,055	55	2,015	840	555	6,930	35	480
2021	25,836	12,713	40	2,423	1,050	693	8,344	25	550
2026	28,014	13,763	40	2,645	1,137	746	9,054	27	603
2031	29,568	14,683	37	2,848	1,200	771	9,360	28	641
2036	31,230	15,889	35	2,819	1,267	795	9,709	28	688
2041	32,461	16,571	35	2,906	1,303	820	10,091	27	708
Proportions of Total Dwelling Units									
2016		50.4%	0.3%	9.2%	3.8%	2.5%	31.6%	0.2%	2.2%
2021		49.2%	0.2%	9.4%	4.1%	2.7%	32.3%	0.1%	2.1%
2026		49.1%	0.1%	9.4%	4.1%	2.7%	32.3%	0.1%	2.2%
2031		49.7%	0.1%	9.6%	4.1%	2.6%	31.7%	0.1%	2.2%
2036		50.9%	0.1%	9.0%	4.1%	2.5%	31.1%	0.1%	2.2%
2041		51.0%	0.1%	9.0%	4.0%	2.5%	31.1%	0.1%	2.2%
Ratio Owned/Rented									
2016	54.6/45.4	91.9/8.1	0.0/100.0	13.5/86.5	36.1/63.9	16.1/83.9	31.8/68.2	4.8/95.2	57.1/42.9
2021	55.5/44.5	92.1/7.9	0.0/100.0	14.5/85.5	38.7/61.3	16.8/83.2	36.5/63.5	5.3/94.7	75.7/24.3
2026	54.5/45.5	90.7/9.3	0.0/100.0	15.3/84.7	36.6/63.4	15.6/84.4	34.3/65.7	6.6/93.4	80.3/19.7
2031	54.0/46.0	90.0/10.0	0.0/100.0	15.5/84.5	36.5/63.5	16.1/83.9	34.3/65.7	6.8/93.2	81.8/18.2
2036	54.8/45.2	89.8/10.2	0.0/100.0	16.3/83.7	37.1/62.9	16.7/83.3	34.9/65.1	7.5/92.5	80.4/19.6
2041	54.8/45.2	89.2/10.8	0.0/100.0	16.6/83.4	37.4/62.6	16.9/83.1	34.1/65.9	7.7/92.3	77.3/22.7

Source Stantec estimates 2016 and 2021; Stantec estimates 2026 to 2041

Figure 6-7 Dwelling Units, Queens County and Sub-Areas, Scenario 1, 2016-2041



Census Year	Queens County	Stratford	Charlotte-town	Corn-wall	Capital Region	East CA	Central CA	West CA	Southeast Queens	West Queens
2016	36,930	3,944	17,394	2,147	**23,485**	1,370	4,138	2,288	1,372	4,276
2021	41,499	4,429	19,810	2,389	**26,628**	1,525	4,590	2,506	1,509	4,740
2026	46,197	5,693	21,782	2,827	**30,302**	1,703	5,137	2,620	1,465	5,092
2031	50,131	6,949	23,259	3,192	**33,401**	1,832	5,602	2,655	1,404	5,237
2036	53,657	8,392	24,574	3,564	**36,530**	1,935	5,905	2,676	1,311	5,300
2041	56,685	9,978	25,757	3,840	**39,576**	2,002	6,023	2,641	1,236	5,207
Proportions of Queens County										
2016		10.7%	47.1%	5.8%	**63.6%**	3.7%	11.2%	6.2%	3.7%	11.6%
2021		10.7%	47.7%	5.8%	**64.2%**	3.7%	11.1%	6.0%	3.6%	11.4%
2026		12.3%	47.2%	6.1%	**65.6%**	3.7%	11.1%	5.7%	3.2%	11.0%
2031		13.9%	46.4%	6.4%	**66.6%**	3.7%	11.2%	5.3%	2.8%	10.4%
2036		15.6%	45.8%	6.6%	**68.1%**	3.6%	11.0%	5.0%	2.4%	9.9%
2041		17.6%	45.4%	6.8%	**69.8%**	3.5%	10.6%	4.7%	2.2%	9.2%

Source Stantec estimates 2016 and 2021; Stantec estimates 2026 to 2041

6.3 SCENARIO 2

Scenario 2 is based on the overall trend in population growth and change in Queens County from 2011 to 2021. It combines the healthy growth trend of the first half of the decade with the even stronger expansion experienced since its mid-way point. Further increases in family-aged immigrants during the 2016 to 2021 period mitigated aging in the population.

Age Profile

The most striking feature of the Capital Region's population change between 2011 and 2021 is the increase in the proportion of residents between 15 and 44 years. Based on our estimates for 2021, the age groups increased their share of the region's population from 38.6% in 2016 to 46.4% in 2021 (**Figure 6-8**). The age span, as noted, is critical to population growth because it covers the female cohorts capable of reproduction.

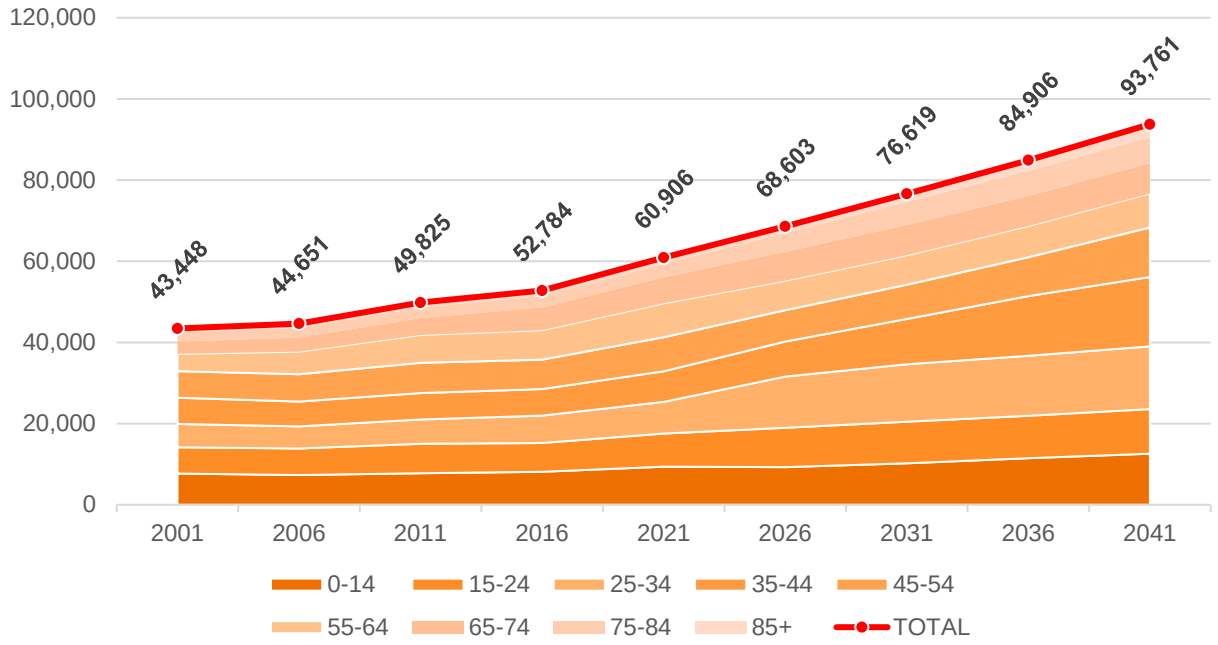
The influence of young adult and family-aged adults on future population is strong. In addition to the direct effect of their continued in-migration, they can be expected to add their offspring to the population. The influence is not sufficient to increase the proportion of children in the population, but it is adequate to stabilize the downward trend in the proportion of youth evident since 2001.

We expect residents 14 and under will account for 13.4% of the population in 2041, almost the same as their estimated share in 2026, which was down from 15.4% in 2016 and 2021. The other group in addition to the 15- to 44-year-old core that will increase proportionately, is older seniors over 75 years of age, who we calculate will increase from 7.9% to 10.2% of the Capital Region population between 2021 and 2041 extending an upward trend that stretches back to 2001. The dependency ratio will decline slightly from its 2021 level of 51.3 to 46.0 by 2041.

Intra-regional Distribution

With heightened growth across the region, all areas will see increased population. While Stratford is expected to increase its share of Queens County's population, it will not be as dominant in Scenario 2 as in Scenario 1 with anticipated growth 20.2% of the region in 2041 compared to 23.1% in Scenario 1. Despite large increases in their respective populations, the City of Charlottetown and Town of Cornwall are projected to see their shares decrease marginally dropping by 3.2 and 0.9 percentage points, respectively, between 2016 and 2041. All other areas of the region are expected to lose share despite adding population, as the three municipalities of the Capital Region, together, are expected to increase their share of Queens' population from 62.7% in 2021 to 66.7% in 2041 (**Figure 6-9**).

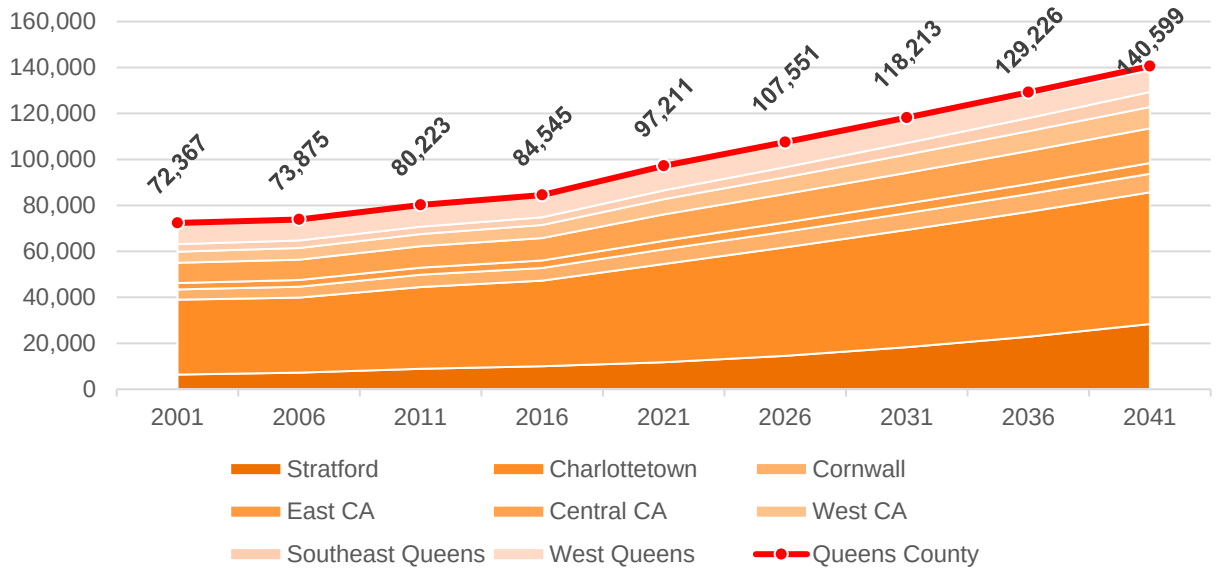
Figure 6-8 Population by Age Group, Capital Region, Scenario 2, 2001-2041



Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	7,696	7,322	7,762	8,138	9,399	9,273	10,206	11,471	12,584
15-24	6,474	6,543	7,274	7,068	8,152	9,706	10,259	10,474	10,991
25-34	5,741	5,451	5,980	6,758	7,795	12,604	14,165	14,753	15,461
35-44	6,454	6,117	6,507	6,547	7,560	8,622	11,140	14,731	17,093
45-54	6,579	6,726	7,471	7,270	8,390	7,753	8,449	9,583	12,198
55-64	4,253	5,563	6,852	7,233	8,344	7,263	7,268	7,685	8,382
65-74	3,028	3,464	4,164	5,587	6,447	7,107	7,483	7,436	7,453
75-84	2,278	2,367	2,553	2,865	3,303	4,654	5,651	6,131	6,408
85+	944	1,097	1,263	1,316	1,516	1,622	1,997	2,642	3,191
TOTAL	**43,448**	**44,651**	**49,825**	**52,784**	**60,906**	**68,603**	**76,619**	**84,906**	**93,761**
% Change		*2.8%*	*11.6%*	*5.9%*	*15.4%*	*12.6%*	*11.7%*	*10.8%*	*10.4%*
Proportions of Total Population									
0-14	17.7%	16.4%	15.6%	15.4%	15.4%	13.5%	13.3%	13.5%	13.4%
15-24	14.9%	14.7%	14.6%	13.4%	13.4%	14.1%	13.4%	12.3%	11.7%
25-34	13.2%	12.2%	12.0%	12.8%	12.8%	18.4%	18.5%	17.4%	16.5%
35-44	14.9%	13.7%	13.1%	12.4%	12.4%	12.6%	14.5%	17.3%	18.2%
45-54	15.1%	15.1%	15.0%	13.8%	13.8%	11.3%	11.0%	11.3%	13.0%
55-64	9.8%	12.5%	13.8%	13.7%	13.7%	10.6%	9.5%	9.1%	8.9%
65-74	7.0%	7.8%	8.4%	10.6%	10.6%	10.4%	9.8%	8.8%	7.9%
75-84	5.2%	5.3%	5.1%	5.4%	5.4%	6.8%	7.4%	7.2%	6.8%
85+	2.2%	2.5%	2.5%	2.5%	2.5%	2.4%	2.6%	3.1%	3.4%

Source Statistics Canada Estimates 2001 to 2016; Stantec estimate 2021; and Stantec estimates 2026 to 2041

Figure 6-9 Population by Municipalities and Sub-areas, Queens County and Sub-areas, Scenario 2, 2001-2041



Community/Area	2001	2006	2011	2016	2021	2026	2031	2036	2041
Stratford	6,387	7,205	8,873	10,029	11,744	14,575	18,284	22,835	28,372
Charlottetown	32,594	32,674	35,625	37,237	42,793	47,158	51,067	54,406	57,329
Cornwall	4,466	4,772	5,327	5,518	6,369	6,870	7,269	7,664	8,060
Capital Region	**43,448**	**44,651**	**49,825**	**52,784**	**60,906**	**68,603**	**76,619**	**84,906**	**93,761**
% Change		*2.8%*	*11.6%*	*5.9%*	*15.4%*	*12.6%*	*11.7%*	*10.8%*	*10.4%*
East CA	2,780	2,882	3,079	3,234	3,695	3,952	4,189	4,435	4,652
Central CA	8,812	8,824	9,337	9,791	11,467	12,445	13,401	14,325	15,130
West CA	4,809	5,110	5,304	5,689	6,634	7,265	7,929	8,611	9,284
Southeast Queens	3,314	3,251	3,183	3,320	3,856	4,402	5,022	5,759	6,530
West Queens	9,204	9,157	9,495	9,727	10,653	10,885	11,053	11,191	11,241
Queens County	**72,367**	**73,875**	**80,223**	**84,545**	**97,211**	**107,551**	**118,213**	**129,226**	**140,599**
% Change		*2.1%*	*8.6%*	*5.4%*	*15.0%*	*10.6%*	*9.9%*	*9.3%*	*8.8%*
Proportions of Queens County Population									
Stratford	8.8%	9.8%	11.1%	11.9%	12.1%	13.6%	15.5%	17.7%	20.2%
Charlottetown	45.0%	44.2%	44.4%	44.0%	44.0%	43.8%	43.2%	42.1%	40.8%
Cornwall	6.2%	6.5%	6.6%	6.5%	6.6%	6.4%	6.1%	5.9%	5.7%
Capital Region	**60.0%**	**60.4%**	**62.1%**	**62.4%**	**62.7%**	**63.8%**	**64.8%**	**65.7%**	**66.7%**
East CA	3.8%	3.9%	3.8%	3.8%	3.8%	3.7%	3.5%	3.4%	3.3%
Central CA	12.2%	11.9%	11.6%	11.6%	11.8%	11.6%	11.3%	11.1%	10.8%
West CA	6.6%	6.9%	6.6%	6.7%	6.8%	6.8%	6.7%	6.7%	6.6%
Southeast Queens	4.6%	4.4%	4.0%	3.9%	4.0%	4.1%	4.2%	4.5%	4.6%
West Queens	12.7%	12.4%	11.8%	11.5%	11.0%	10.1%	9.4%	8.7%	8.0%

Source Statistics Canada Estimates 2001 to 2016; Stantec estimate 2021; and Stantec estimates 2026 to 2041

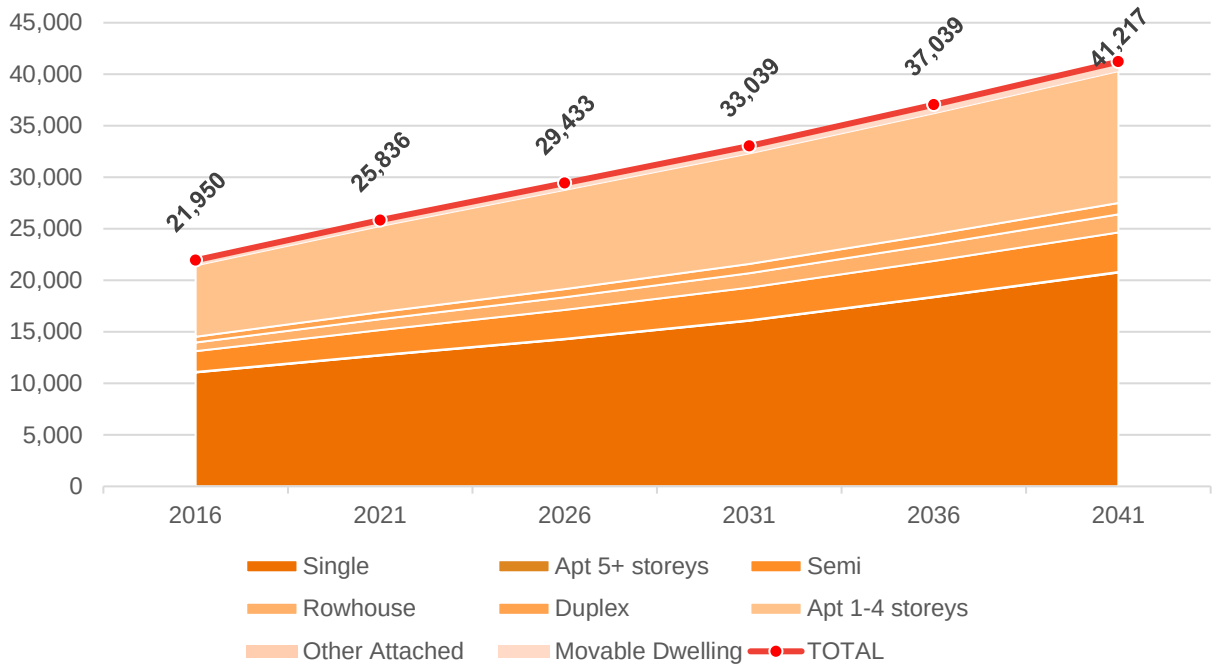
Housing Needs

In Scenario 2, we expect housing to shift moderately to increased away from single-detached units to 2031 but then return to its current level by 2041. We expect the share of single-detached dwelling units in the Capital Region to continue to fall to 48.5% in the next five years to 2026 but calculate that it will begin to recover in 2031, gradually returning to its 2016 level of 50.4% of all housing units by 2041, as the proportion of family-aged residents in the region increases.

In parallel, the share of dwelling units in low- and high-rise apartment structures is estimated to increase from 32.5% to 32.9% between 2021 and 2026 but drop slightly to 32.7% in 2031 and continue to slide moderately to 31.2% in 2041 (**Figure 6-10**). The ratio of owned to rented dwellings will move slowly downward from the current 55.5/44.5 to 54.1/45.9 to 2041.

As with population, the area growing its share of dwelling units the most is expected to be the Town of Stratford, although the rise is less than in Scenario 1. We calculate the town will increase its share of the region's housing from 10.7% in 2016 to 17.6% by 2041 (**Figure 6-11**). We also expect Cornwall to increase its share of the region's housing, moving from 5.8% of the region's dwelling units today to 6.8% in 2041. Although we expect Charlottetown's share to decline from 47.7% in 2021 to 45.4% in 2041, the Capital Region should increase its proportion of Queens housing stock from 64.2% in 2021 to 69.8% by 2041. Shares in all areas outside the Capital Region are expected to lose share, with the largest decline in the outlying areas of the county, particularly in West Queens, which is projected to see its proportion of dwelling units drop by 2.2 percentage points.

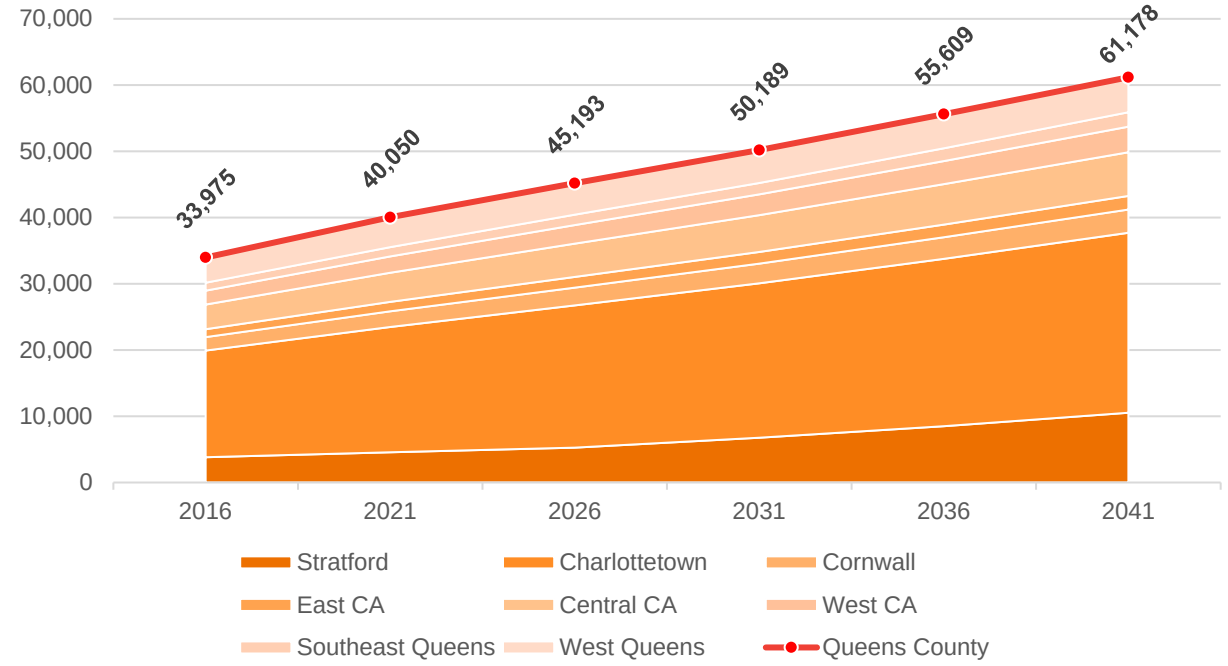
Figure 6-10 Dwelling Units by Structural Type, Capital Region, Scenario 2, 2016-2041



Census Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	21,950	11,055	55	2,015	840	555	6,930	35	480
2021	25,836	12,713	40	2,423	1,050	693	8,344	25	550
2026	29,433	14,278	46	2,811	1,218	801	9,629	27	624
2031	33,039	16,068	50	3,173	1,389	902	10,729	28	699
2036	37,039	18,353	53	3,484	1,574	999	11,756	28	792
2041	41,217	20,754	57	3,836	1,754	1,102	12,799	27	888
Proportions of Total Dwelling Units									
2016		50.4%	0.3%	9.2%	3.8%	2.5%	31.6%	0.2%	2.2%
2021		49.2%	0.2%	9.4%	4.1%	2.7%	32.3%	0.1%	2.1%
2026		48.5%	0.2%	9.5%	4.1%	2.7%	32.7%	0.1%	2.1%
2031		48.6%	0.2%	9.6%	4.2%	2.7%	32.5%	0.1%	2.1%
2036		49.6%	0.1%	9.4%	4.2%	2.7%	31.7%	0.1%	2.1%
2041		50.4%	0.1%	9.3%	4.3%	2.7%	31.1%	0.1%	2.2%
Ratio Owned/Rented									
2016	54.6/45.4	91.9/8.1	0.0/100.0	13.5/86.5	36.1/63.9	16.1/83.9	31.8/68.2	4.8/95.2	57.1/42.9
2021	55.5/44.5	92.1/7.9	0.0/100.0	14.5/85.5	38.7/61.3	16.8/83.2	36.5/63.5	5.3/94.7	75.7/24.3
2026	55.2/44.8	90.9/9.1	0.0/100.0	15.7/84.3	37.2/62.8	16.0/84.0	34.7/65.3	6.8/93.2	80.5/19.5
2031	54.2/45.8	90.1/9.9	0.0/100.0	15.8/84.2	36.7/63.3	16.7/83.3	33.4/66.6	7.0/93.0	81.1/18.9
2036	54.2/45.8	89.5/10.5	0.0/100.0	16.0/84.0	36.3/63.7	17.1/82.9	32.7/67.3	7.4/92.6	79.2/20.8
2041	54.1/45.9	88.8/11.2	0.0/100.0	16.1/83.9	35.9/64.1	17.3/82.7	32.1/67.9	7.6/92.4	76.1/23.9

Source Stantec estimates 2016 and 2021; Stantec estimates 2026 to 2041

Figure 6-11 Dwelling Units, Queens County and Sub-Areas, Scenario 2, 2016-2041



Census Year	Queens County	Stratford	Charlotte-town	Corn-wall	Capital Region	East CA	Central CA	West CA	Southeast Queens	West Queens
2016	33,975	3,820	16,100	2,030	**21,950**	1,195	3,725	2,095	1,195	3,825
2021	40,050	4,565	18,918	2,353	**25,836**	1,429	4,402	2,474	1,395	4,456
2026	45,193	5,267	21,481	2,684	**29,433**	1,610	5,030	2,799	1,567	4,754
2031	50,189	6,767	23,304	2,968	**33,039**	1,765	5,567	3,122	1,724	4,990
2036	55,609	8,491	25,288	3,260	**37,039**	1,900	6,109	3,485	1,926	5,151
2041	61,178	10,537	27,160	3,520	**41,217**	2,054	6,586	3,862	2,186	5,273
Proportions of Queens County										
2016		11.2%	47.4%	6.0%	**64.6%**	3.5%	11.0%	6.2%	3.5%	11.3%
2021		11.4%	47.2%	5.9%	**64.5%**	3.6%	11.0%	6.2%	3.5%	11.1%
2026		11.7%	47.5%	5.9%	**65.1%**	3.6%	11.1%	6.2%	3.5%	10.5%
2031		13.5%	46.4%	5.9%	**65.8%**	3.5%	11.1%	6.2%	3.4%	9.9%
2036		15.3%	45.5%	5.9%	**66.6%**	3.4%	11.0%	6.3%	3.5%	9.3%
2041		17.2%	44.4%	5.8%	**67.4%**	3.4%	10.8%	6.3%	3.6%	8.6%

Source Stantec estimates 2016 and 2021; Stantec estimates 2026 to 2041

6.4 SCENARIO 3

Scenario 3 is based on the 2016 to 2021 period during which Queens County and the Capital Region have experienced unprecedented growth that has resulted in serious strains on the local housing supply. The period has been characterized by pronounced in-migration of young adults who not only add to the region's population but also increase its potential for natural increase.

Age Profile

Applying the recent dramatic demographic trends (i.e., 2016-2021) in Queens County results in a more than doubling of the Capital Region's population. In addition, we expect the proportion of the population between 15 and 44 years of age to rise significantly from 38.6% in 2021 to 56.3% in 2041 (**Figure 6-12**). The dependency ratio will fall from the current level of 51.3 to just 35.1 suggesting a much stronger and potentially more productive region. If growth continues at the level of the 2016 to 2021 period, it will resolve the issues of population aging and decline that have long been the focus of demographic concern in PEI. The past challenge will however be replaced by the difficult work of managing growth that has gained the attention of Island residents and planners the past few years and may compound over the next two decades.

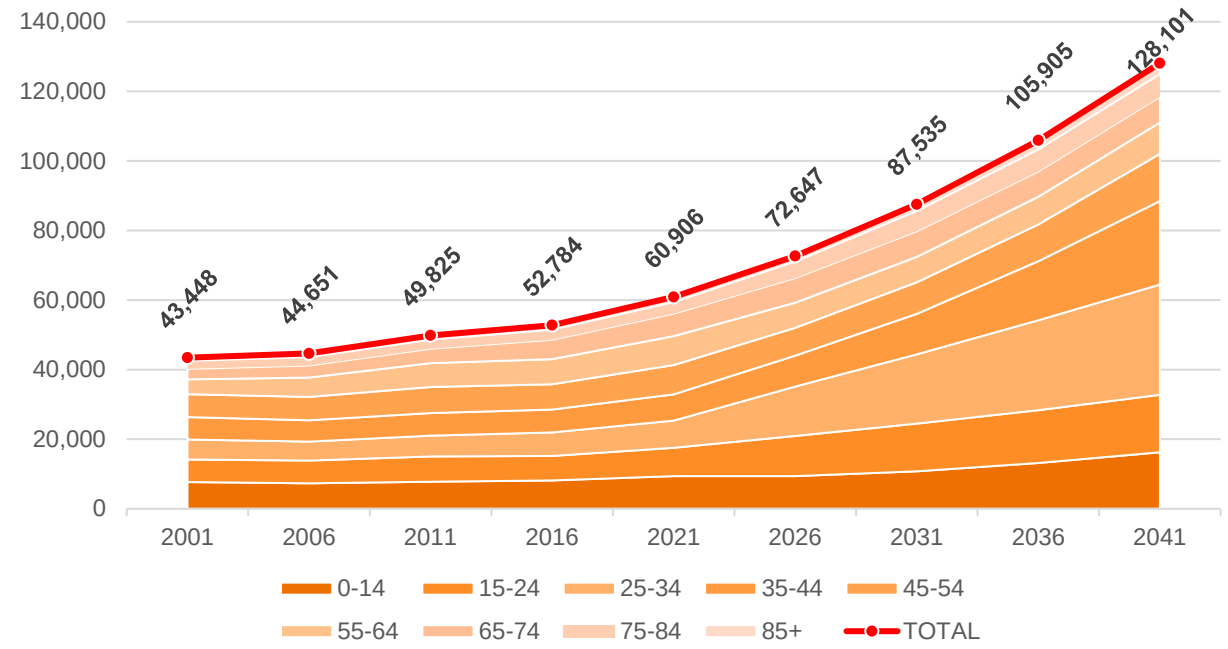
Intra-regional Distribution

In Scenario 3, Stratford will continue to attract the largest share of regional population growth but will be less dominant than in the preceding two scenarios expanding its share from 12.1% to 16.7%. All three Capital Region municipalities will add significantly to their populations. Charlottetown's share of Queens' population will increase moderately from 44.0% today to 44.9% by 2041, although Cornwall's share will decrease moderately from 6.6% to 5.9%. The Capital Region will strengthen its position in the county by even more than in the preceding scenarios with its share of population growing to 67.5% (**Figure 6-13**). Although the rural areas will see high levels of growth similar to the urban core, all will see their shares of population diminished with the farthest outlying areas (Southeast Queens and West Queens) experiencing the largest declines

Housing Needs

Given the underlying assumption of Scenario 3 that the historically high levels of in-migration to the region from 2016 to 2021 will continue over the next 20 years, the shift from single-detached to apartment housing experienced in the past five years will be sustained with falling representation of detached units and increased proportion of apartments to 2031 but slight increases in the proportion of detached dwellings in 2036 and 2041. Our estimates suggest that the proportion of detached homes will decline from 49.2% in 2021 to 47.6% in 2031 as the share of low and high-rise apartments is expected to rise from 32.5% to 33.5%. From 2031 to 2041, however, we anticipate the share of detached homes will recover slightly to reach 48.7% in 2041, while the proportion in apartments will slip moderately to 31.9% (**Figure 6-14**). In line with these shifts, we calculate the ratio between owned and rented units should move steadily toward rental from 55.5/44.5 in 2021 to 53.3/46.7.

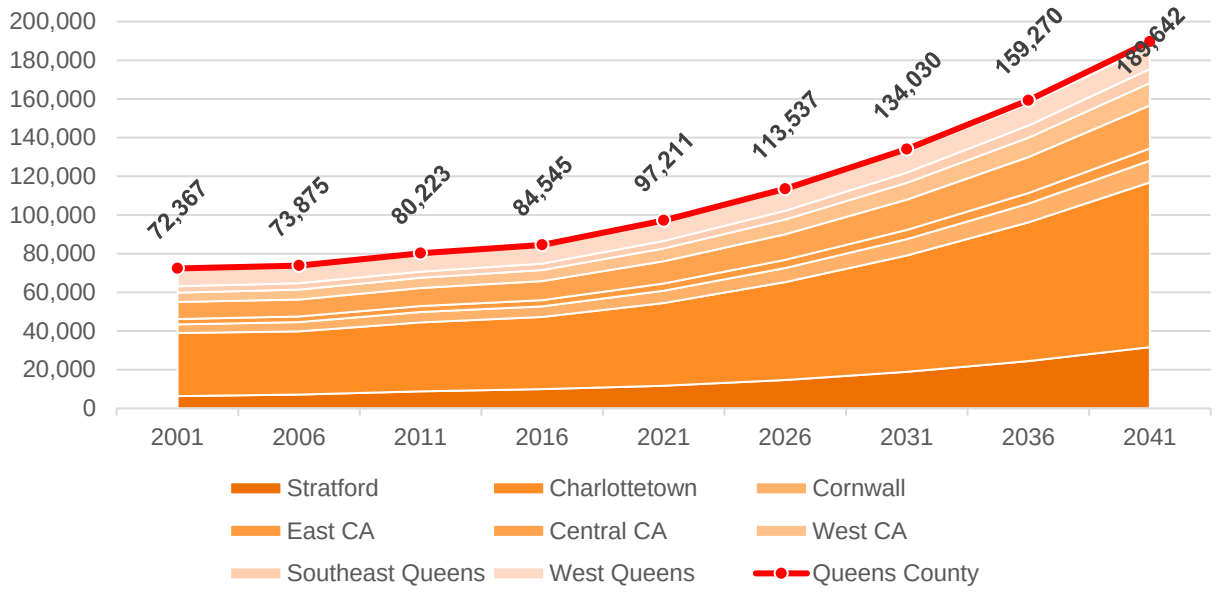
Figure 6-12 Population by Age Group, Capital Region, Scenario 3, 2001-2041



Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	7,696	7,322	7,762	8,138	9,399	9,384	10,751	13,147	16,225
15-24	6,474	6,543	7,274	7,068	8,152	11,564	13,749	15,196	16,541
25-34	5,741	5,451	5,980	6,758	7,795	14,214	19,907	25,829	31,692
35-44	6,454	6,117	6,507	6,547	7,560	8,851	11,613	16,997	23,989
45-54	6,579	6,726	7,471	7,270	8,390	7,999	9,082	10,560	13,568
55-64	4,253	5,563	6,852	7,233	8,344	7,235	7,298	7,970	9,046
65-74	3,028	3,464	4,164	5,587	6,447	7,081	7,362	7,268	7,361
75-84	2,278	2,367	2,553	2,865	3,303	4,733	5,820	6,317	6,500
85+	944	1,097	1,263	1,316	1,516	1,587	1,953	2,621	3,180
TOTAL	**43,448**	**44,651**	**49,825**	**52,784**	**60,906**	**72,647**	**87,535**	**105,905**	**128,101**
% Change		*2.8%*	*11.6%*	*5.9%*	*15.4%*	*19.3%*	*20.5%*	*21.0%*	*21.0%*
Proportions of Queens County Population									
0-14	17.7%	16.4%	15.6%	15.4%	15.4%	12.9%	12.3%	12.4%	12.7%
15-24	14.9%	14.7%	14.6%	13.4%	13.4%	15.9%	15.7%	14.3%	12.9%
25-34	13.2%	12.2%	12.0%	12.8%	12.8%	19.6%	22.7%	24.4%	24.7%
35-44	14.9%	13.7%	13.1%	12.4%	12.4%	12.2%	13.3%	16.0%	18.7%
45-54	15.1%	15.1%	15.0%	13.8%	13.8%	11.0%	10.4%	10.0%	10.6%
55-64	9.8%	12.5%	13.8%	13.7%	13.7%	10.0%	8.3%	7.5%	7.1%
65-74	7.0%	7.8%	8.4%	10.6%	10.6%	9.7%	8.4%	6.9%	5.7%
75-84	5.2%	5.3%	5.1%	5.4%	5.4%	6.5%	6.6%	6.0%	5.1%
85+	2.2%	2.5%	2.5%	2.5%	2.5%	2.2%	2.2%	2.5%	2.5%

Source Statistics Canada Estimates 2001 to 2016; Stantec estimate 2021; and Stantec estimates 2026 to 2041

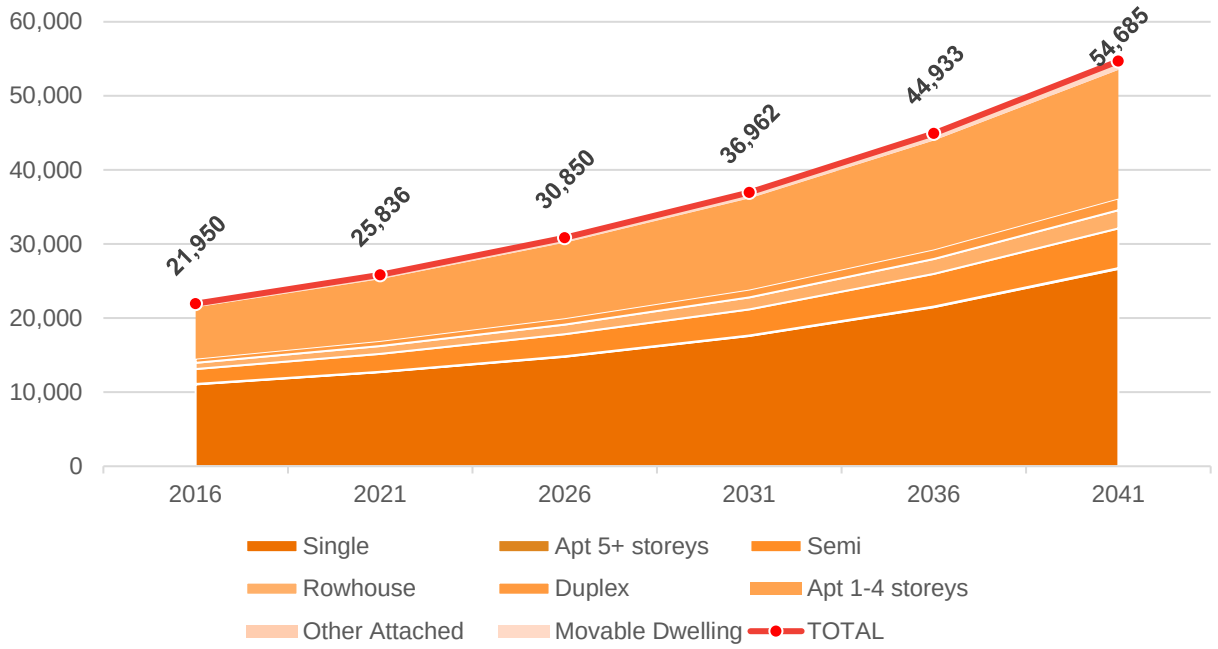
Figure 6-13 Population by Municipalities and Sub-areas, Queens County and Sub-areas, Scenario 3, 2001-2041



Community/Area	2001	2006	2011	2016	2021	2026	2031	2036	2041
Stratford	6,387	7,205	8,873	10,029	11,744	14,746	18,934	24,435	31,705
Charlottetown	32,594	32,674	35,625	37,237	42,793	50,560	60,160	71,744	85,127
Cornwall	4,466	4,772	5,327	5,518	6,369	7,341	8,441	9,725	11,269
Capital Region	**43,448**	**44,651**	**49,825**	**52,784**	**60,906**	**72,647**	**87,535**	**105,905**	**128,101**
% Change		*2.8%*	*11.6%*	*5.9%*	*15.4%*	*19.3%*	*20.5%*	*21.0%*	*21.0%*
East CA	2,780	2,882	3,079	3,234	3,695	4,166	4,737	5,447	6,286
Central CA	8,812	8,824	9,337	9,791	11,467	13,279	15,621	18,612	22,246
West CA	4,809	5,110	5,304	5,689	6,634	7,578	8,683	10,004	11,624
Southeast Queens	3,314	3,251	3,183	3,320	3,856	4,534	5,306	6,225	7,231
West Queens	9,204	9,157	9,495	9,727	10,653	11,332	12,147	13,077	14,154
Queens County	**72,367**	**73,875**	**80,223**	**84,545**	**97,211**	**113,537**	**134,030**	**159,270**	**189,642**
% Change		*2.1%*	*8.6%*	*5.4%*	*15.0%*	*16.8%*	*18.0%*	*18.8%*	*19.1%*
Proportions of Queens County Population									
Stratford	8.8%	9.8%	11.1%	11.9%	12.1%	13.0%	14.1%	15.3%	16.7%
Charlottetown	45.0%	44.2%	44.4%	44.0%	44.0%	44.5%	44.9%	45.0%	44.9%
Cornwall	6.2%	6.5%	6.6%	6.5%	6.6%	6.5%	6.3%	6.1%	5.9%
Capital Region	**60.0%**	**60.4%**	**62.1%**	**62.4%**	**62.7%**	**64.0%**	**65.3%**	**66.5%**	**67.5%**
East CA	3.8%	3.9%	3.8%	3.8%	3.8%	3.7%	3.5%	3.4%	3.3%
Central CA	12.2%	11.9%	11.6%	11.6%	11.8%	11.7%	11.7%	11.7%	11.7%
West CA	6.6%	6.9%	6.6%	6.7%	6.8%	6.7%	6.5%	6.3%	6.1%
Southeast Queens	4.6%	4.4%	4.0%	3.9%	4.0%	4.0%	4.0%	3.9%	3.8%
West Queens	12.7%	12.4%	11.8%	11.5%	11.0%	10.0%	9.1%	8.2%	7.5%

Source Statistics Canada Estimates 2001 to 2016; Stantec estimate 2021; and Stantec estimates 2026 to 2041

Figure 6-14 Dwelling Units by Structural Type, Capital Region, Scenario 3, 2016-2041

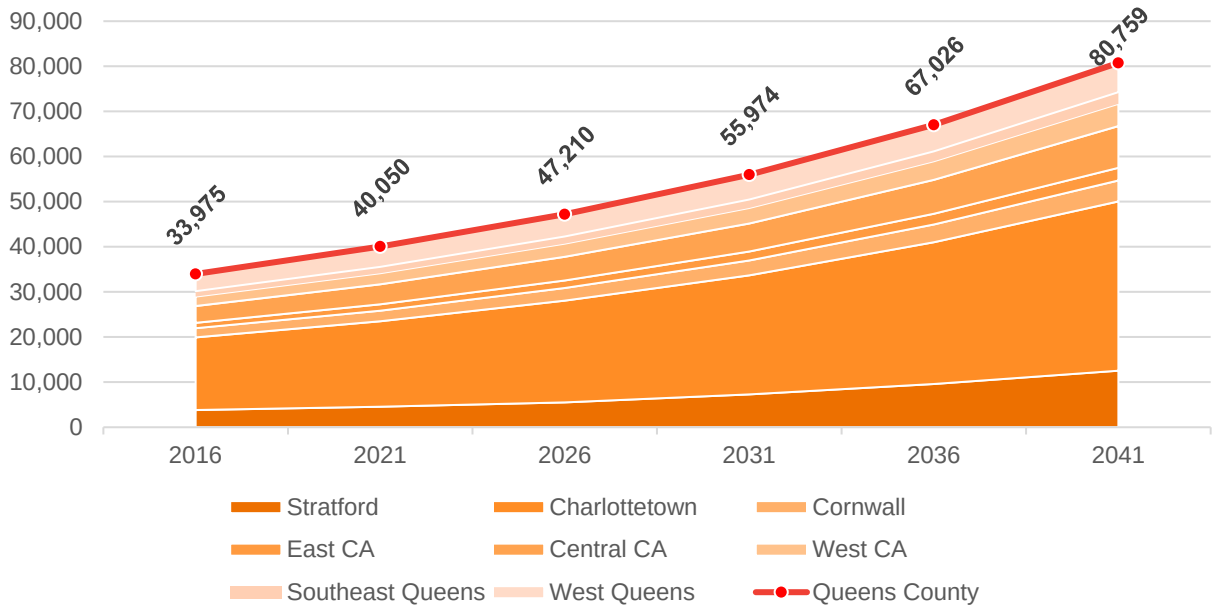


Census Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	21,950	11,055	55	2,015	840	555	6,930	35	480
2021	25,836	12,713	40	2,423	1,050	693	8,344	25	550
2026	30,850	14,790	52	2,976	1,300	858	10,203	27	644
2031	36,962	17,583	66	3,527	1,610	1,059	12,326	28	763
2036	44,933	21,474	81	4,426	2,000	1,294	14,704	27	927
2041	54,685	26,642	96	5,366	2,469	1,577	17,362	27	1,146
Proportions of Total Dwelling Units									
2016		50.4%	0.3%	9.2%	3.8%	2.5%	31.6%	0.2%	2.2%
2021		49.2%	0.2%	9.4%	4.1%	2.7%	32.3%	0.1%	2.1%
2026		47.9%	0.2%	9.6%	4.2%	2.8%	33.1%	0.1%	2.1%
2031		47.6%	0.2%	9.5%	4.4%	2.9%	33.3%	0.1%	2.1%
2036		47.8%	0.2%	9.8%	4.5%	2.9%	32.7%	0.1%	2.1%
2041		48.7%	0.2%	9.8%	4.5%	2.9%	31.7%	0.0%	2.1%
Ratio Owned/Rented									
2016	54.6/45.4	91.9/8.1	0.0/100.0	13.5/86.5	36.1/63.9	16.1/83.9	31.8/68.2	4.8/95.2	57.1/42.9
2021	55.5/44.5	92.1/7.9	0.0/100.0	14.5/85.5	38.7/61.3	16.8/83.2	36.5/63.5	5.3/94.7	75.7/24.3
2026	55.9/44.1	91.1/8.9	0.0/100.0	16.1/83.9	37.8/62.2	16.5/83.5	35.3/64.7	7.0/93.0	80.6/19.4
2031	54.5/45.5	90.2/9.8	0.0/100.0	16.0/84.0	37.2/62.8	17.2/82.8	32.8/67.2	7.2/92.8	80.1/19.9
2036	53.8/46.2	89.3/10.7	0.0/100.0	15.9/84.1	36.1/63.9	17.2/82.8	30.8/69.2	7.4/92.6	77.3/22.7
2041	53.3/46.7	88.3/11.7	0.0/100.0	15.7/84.3	35.1/64.9	17.0/83.0	29.7/70.3	7.4/92.6	73.8/26.2

Source Stantec estimates 2016 and 2021; Stantec estimates 2026 to 2041

In line with our Scenario 3 population projection, our model predicts the share of dwelling units will again increase the most in Stratford but less than in the preceding two scenarios with a rise from 11.4% to 15.5%. We expect Charlottetown to shift moderately, increasing its share from 47.2% to 47.8% by 2026 but falling back to 46.4% by 2041. We also expect Cornwall's share to decline but moderately from 5.9% to 5.7%. Overall, the proportion of dwellings in the Capital Region is again expected to grow with an increase from 64.5% to 67.7% of all housing in Queens County by 2041. Remaining regional sub-areas are expected to lose share, with the largest drop being in West Queens, which we calculate will lose more than two full percentage points (**Figure 6-15**).

Figure 6-15 Dwelling Units, Queens County and Sub-Areas, Scenario 3, 2016-2041



Census Year	Queens County	Stratford	Charlotte-town	Corn-wall	Capital Region	East CA	Central CA	West CA	Southeast Queens	West Queens
2016	33,975	3,820	16,100	2,030	**21,950**	1,195	3,725	2,095	1,195	3,825
2021	40,050	4,565	18,918	2,353	**25,836**	1,429	4,402	2,474	1,395	4,456
2026	47,210	5,506	22,545	2,798	**30,850**	1,686	5,233	2,910	1,623	4,909
2031	55,974	7,271	26,408	3,283	**36,962**	1,999	6,211	3,435	1,881	5,356
2036	67,026	9,599	31,414	3,921	**44,933**	2,376	7,526	4,128	2,193	5,870
2041	80,759	12,544	37,498	4,644	**54,685**	2,824	9,236	4,938	2,604	6,471
Proportions of Queens County										
2016		11.2%	47.4%	6.0%	**64.6%**	3.5%	11.0%	6.2%	3.5%	11.3%
2021		11.4%	47.2%	5.9%	**64.5%**	3.6%	11.0%	6.2%	3.5%	11.1%
2026		11.7%	47.8%	5.9%	**65.3%**	3.6%	11.1%	6.2%	3.4%	10.4%
2031		13.0%	47.2%	5.9%	**66.0%**	3.6%	11.1%	6.1%	3.4%	9.6%
2036		14.3%	46.9%	5.8%	**67.0%**	3.5%	11.2%	6.2%	3.3%	8.8%
2041		15.5%	46.4%	5.7%	**67.7%**	3.5%	11.4%	6.1%	3.2%	8.0%

Source Stantec estimates 2016 and 2021; Stantec estimates 2026 to 2041

6.5 SCENARIO INSIGHTS

The three foregoing scenarios provide a variety of insights to the housing situation in Charlottetown. First, the background trends underlying each scenario indicate that population growth and related increases in housing demand have been gaining momentum for 15 years. Played ahead 20 years, continuation of these trends suggests significant further increases in population and housing need. The most recent period from 2016 to 2021 is unprecedented and, if continued, will roughly double housing requirements in both Queens County and the Capital Region.

Scenario 3, which generates the highest rate of growth, suggests the Capital Region will require 28,849 additional dwelling units over the 20 years from 2021 to 2041 or 1,442 per year. Permit approvals by Charlottetown, Cornwall, and Stratford in the past two years have approached that level (1,005 units/per year in 2019 and 2020, as shown on **Figure 5-11**, above) but will have to continue to grow substantially. Sustaining production over the next two decades will require considerable expansion of housing investment in PEI and complementary growth in the Island's development industry.

The recent increase appears to be much less connected to the economy than features of the local real estate market. As our analysis in **Chapter 3.0** establishes, the economy of the Island is sound, but it is not expanding at a rate commensurate with its population increase. Certainly, anecdotal evidence suggests the rise of home-based work stimulated by the COVID-19 pandemic has drawn a significant number of footloose workers to the region, but they have largely brought jobs with them rather than being attracted by economic opportunities on the Island. The pull of the Island for these workers, as well as for many international immigrants and retirees, is low-priced housing, notwithstanding that the influx it has attracted has jeopardized affordability.

An interesting feature we have noted from our future estimates is the long-range expectation that the share of housing in single-detached accommodation will be restored over time, despite model adjustments assuming shifts to rented apartment units. The tendency appears to have parallels to the Baby Boom of the mid-twentieth century inasmuch as the recent rise in migration to the region has been abrupt and largely unexpected and has demanded a rapid response. The influx of in migrants, predominantly in the 20 to 44 age cohorts, put immediate pressure on local housing and, particularly, on apartment units like Baby Boom children placed pressure on housing and schools in the 1950s and 1960s. The response to accommodate an expanded group of apartment dwellers is increasing apartment capacity; however, as with schools built for Baby Boomers, demand will dissipate if new residents are not continuously added.

The current wave of immigrants, like others in the population can be expected to move out of apartments into attached ground-level units and detached housing as they form families. According to widely cited statistics, typical international immigrants buy a house within three years of their arrival in Canada and account for one in five home purchases.[41] If current immigration levels are maintained, apartment units now being added will continue to be occupied. If immigration falls back at all, vacancies may well increase, although any increase from present levels will add to current pressures. The effect of recent immigrants is also not restricted to their direct housing needs. As we have noted, they are predominantly of family forming age and can be expected to make a significant contribution to the next generation of Islanders. Their children will become apartment-dwellers as they reach young adulthood, and they themselves may well return to apartments as they reach retirement. Like Baby Boomers they can be expected to influence their environment throughout their lives as well as through the lives of their offspring.

6.6 LAND SUPPLY

While the foregoing estimates give an idea of the need for housing, the ability to provide required units is significantly influenced by municipal plans and regulations. Official plans set the objectives and policies for land development and uses, and zoning bylaws define where development should be located by type. Charlottetown, Cornwall, and Stratford combined have 81,300,241.4 m^2 (81,300.2 hectares) of land zoned for development (i.e., land excluding roadways, utility corridors and other lands deemed unsuitable for development, such as tidal areas) based on calculations by Stantec using the zoning maps of each municipality in GIS, as summarized in **Table 6-1** and **Table 6-2** and illustrated in **Figure 6-16**.

To develop the numbers shown in the following tables, we calculated the land area each zone covers in GIS, the number of units allowed on each property by right in each zone, and the number that can be added on properties in the zone based on a property-by-property comparison of the “maximum as-of-right” number of units to the number already present. In other words, for each property we determined the number of units allowed by the applicable bylaw without council approval. We, therefore, ignored special permit and conditional uses, and avenues to increase development potential such as rezonings or development agreements.

[41] According to related statistics, 75% of newcomers arrive with savings intended to help purchase a home, although 64% initially rent. In addition, 82% of newcomers choose to remain in their first city of residence. Jordon Scrinko, “Canada Real Estate Statistics [2020],” *precondo*, updated April 23, 2021, https://precondo.ca/canada-real-estate-statistics/. Other data indicate that Asians, who are the predominant immigrant group attracted to Charlottetown, are particularly likely to pursue homeownership and generally own homes at a rate comparable to the national average. Chinese immigrants place even more emphasis on homeownership and approximately 85% own their own home. See: Statistics Canada, “Housing Experiences in Canada 2018,” *The Daily*, Monday, November 22, 2021.

Table 6-1 Land Area by Zone with Estimated Potential Residential Units, Charlottetown, 2021

Zone	Primary Dwelling Unit Type	Area (m^2)	% of Total Area	Max. as of Right Units	Potential Additional Units	Unserviced Area (m^2)	Unserviced % of Total Area
A	None	4,790,036.3	12.8%	0	0	0.0	0.0%
C1	None	33,697.3	0.1%	0	0	0.0	0.0%
C2	Low-rise apt	932,606.6	2.5%	1,044	809	0.0	0.0%
C3	Low-rise apt	619,694.0	1.7%	1,094	906	0.0	0.0%
CDA	Mixed	2,987,726.3	8.0%	6,220	6,213	0.0	0.0%
DC	Low-rise apt	38,188.7	0.1%	164	136	0.0	0.0%
DMS	Low-rise apt	63,330.9	0.2%	349	273	0.0	0.0%
DMU	Rowhouse	15,571.1	0.0%	22	16	0.0	0.0%
DMUN	Rowhouse	190,160.5	0.5%	253	155	0.0	0.0%
DN	Rowhouse	361,730.1	1.0%	313	126	0.0	0.0%
FDA	Single	508,908.1	1.4%	14	12	0.0	0.0%
I	None	3,009,957.0	8.1%	0	0	0.0	0.0%
M1	Other attached	920,806.0	2.5%	594	503	0.0	0.0%
M2	None	854,408.1	2.3%	0	0	0.0	0.0%
M3	None	648,737.4	1.7%	0	0	0.0	0.0%
MH	Movable	172,171.2	0.5%	358	303	0.0	0.0%
MHR	Movable	74,274.0	0.2%	159	134	0.0	0.0%
MUC	Low-rise apt	736,626.8	2.0%	1,142	813	0.0	0.0%
MUR	Rowhouse	400,362.0	1.1%	1,786	1,514	0.0	0.0%
MUVC	Rowhouse	53,233.7	0.1%	18	15	0.0	0.0%
OS	None	2,715,730.8	7.3%	0	0	0.0	0.0%
P	None	38,704.0	0.1%	0	0	0.0	0.0%
PC	None	73,531.5	0.2%	0	0	0.0	0.0%
PZ	None	6,276.0	0.0%	0	0	0.0	0.0%
R1L	Single	7,776,429.1	20.8%	10,628	5,341	0.0	0.0%
R1N	Single	8,219.4	0.0%	17	10	0.0	0.0%
R1S	Single	1,446,867.3	3.9%	1,613	697	0.0	0.0%
R2	Semi/Duplex	2,134,058.1	5.7%	4,725	2,386	0.0	0.0%
R2S	Semi/Duplex	4,172,261.5	11.2%	10,095	8,007	0.0	0.0%
R3	Rowhouse	1,031,589.6	2.8%	5,196	2,212	0.0	0.0%
R3T	Rowhouse	31,266.1	0.1%	147	120	0.0	0.0%
R4	Low-rise apt	38,502.0	0.1%	215	31	0.0	0.0%
WF	None	138,603.5	0.4%	0	0	0.0	0.0%
WLC	None	21,061.1	0.1%	0	0	0.0	0.0%
WLOS	None	307,787.3	0.8%	0	0	0.0	0.0%
	TOTALS	**37,353,113.3**	**100.0%**	**46,166**	**30,733**	**0.0**	**0.0%**

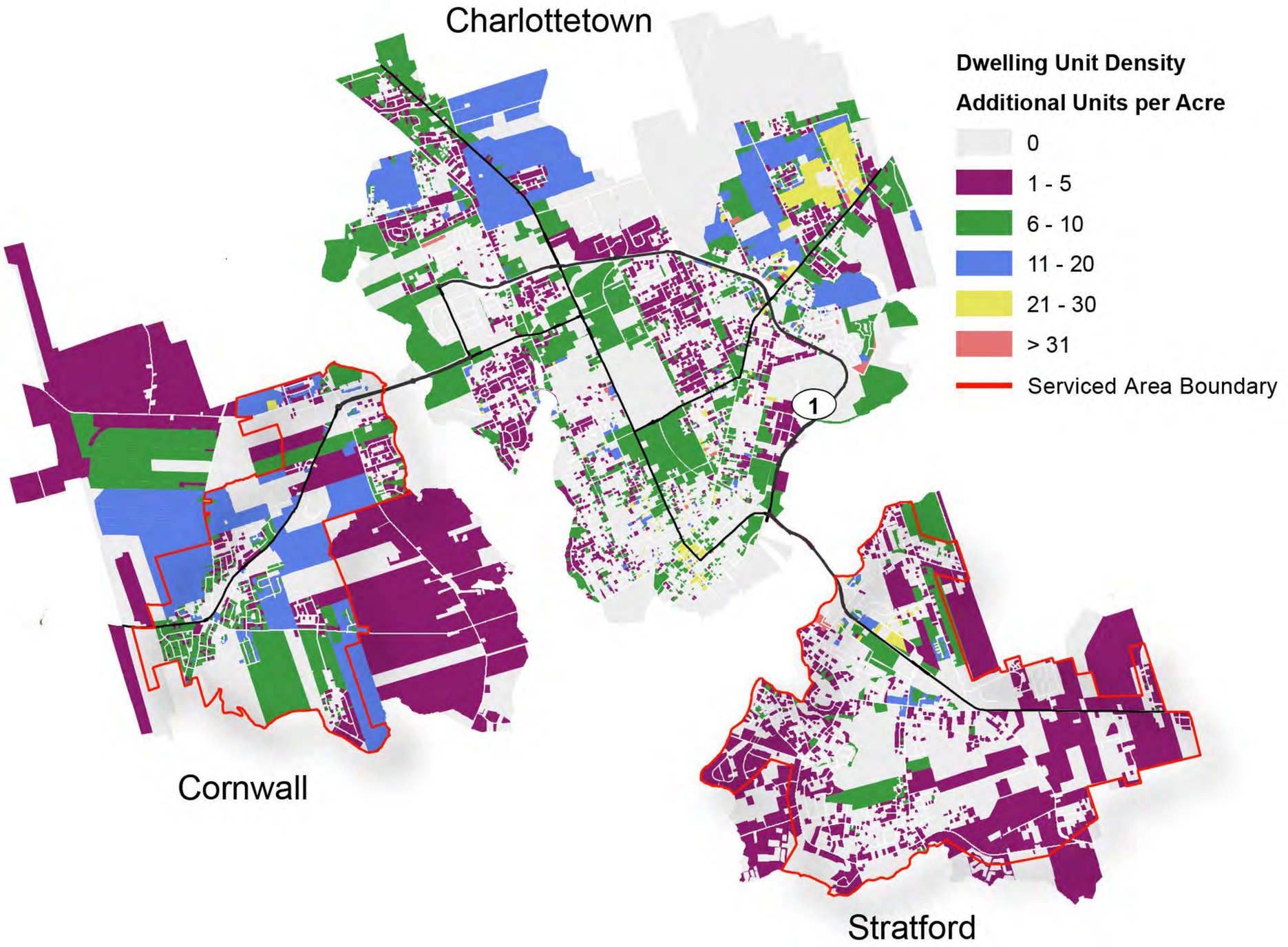
Source Stantec Consulting Limited

Table 6-2 Land Area by Zone with Estimated Potential Residential Units, Cornwall and Stratford, 2021

Zone	Primary Dwelling Unit Type	Area (m^2)	% of Total Area	Max. as of Right Units	Potential Additional Units	Unserviced Area (m^2)	Unserviced % of Total Area
Cornwall							
A1	Single	10,681,370.2	44.6%	1,025	849	10,453,524.0	43.7%
C1	Other attached	936,687.4	3.9%	27	23	0.0	0.0%
CDA	Low-rise apt	1,105,612.1	4.6%	1,378	1,375	1,105,612.1	4.6%
M2	None	779,443.1	3.3%	0	0	547,385.1	2.3%
O1	None	287,645.6	1.2%	0	0	78,188.2	0.3%
PSI	None	669,085.7	2.8%	0	0	123,679.8	0.5%
PURD	Mixed	2,535,833.9	10.6%	11,147	10,760	1,135,461.1	4.7%
R1	Single	2,710,869.6	11.3%	2,668	1,711	0.0	0.0%
R2	Semi/Duplex	2,197,044.7	9.2%	5,229	3,894	286,296.6	1.2%
R3	Rowhouse	100,867.1	0.4%	0	107	0.0	0.0%
R4	Low-rise Apt	169,392.6	0.7%	575	292	0.0	0.0%
RM1	Movable	114,428.2	0.5%	222	189	0.0	0.0%
RR	Single	1,657,706.8	6.9%	291	238	1,657,706.8	6.9%
	TOTALS	**23,945,987.0**	**100.0%**	**22,562**	**19,437**	**15,387,853.8**	**64.3%**
Stratford							
A1	Single	5,273,268.6	26.4%	172	138	5,265,408.5	26.3%
C1	None	36,967.0	0.2%	0	0	0.0	0.0%
C2	None	14,366.8	0.1%	0	0	0.0	0.0%
C3	None	7,377.7	0.0%	0	0	1,238.3	0.0%
M1	None	297,789.3	1.5%	0	0	0.0	0.0%
M2	None	262,517.7	1.3%	0	0	0.0	0.0%
MRC	None	34,116.5	0.2%	0	0	0.0	0.0%
MRMU	Low-rise Apt	11,006.0	0.1%	9	8	0.0	0.0%
MRR	Rowhouse	9,560.1	0.0%	19	16	0.0	0.0%
O1	None	1,159,881.6	5.8%	0	0	1,083,515.5	5.4%
PSI	None	352,102.5	1.8%	0	0	266,976.5	1.3%
PURD	Mixed	202,180.8	1.0%	845	648	0.0	0.0%
R1	Single	4,252,526.9	21.3%	3,983	2,121	82,672.5	0.4%
R1L	Single	5,662,379.2	28.3%	2,369	1,567	1,171,641.4	5.9%
R2	Semi/Duplex	1,732,045.5	8.7%	930	434	21,869.4	0.1%
R3	Rowhouse	86,745.9	0.4%	456	196	0.0	0.0%
TCC	None	87,587.2	0.4%	0	0	0.0	0.0%
TCI	None	76,372.0	0.4%	0	0	0.0	0.0%
TCMU	Low-rise apt	165,076.3	0.8%	303	303	0.0	0.0%
TCR	Low-rise apt	124,049.5	0.6%	603	345	0.0	0.0%
WMU	None	66,805.9	0.3%	0	0	0.0	0.0%
WPS	None	72,016.6	0.4%	0	0	0.0	0.0%
WR	Low-rise apt	14,401.6	0.1%	179	179	0.0	0.0%
	TOTALS	**20,001,141.1**	**100.0%**	**9,868**	**5,955**	**7,893,322.2**	**39.5%**

Source Stantec Consulting Limited

Figure 6-16 Locations of Potential Additional Residential Dwellings Units, Capital Region, 2021



Source Stantec Consulting

For most zones, we divided the area of each property by the zone's lot area requirement to determine the number of units that could fit. We then deemed the lot ready for development if its frontage was sufficient to meet the bylaw requirement. If not, the property was deemed not to be ready for development and excluded from our compilation.

For zones such as PURD (Planned Unit Residential Development) and CDA (Comprehensive Development Area), and some of the zones adopted for the core of Stratford that presume the development of a master planned area, we adopted a standard density for the predominant building type, to take into account requirements for roads and park spaces within the development.[42] For other developments, we assumed road development was not in question as satisfaction of frontage requirements was a condition of development in our assumptions; however, we discounted the number of units by 15% to recognize parkland dedication and losses due to awkward lotting and other issues that often compromise lot yield. Once we determined potential as-of-right development by these means, we subtracted the number of units existing on each property to determine the net potential gain through either development or redevelopment.

Our purpose in calculating potential net additional dwelling units was to determine the ability of the three municipalities to accommodate growth under the three scenarios we developed. We recognize, however, the question is not simply whether the total number of required dwelling units can be provided but whether the type of units required can be supplied. If, for example, 30,000 single-detached homes can be built, it will not address the needs of the many households that cannot afford to buy or maintain a single-detached home, or who may simply not want or be suited to that type of accommodation.

As can be seen from the preceding tables, current zoning permits substantial development in all three communities. Close to three-quarters (73.9%) of all land in the three municipalities is zoned to allow some level of residential development, ranging from accessory apartments in commercial buildings to multi-unit apartment structures. Remaining lands are zoned exclusively for commercial, institutional, or industrial uses, or are reserved for parks and open space. Based on our calculations, Charlottetown can accept 30,733 dwelling units of all types; Cornwall, which has substantial vacant areas, can absorb 19,437; and Stratford can accommodate 5,955. Together, the three municipalities comprising the urban core of the region are currently zoned to allow the development of 56,125 additional dwelling units.

These numbers, based on our assumptions concerning the number of dwelling units permitted in each zone, are additions to units already built within each community. They should nevertheless be qualified. A substantial portion of potential new units in Cornwall and Stratford are on unserviced lands where low density is prescribed in consideration of the limitations of on-site septic systems and wells (see serviced Area boundaries for Cornwall and Stratford on **Figure 6-16**, above). In Cornwall, 8,837 or 45.5% of potential dwelling units do not currently have access to municipal water and sewer services and, in Stratford, 1,349 or 22.7% of potential dwelling units are unserviced as shown in **Table 6-3**. Much of this land, furthermore, is covered by Agriculture (A) zoning where policy generally discourages development

[42] Our primary source was the City of Edmonton handout "Housing Types and Definitions," April 2013, https://www.edmonton.ca/public-files/assets/document?path=PDF/Housing_Types_and_Definitions_Chart.pdf, which defines the typical number of dwelling units per hectare for rowhouse and apartment types.

and in which subdivision into the maximum number of lots is unlikely given that developers will generally want to access services to maximize development potential. In Stratford, these lands are on the perimeter of the town and allow relatively moderate additional development (areas capable of accommodating up to 5 units per acre visible outside the Town's Servicing Boundary as shown on **Figure 6-16**, above). Cornwall, on the other hand, has extensive unserviced lands adjacent to its developed core in which substantial additional units (up to 30 per acre) are possible as **Figure 6-16** shows.

Table 6-3 Permitted Dwelling Units by Broad Structural Type, Charlottetown, Cornwall and Stratford, 2021

	Single	Semi/ Duplex	Rowhouse	Low-rise apt	Other attached	Movable	Mixed	TOTAL
All Potential								
Capital Region	12,685	14,720	4,477	5,469	526	626	17,621	56,125
% of Units	*22.6%*	*26.2%*	*8.0%*	*9.7%*	*0.9%*	*1.1%*	*31.4%*	*100.0%*
Charlottetown	6,061	10,393	4,157	2,968	503	438	6,213	30,733
% of Units	*19.7%*	*33.8%*	*13.5%*	*9.7%*	*1.6%*	*1.4%*	*20.2%*	*100.0%*
Cornwall	2,798	3,894	107	1,667	23	189	10,760	19,437
% of Units	*14.4%*	*20.0%*	*0.6%*	*8.6%*	*0.1%*	*1.0%*	*55.4%*	*100.0%*
Stratford	3,826	434	213	835	0	0	648	5,955
% of Units	*64.3%*	*7.3%*	*3.6%*	*14.0%*	*0.0%*	*0.0%*	*10.9%*	*100.0%*
Serviced Land								
Capital Region	11,082	14,061	4,477	3,267	526	626	12,583	46,623
% of Units	*19.7%*	*25.1%*	*8.0%*	*5.8%*	*0.9%*	*1.1%*	*22.4%*	*83.1%*
Charlottetown	6,061	10,393	4,157	2,968	503	438	6,213	30,733
% of Units	*19.7%*	*33.8%*	*13.5%*	*9.7%*	*1.6%*	*1.4%*	*20.2%*	*100.0%*
Cornwall	1,711	3,241	107	292	23	189	5,722	11,284
% of Units	*8.8%*	*16.7%*	*0.6%*	*1.5%*	*0.1%*	*1.0%*	*29.4%*	*58.1%*
Stratford	3,311	427	213	8	0	0	648	4,606
% of Units	*55.6%*	*7.2%*	*3.6%*	*0.1%*	*0.0%*	*0.0%*	*10.9%*	*77.3%*
Undeveloped Serviced Land								
Capital Region	4,989	7,504	2,593	3,519	526	413	9,134	28,678
% of Units	*17.4%*	*26.2%*	*9.0%*	*12.3%*	*1.8%*	*1.4%*	*31.9%*	*100.0%*
Charlottetown	2,359	6,641	2,439	2,786	503	224	4,468	19,421
% of Units	*12.1%*	*34.2%*	*12.6%*	*14.3%*	*2.6%*	*1.2%*	*23.0%*	*100.0%*
Cornwall	866	563	90	6	23	189	4,387	6,124
% of Units	*14.1%*	*9.2%*	*1.5%*	*0.1%*	*0.4%*	*3.1%*	*71.6%*	*100.0%*
Stratford	1,764	300	65	727	0	0	279	3,134
% of Units	*56.3%*	*9.6%*	*2.1%*	*23.2%*	*0.0%*	*0.0%*	*8.9%*	*100.0%*

Source Stantec Consulting Limited

Within the serviced areas and in the core of each of the three communities, while zoning allows more units through infill and additions to existing structures on many properties, construction will be more complicated on lands that are already developed. We have discounted potential additional units by an appropriate percentage in zones that allow non-residential uses such as agriculture and commercial zones.[43] Undoubtedly, as well, some permitted units will be difficult to incorporate in specific situations where buildings would not be easy to adapt or where their value for non-residential purposes would exceed potential returns from residential redevelopment (e.g., many commercial buildings that are permitted to incorporate residential units). We estimate lands that are serviced and not currently developed with dwelling units can accommodate 28,678 additional units across the three municipalities or 51.1% of all dwelling units we estimate current zoning will permit.

Comparison of our Scenario 3 estimates of housing needs by structural type with potential additional dwelling units indicate future strains on supply. Housing needs are measured by subtracting our estimates of dwelling numbers in 2021 from projected 2041 dwelling unit needs. Under Scenario 3, for example, the Capital Region will require 28,849 additional dwelling units to be built between 2021, for which we have estimated the region has 25,836, and 2041, when Scenario 3 suggests 54,685 will be required (**Table 6-4**). For Scenarios 1 and 2 our calculations of total dwelling unit needs are 6,625 and 15,381, respectively.

When all available opportunities in the three municipalities are considered, the current capacity of the Capital Region municipalities almost exactly matches the need expected to develop by 2041 in Scenario 3 with a shortfall of just 170 units, when need is compared to the presumed capacity of current serviced and undeveloped land. For comparison Scenario 1 will have a comfortable surplus of 22,054 units and adequate opportunities to accommodate all residential types, and Scenario 2 will result in a more moderate surplus of 13,298 with greater requirements for single-detached and apartment units than current zoning for those uses can accommodate but more than sufficient additional land in mixed-use zones to cover the need.

Circumstances in both Scenarios 2 and 3 are concerning. Well before the region reaches its current capacity, the market can be expected to tighten considerably. Furthermore, not all lands are likely to be developed to their maximum potential. While we would expect market pressures to result in rezoning of land to address the need, we would also expect population to spread into outlying areas of Queens County and beyond, which will already be under substantial growth pressure.

By municipality within the Capital Region, Cornwall is the most able to accommodate single and attached housing types over the next 20 years if the level of growth expected in Scenario 3 occurs. While the town will have minor shortfalls in land zoned for as-of-right development in most residential categories, the small deficiencies should be amply covered by substantial potential in mixed-use zones (numbers in red highlight locations and housing categories where projected 2041 demand will exceed the estimated availability of appropriately zoned vacant, serviced land). Charlottetown, on the other hand, shows substantial shortages for both detached housing and apartments, but a large surplus of land zoned for

[43] The percentage discounted was varied based on the variety of possible alternative uses. We assumed for commercial zones, for example, that 25% of potential units would be built. For agriculture zones in Cornwall and Stratford, we assumed 50%.

attached housing (5,932 units) as well as considerable mixed-use capacity. Stratford, however, is under supplied in all categories and an overall shortfall that the Town's limited supply of mixed-use land will not cover (**Table 6-4**).

The distribution of land is general favourable. The bulk (67.7%) of serviced, greenfield units are permitted in Charlottetown, where it is not necessary to cross either the North River or the Hillsborough River, typical commutes are shorter, and transit is more available. Cornwall's serviced land is concentrated around its Main Street corridor, which is served by transit and proposed under the Town's draft Official Plan to incorporate more intense mixed-use development with new active transportation facilities (i.e., sidewalks and cycling lanes). A great deal of Cornwall's development potential is in mixed-use PURD or CDA Zones designed to facilitate master planned communities with a range of housing types. The Town's draft Official Plan, which Stantec prepared, proposes rezoning of substantial areas around the new TCH interchange and along Cornwall Road to Main Street within the town to PURD and CDA from Agriculture. The recommendations have, however, met strong community resistance. In Stratford, however, the town's development potential, while limited, is distributed widely inside and outside its serviced area.

Table 6-4 Estimated Potential Residential Units, Capital Region, 2021

	TOTAL	Single	Attached	Apartment	Movable	Mixed
Capital Region						
All	56,125	12,685	19,724	5,470	627	17,621
Serviced	47,450	11,083	19,064	4,095	627	12,583
Serviced/Undeveloped	28,679	4,989	10,624	3,519	413	9,134
2041 Need*	**28,849**	**13,929**	**5,249**	**9,075**	**596**	
*Surplus/Deficit***	*-170*	*-8,940*	*5,375*	*-5,556*	*-183*	*9,134*
Charlottetown						
All	30,733	6,061	15,054	2,968	438	6,213
Serviced	30,733	6,061	15,054	2,968	438	6,213
Serviced/Undeveloped	19,421	2,359	9,583	2,786	224	4,468
2041 Need*	**18,579**	**7,531**	**3,651**	**7,097**	**301**	
*Surplus/Deficit***	*842*	*-5,172*	*5,932*	*-4,311*	*-77*	*4,468*
Cornwall						
All	19,437	2,798	4,024	1,667	189	10,760
Serviced	11,284	1,711	3,371	292	189	5,722
Serviced/Undeveloped	6,124	866	676	6	189	4,387
2041 Need*	**2,291**	**1,331**	**499**	**170**	**291**	
*Surplus/Deficit***	*3,833*	*-465*	*177*	*-164*	*-102*	*4,387*
Stratford						
All	5,955	3,826	646	835	0	648
Serviced	5,433	3,311	639	835	0	648
Serviced/Undeveloped	3,134	1,764	365	727	0	279
2041 Need*	**7,979**	**5,067**	**1,100**	**1,808**	**4**	
*Surplus/Deficit***	*-4,845*	*-3,303*	*-735*	*-1,081*	*-4*	*279*

* Based on Scenario `3 ** Serviced/Undeveloped land – 2041 Need

Source Stantec Consulting Limited

The distribution of dwelling unit types permitted by current zoning is nevertheless encouraging. Only 17.4% of permitted units on serviced, vacant land are designated as single-detached, which is just 60.0% of the total projected demand for single-detached units, recognizing that there are many additional opportunities to add detached units through infill and they are the predominant use permitted on unserviced land. The largest share of units is in zones permitting forms of attached housing (i.e., semis, duplexes, and other attached units), which account for 37.0% of potential additional units, suggesting that the missing middle has not been ignored by the Capital Region municipalities. On the other hand, only 12.3% of potential units are in apartment structures, which are all low-rise, given that the maximum height permitted for residential development in any of the three municipalities is 48 feet. Apartments are, however, generally permitted as a component of areas designated for mixed development, which are an important feature of zoning in all three municipalities but are particularly noteworthy in Cornwall where 71.6% of potential serviced greenfield development is in aforementioned mixed-use PURD and CDA zones.

Many mechanisms are available to change zoning to allow more or less development, encourage it in favourable directions, or shift its emphasis to different unit types. As we have noted, Stantec has prepared a revised Official Plan and Bylaw for the Town of Cornwall that will encourage mixed-use development in the Town's Main Street corridor based on study work previously completed by Fathom Studio under the company's former name Ekistics.[44] Work by Ekistics for the Town of Stratford as well as recent work by Upland has provided the foundation for the town centre and waterfront zones now incorporated in the Stratford Development Bylaw that have added significantly to the town's development capacity.[45] Charlottetown, for its part, has explored avenues to increase density that are notably reflected in recent Bylaw amendments to facilitate comprehensive development in the East Royalty area as well as a range of initiatives stimulated by the City's Affordable Housing Incentive Program.

If, however, growth in the Capital Region continues at the pace established in the past five years as reflected in Scenario 3 estimates, additional effort to facilitate intensification will be required. As we have noted, housing demand appears to be shifting to apartment units and there is considerable room for the trend before the Capital Region reaches the national norm. While explicit provisions for apartments are arguably inadequate (12.3% of potential units on vacant, serviced land are in zones specifically created for apartments), mixed-use zones (e.g., PURD and CDA zones) can accommodate significantly more. Where property is appropriate and building capacity is available, developers can and frequently do initiate processes to change planning and zoning requirements with the usual objective being to increase the density to be permitted.

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[44] Ekistics Planning and Design, *Town of Cornwall Main Street Spatial Plan*, November 2018.

[45] Ekistics Planning and Design, *Stratford Core Area Vision*, Final Report, March 2008, and Upland Planning and Design, *Stratford Waterfront Core Area Plan*, September 2021.

While developers and other stakeholders consulted have emphasized the challenges of these processes, applications will undoubtedly be received and approved over the next 20 years to rezone properties, change zoning provisions, and make other changes to expand residential development potential, particularly if the housing market remains strong. Acceptance of these efforts will depend on municipal planning policies and public comfort with growth and change. The three municipalities will face a critical challenge to interpret public desires and develop effective policy and regulatory frameworks to provide for needed residential development.

6.7 AFFORDABLE HOUSING NEEDS

A final very important but difficult issue is affordability. As discussed in **Section 2.1** above, the basic measure of affordability is core housing need defined as households that must spend more than 30% of their before tax income on housing. Unfortunately, as discussed, current data on core housing need for PEI is questionable. CMHC's survey-based annual estimates are considered unreliable by the Corporation and differ considerably from Census of Canada numbers. Census numbers, although based on a much larger, more reliable sample, are now six years old and do not reflect the substantial upturn in housing prices that has taken place since the data was collected.

Census numbers are, however, more fine-grained as they are available for the census subdivisions that comprise the Capital Region as well as for both owner and renter households. CMHC numbers, although available to 2019, are only available for the Charlottetown and Summerside CAs together, and do not distinguish owners and renters. The best we feel we can therefore do to estimate the future number of households required to spend 30% or more of their income on housing is to apply 2016 proportions of households in core housing need to our Scenario 3 estimates of owner and renter households in each Capital Region municipality to our predicted numbers of total owned and rented units in the three municipalities to generate the results shown in **Table 6-5**.

We offer the estimates cautiously, recognizing that housing prices have risen significantly relative to household incomes since 2016, and prices for many goods and services as well as interest rates have recently also increased. Our estimates demonstrate, at the minimum, the scale of the ongoing need for affordable units if incomes can keep pace with housing costs. Given the expectation of many that housing costs will run ahead of incomes in the near future, at least, it is reasonable to expect that the need for additional affordable units will be greater than we have estimated using the best available data.

Table 6-5 Estimated Additional Affordable Units Required, Capital Region, Scenario 3, 2016-2041

Census Year	Charlottetown	Cornwall	Stratford	Capital Region	Additional Units Needed	% Addition Needed
Owners						
2016	7,760/1,009	1,500/162	2,730/336	11,990/1,507		
2021	8,940/1,162	1,717/185	3,144/387	13,802/1,734	228	15.1%
2026	10,057/1,307	1,918/207	3,543/436	15,518/1,950	216	12.4%
2031	10,953/1,424	2,118/229	4,353/535	17,424/2,188	238	12.2%
2036	12,318/1,601	2,373/256	5,528/680	20,219/2,538	349	16.0%
2041	14,060/1,828	2,659/287	6,978/858	23,697/2,973	436	17.2%
Renters						
2016	8,340/3,394	530/163	1,090/403	9,960/3,961		
2021	9,313/3,790	598/184	1,178/436	11,089/4,411	450	11.4%
2026	10,240/4,168	683/210	1,339/495	12,262/4,874	463	10.5%
2031	11,994/4,882	811/250	1,759/651	14,564/5,782	909	18.6%
2036	14,142/5,756	964/297	2,323/860	17,429/6,912	1,130	19.5%
2041	16,697/6,796	1,131/348	3,006/1,112	20,834/8,256	1,344	19.4%
All Households						
2016	16,100/4,403	2,030/325	3,820/739	21,950/5,468		
2021	18,254/4,953	2,315/370	4,322/823	24,891/6,145	678	12.4%
2026	20,297/5,475	2,601/417	4,882/931	27,780/6,824	679	11.0%
2031	22,946/6,305	2,929/478	6,112/1,186	31,988/7,970	1,146	16.8%
2036	26,460/7,357	3,337/553	7,851/1,540	37,648/9,450	1,480	18.6%
2041	30,757/8,623	3,789/635	9,985/1,971	44,531/11,229	1,780	18.8%

Source Stantec Consulting Limited

7.0 CONCLUSIONS AND RECOMMENDATIONS

Responses to housing issues in Canada require action from all levels of government. Under the Constitution, housing is the responsibility of the provinces given the assignment of "property and civil rights" to their jurisdiction. The Federal Government has, however, long established a role in the financing and funding of housing beginning with the *Dominion Housing Act* of 1935, followed by the formation of CMHC in 1945, and reflected in the current National Housing Strategy.

This Housing Needs Assessment has been prepared for municipal clients: the City of Charlottetown, and the Towns of Cornwall and Stratford. The responsibilities of municipalities are allocated by the provinces in which they are located. Provinces can assign any function within their sphere of responsibility to a municipal government through appropriate legislation. Most provinces assign local planning and development regulation to municipalities and some assign responsibility for social housing. Under PEI's recently adopted *Municipal Government Act* (MGA), the Province has reinforced the responsibility of municipalities for planning and development regulation, requiring all municipalities to adopt official plans and review them on a regular cycle. While the Act does not require municipalities to involve themselves in the provision of social housing, they do arguably have the authority to take on the responsibility under the broad powers in Section 180 of the MGA.[46]

The housing situation in Canada, furthermore, is dynamic. As we have completed this report in May 2022, we have observed and read varied news items and opinion pieces dealing with housing in North America. Most have declared that the trends of the past two to three years are likely to continue.[47] As 2021 drew to a close, the new COVID variant, Omicron, emerged, leading to a renewed cycle of restrictions on assembly and movement that are now coming to an end but could be renewed if the virus reasserts itself. At the close of 2021, the Bank of Canada was committed to maintaining low interest rates.[48] In the first quarter of this year, however, rates began to climb from historically low levels and real estate

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[46] Section 180, which lists the areas for which municipalities may act, does not specifically mention housing but does state that "A council may pass bylaws and provide services for municipal purposes respecting … (a) the safety, health and welfare of people and the protection of persons and property." There is a clear relationship between housing provision and the health and welfare of municipal residents.

[47] Murtaza Haider and Stephen Moranis, "Housing markets in Canada continue to defy gravity and the pandemic," *Financial Post*, December 16, 2021.

[48] At year end in 2021 the Bank of Canada overnight rate was the effective minimum of 0.25%. The Bank's final announcement of 2021 on December 8, stated:

> The Governing Council judges that in view of ongoing excess capacity, the economy continues to require considerable monetary policy support. We remain committed to holding the policy interest rate at the effective lower bound until economic slack is absorbed so that the 2 percent inflation target is sustainably achieved. In the Bank's October projection, this happens sometime in the middle quarters of 2022. We will provide the appropriate degree of monetary policy stimulus to support the recovery and achieve the inflation target. (Bank of Canada, "Bank of Canada maintains policy rate and forward guidance," December 8, 2021, https://www.bankofcanada.ca/2021/12/fad-press-release-2021-12-08/).

professionals have suggested interest in housing has begun to subside as a result.[49] Increases in general price inflation over the same period have now created pressures for additional interest rate hikes that may further rein in the housing market as they satisfy the broader goal of subduing consumer demand.

On the other hand, earlier in 2021, Scotiabank Economics pointed out Canada's shortage of housing is among the worst in the world. According to the bank's Chief Economist:

> Canada has the lowest number of housing units per 1,000 residents of any G7 country. The number of housing units per 1,000 Canadians has been falling since 2016 owing to the sharp rise in population growth. An extra 100 thousand dwellings would have been required to keep the ratio of housing units to population stable since 2016—leaving us still well below the G7 average.[50]

The referenced note called for intergovernmental action involving federal, provincial, and municipal governments, private developers, investors, and "civil society organizations" to address the "politically challenging" measures needed to address the housing gap.[51]

Year-end news items summarizing 2021 real estate markets and offering predictions for 2022 confirm the continued housing market imbalance. Royal LePage's annual House Price Survey reported home prices in Canada increased by 21.4% between the third quarter of 2020 and the third quarter of 2021. Prices in Charlottetown rose by a comparable 21.1%, despite a decrease of 1.8% between the second and third quarters. The year-to-year increase, in any case, ranked the Charlottetown market 20th of 62 regional markets measured in the survey.[52]

While Royal LePage anticipated sales in the fourth quarter would moderate as COVID restrictions eased late in the year, among other factors, the company forecasted a national year-over-year aggregate house price increase of 16.0%.[53] In addition to the reinstatement of COVID rules in response to Omicron to start 2022, the persistence of supply shortages in face of additional immigration is expected to support price increases in the 10% to 11% range. Many analysts expected mortgage rates to increase as has since happened. The short-term effect on housing demand has however been ambiguous. While housing price increases have begun to slow, buyers have seen little benefit in affordability as mortgage costs tend to cancel out the benefits of lower prices.[54] For existing homeowners who must renew mortgages negotiated at previous, lower rates, the consequence is increased costs. Fortunately, most current mortgage holders

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49 Nichola Saminather and Julie Gordon, "Canada's red-hot housing markets hint at cooldown as higher rates, inflation bite," *Reuters*, March 25, 2022, https://www.reuters.com/world/americas/canadas-red-hot-housing-markets-hint-cooldown-higher-rates-inflation-bite-2022-03-25.

50 Jean-Francois Perrault, "Estimating the Structural Housing Shortage in Canada: Are We 100 Thousand or Nearly 2 Million Units Short?," *Scotiabank Global Economics Housing Note*, May 12, 2021, p. 1.

51 *Loc cit*.

52 Royal LePage, "National House Price Composite in the Third Quarter 2021," https://marketing.rlpnetwork.com/Communications/Royal_LePage_2021_Market_Survey_Forecast_Q3.pdf.

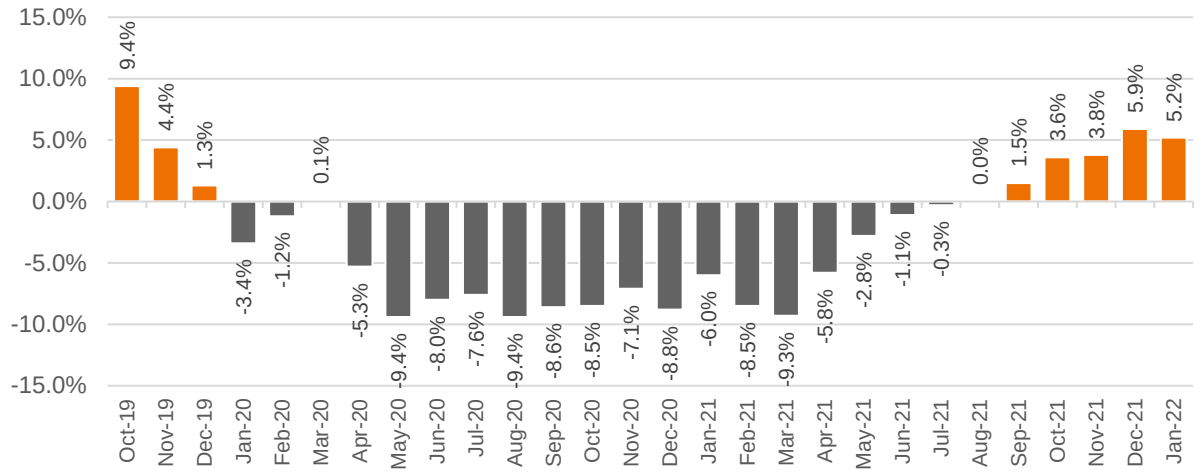
53 "Royal LePage 2021 Market Survey Forecast," https://marketing.rlpnetwork.com/Communications/Royal_LePage_2021_Market_Survey_Forecast_Q3.pdf.

54 Nichola Saminather and Julie Gordon, *op cit*.

have passed federally mandated stress tests that established their ability to manage higher mortgages costs, with buyers in 2021 being required to show they could handle rates up to 5.25%.[55]

Changes to the housing cost profile also have no benefit for renters. Rents have continued to rise across Canada. According to the March 2022 rental report from Rentals.ca, the average Canadian asking rent in "February 2022 was $1,820 per month, an increase of 6.2% annually from $1,714 in February [2021]." The report, which is based on a broader sampling of rental unit types than CMHC's more controlled surveys, notes that rents are "recovering" from decreases during pandemic lockdowns. From December 2019 to August 2021, Rentals.ca recorded year-over-year decreases in rents. The trend reversed to year-over-year increases as pandemic restrictions began to ease.[56] Like many other sources, Rentals.ca statistics, unfortunately, do not isolate the relatively small PEI or Capital Region markets.

Figure 7-1 Annual Change in Average Asking Rents for All Property Types by Month on Rentals.ca, Canada, October 2019-February 2022



Source Rentals.ca

Anecdotal evidence suggests bidding wars are still a feature in the local real estate market and the housing situation will continue to be volatile. The short-term future appears likely to see continued price increases, although rising interest rates may damp the rate of increase. Substantially higher interest rates, if they occur, may well bring price increases under control; however, they raise the spectre of a housing price collapse. At least one commentator has expressed concern that if targeted immigration levels are not achieved, new housing units produced in response to recent soaring prices may not be absorbed, reversing the problem that has dominated housing discussions over the past five years.[57]

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55 Jason Markusoff, "Five charts that will define Canadian real estate and housing in 2022," *MacLean's*, December 23, 2021, https://www.macleans.ca/economy/canadian-real-estate-housing-2022/.

56 Rentals.ca, "Rentals.ca March 2022 Rent Report," https://rentals.ca/national-rent-report.

57 Ed Devlin, Thomas Rowlands, and Parisa Mahboubi, "Immigration Remains the Key to Housing Prices," C.D. Howe Institute, August 16, 2021, https://www.cdhowe.org/intelligence-memos/devlin-rowlands-mahboubi-%E2%80%93-immigration-remains-key-housing-prices.

7.1 CONCLUSIONS

Our consultations generated the following themes that have guided our development of recommendations:

- *Inter-governmental Collaboration is Needed* – As stated at the outset of this chapter, all three levels of government can influence the supply of housing. Current housing challenges, furthermore, are widespread, affecting most urban centres and many rural communities to varying degrees. The Federal, Provincial, and municipal governments need to develop a coordinated response to encourage the provision of more housing units and assist those in need.

- *Continued Growth is Desired* – While the surge in population growth in PEI is unprecedented and has introduced serious challenges, it has countered previous concerns with population stagnation and aging. Stakeholders are committed to accommodating new population and encouraging further growth, although our future estimates suggest that continued growth at the current pace will be challenging to accommodate.

- *Housing Supply must be Increased* –Housing is needed to accommodate additional population. Most contacts recognize that, in addition to providing needed shelter, increasing supply will reduce both prices and rents. As noted above, Scotiabank regards housing supply as a national level issue. It is well-recognized by all stakeholders consulted, who like Scotiabank support initiatives that will add to the number of available dwelling units either through new construction or conversion.

- *Residential Density should be Encouraged* – Multiple-unit buildings, especially medium to high-rise apartment structures, can provide more affordable dwelling units. To begin with, multiple-unit buildings generally provide rental units and rental units are typically more affordable and better suited to households in need (e.g., single persons, single income households, immigrants, and seniors). Larger residential structures, particularly buildings more than four storeys high, would allow the concentration of more dwelling units in the core of the region where transit service can be more easily provided, and more amenities are accessible for residents reliant on walking as an important mode of travel.

- *Local Housing Data should be Improved* – Statistics Canada and CMHC are rich sources of data on population and housing for Canada, most of the provinces, and major urban centres. Data, however, is frequently not available for areas with smaller populations, including the Province of PEI, and the Charlottetown area and its component municipalities and unorganized areas. The Provincial and municipal governments need to work with Federal agencies that track housing to change sampling approaches to create data suitable for analysis of housing on the Island. The Province and its municipalities should also explore the potential to coordinate the recording of administrative data (e.g., building permits and assessment files) to provide more fine-grained and timely community-level data.

- *Public Education is Needed* – Stakeholders consulted generally recognize the importance of intensification to creating affordable dwelling units in affordable locations; however, most contacts acknowledged strong opposition from many residents. The public must be won over to a Smart Growth approach to development that must be reinforced by examples of good development. The keys are to increase awareness of the need and the benefits in efficiency through intensification while demonstrating that properly designed attached units and apartment structures can enhance neighbourhoods.

- *Smaller Residential Units are Needed* – For many in the market, dwelling units with less floor area would be sufficient and more affordable. With increasing proportions of one and two-person households, bachelor and one-bedroom apartment units, as well as smaller units designed for ownership. Tiny homes are an extreme example that is often referenced, but so are rowhouse and semi-detached housing units, garden homes placed in yard spaces of existing residential properties, and manufactured and movable dwellings. In all cases, decreased floor area reduces the cost of production, operation, and maintenance, with notable benefits to young entrants to the housing market in need of affordable accommodation and the increasing numbers of older people seeking to downsize to reduce costs and maintenance responsibilities.

- *Family-Friendly Rental Units are Needed* – Notwithstanding the preceding point, there is also a need for larger rental units. With the acquisition of a home becoming more difficult, some households can be expected to stay in rental accommodation longer; however, suitable rental units with three or more bedrooms are difficult to find. New immigrants arriving in PEI with families often need larger rental accommodations until they can buy a home, and many have shown a greater willingness than traditional Islanders to raise families in apartment units.

- *Conversion of Rental Units should be Discouraged* – Rental units have been lost in most markets with the introduction of Airbnb, VRBO, and similar platforms that support short-term rental. The trend is pronounced in PEI, which is a popular tourist destination offering good opportunities for short-term rental operations.

- *Transportation Options should be Expanded* – The affordability of many housing options is strongly influenced by the cost of transportation. Transit services and active transportation facilities complement higher density residential development and generally reduce costs of living in the urban core. Efforts that are well underway in the region to improve trails, cycling lanes, and transit connections need to be reinforced and expanded to complement growth management initiatives. Growth management should encourage both the expansion of services and infrastructure and encourage development in locations where those improvements are available.

- *Rent Control has Ambiguous Effects* – Limits on annual rent increases have been in place in PEI since 1988. They are the subject of intense debate in the province and elsewhere in North America as real estate prices have risen and, with shortages in rental units, pushed rents up. Many contacts feel controls need to be more strongly enforced through better monitoring of rent increases and prevention of practices such as conversion to short-term rental and renoviction.

Opponents of controls counter that good returns from rental property stimulate investment in additional rental units and discourage conversion to short-term rental, which is less stable and requires more management than long-term rental. They contend that if controls are removed, the market will respond more quickly to demand, and increased supply will restore market balance, ultimately leading to more rental units available at lower rents.

- *Housing Supports are Needed* – The current market provides few options for the poor, the mentally and physically challenged, students, seniors, and others. Developers as well as housing advocates agree that public sector support is needed to provide affordable units as most acknowledge the private sector cannot provide affordable and specialized housing units without government assistance given high costs of materials and labour. Assistance may include incentives for developers to build or supplements to homebuyers and residents to help them afford accommodation.

- *Public Housing is Needed* – Affordable housing advocates have pushed for public housing. As shown in **Table 2-6**, above, the number of public housing units in PEI is slightly above the Canadian average, although Island municipalities have had little involvement in social housing provision. Given that developers and builders generally agree that subsidy is needed to provide affordable housing units, the critical issue for development of public housing will likely be overcoming neighbourhood resistance and ensuring that public housing construction quality and maintenance does not lead to it being stigmatized.

- *Specialized Housing needs to be Encouraged* – As with public housing, the availability of specialized housing types like group homes and shelters in PEI is close to the Canadian average (**Table 2-7**, above), although the proportion of the population housed in shelters is notably low. These shelter types are nevertheless vital to the most vulnerable groups in the population. They may, however, face neighbourhood resistance and can be difficult to locate in safe and accessible locations.

Agreement on the need for more housing units is widespread. As noted, increasing housing supply is a national challenge. Population in Queens County and the Capital Region has been growing for some time and its growth has accelerated. Nearly all stakeholders see increased population on the Island as a desirable objective. No contact we spoke to individually or in our focus groups argued for limiting immigration. Several noted the alternative of declining and aging population that the Province's pro-immigration policies have forestalled. Many recognize housing is critical to sustain in-migration and maintain the region's growth rate, and that increased housing supply will control prices and rents.

Our contacts, who generally have professional interests in housing or are residents with strong views on housing issues, almost universally supported strategies to encourage more intense housing development. Expressed opinions supported increased construction of attached housing and apartment units. Liberalization of zoning regulations and growth management strategies were also repeatedly advocated.

Nonetheless, community opposition was identified most often as the primary barrier to intensification of residential development. Developers, builders, and non-profit housing providers all want to build housing units and recent construction data for the region amply demonstrates their willingness to build and shift housing supply to exactly the type of units that they and other contacts argued are in dire need. The resistance of the wider public to these housing types near to their more traditional homes or NIMBYism (Not In My Back Yard) was repeatedly cited by municipal planners and housing professionals as the primary challenge to their efforts to provide more dwelling units.

While the issue has become more pressing, it is not new. The concept of Smart Growth was developed to counter NIMBYism in the 1990s and has attracted support from diverse constituencies across North America. It follows ten basic principles:

1. Mix land uses
2. Take advantage of compact design
3. Create a range of housing opportunities and choices
4. Create walkable neighborhoods
5. Foster distinctive, attractive communities with a strong sense of place
6. Preserve open space, farmland, natural beauty, and critical environmental areas
7. Direct development towards existing communities
8. Provide a variety of transportation choices
9. Make development decisions predictable, fair, and cost effective
10. Encourage community and stakeholder collaboration in development decisions.[58]

Smart Growth properly executed addresses housing needs, community design, energy conservation, environmental protection, and financial impacts. There are many examples of vibrant communities that have been developed or enhanced through application of these ideas. As noted, many of our contacts are well-aware of the key tenets, including the final injunction to engage the community in implementation. Many recognized the need to educate the public and allay fears concerning the consequences of denser development.

Our analysis of current zoning in **Section 6.6**, above, reveals, somewhat surprisingly, that current bylaws allow for substantial additions to housing stock in the Capital Region. The challenges of converting development rights into habitable units are nevertheless considerable. Even on the many properties that allow as-of-right construction, many steps are required. Most landowners are not developers or builders. Property must be in the hands of individuals or companies with the desire, knowledge, and capability to

[58] The Smart Growth Network, *This is Smart Growth*, circa 2007, "Smart Growth Principles," unnumbered page.

build. After determining that a project is financially feasible, a builder or developer must have designs prepared, secure permits, arrange financing, and engage needed assistance from lawyers to workers to real estate professionals. Time is then required to build units suitable for occupancy and sell or lease them to the public wanting accommodation.

Most of the process is beyond the influence of local government; however, municipalities can create a favourable environment for development by planning complementary infrastructure and creating a supportive environment. This does not mean deregulation, notwithstanding that the effectiveness and efficiency of regulation should always be scrutinized. Several recent plans and studies prepared for municipalities in the Capital Region have espoused Smart Growth principles and developed policy directions supporting intensification. Full implementation of these initiatives will however require a formal regional growth management strategy covering the three core municipalities at the minimum but, ideally, all of Queens County. The program of growth strategy creation should include broad public consultation with community surveys, focus groups, and public meetings, and should result in an accessible document complemented by public information materials such as web pages and brochures explaining the objectives and benefits of managing and directing development.

Other initiatives are smaller scale and engendered varying degrees of debate. Evidence from the City of Charlottetown, for example, clearly demonstrates that if units used for short-term rental had been available for long-term occupancy in 2018 when the region's vacancy rate bottomed out at 0.2%, vacancy would have remained above the 2% minimum generally considered acceptable by housing analysts. It is equally true, however, that vacancy rates have fluctuated considerably in the region and at most times would be acceptable regardless of the stock that has shifted to short-term occupancy. It is also arguable that the recent jump in the number of short-term rental units has been stimulated by the introduction of new technology and the abrupt shift of the last five years is a one-time event.

In addition to their impact on long-term rental unit supply, short-term units have impacted traditional hotel/motel operators and are currently in a grey area in which they are not generally recognized as a distinct land use. They are not defined in municipal development bylaws like very similar uses such as bed and breakfast establishments. They also do not comply with the same occupancy and safety requirements as traditional providers of overnight accommodations and avoid licensing requirements and some taxes. The Federal government, for example, has expressed concern that short-term rental operators are often not aware of their obligation to pay GST/HST. In 2020, the national government declared its intention to collect the tax either through operators or the platform providers.[59] In the interest of financial fairness and public safety, complementary Provincial and municipal initiatives may be necessary to ensure short-term rental is treated in the same manner as other businesses that are taxed and regulated.

There is undoubtedly tension between pro-market views and stakeholders who believe government intervention is essential. The divide is most apparent with respect to rent controls. Most developers and builders, and many members of the public argue that higher rents will stimulate the production of needed

[59] Canada. Department of Finance, *Supporting Canadians and Fighting Covid-19: Fall Economic Statement 2020*, 2020, p. 112, https://www.budget.gc.ca/fes-eea/2020/report-rapport/FES-EEA-eng.pdf.

housing units. They can point to the marked increase in housing production in Charlottetown over the past decade as evidence. As sale prices and rents have risen, the construction industry has significantly increased production and has shifted output to attached housing and apartment units that are the most needed (see **Figure 5-10** and **Figure 5-11**, above). Supporters of rent controls counter that additional units are, nevertheless, insufficient, and new housing units are rarely affordable for low-income households. They also frequently add that households that must rent their accommodation are at a significant disadvantage in dealing with landlords who have more knowledge and resources, and more power in the community than their prospective tenants.

A rental registry is seen by many as a key tool to redress the imbalance between landlords and tenants. At its most basic level, a registry that will maintain an ongoing record of rental properties and applicable rents will prevent landlords from deceiving tenants concerning applicable increases. A reasonably robust database can also support the generation of statistical information such as average rents by type and in specific areas that can assist both landlords and tenants to better understand the market and fair pricing. Depending on whether the government is willing to allow searching of individual records, which can be done readily through a variety of online resources when buying and selling real estate, a registry could be a useful tool for tenants looking for and assessing rental options. While some landlords are opposed to a registry, a tool that will allow tenants to identify suitable accommodation would seem likely to benefit landlords as a group by facilitating occupancy of their units.

The initiative to create a rental registry is with the Province of PEI, which enforces rent controls. Stantec is currently investigating issues related to potential establishment of the envisioned database. Municipalities that approve of the initiative can assist by expressing their support and sharing data, although most necessary inputs are under Provincial control. Other than rents and services included in rent, most of the necessary data items are recorded and regularly updated in Provincial land use and assessment databases. Municipalities are a potential source of zoning and more detailed land use information that could supplement Provincial data and enhance the value of a registry as a tool for monitoring and assessing the rental market.

Developers and builders appeared to agree that it is not feasible to build profitably for disadvantaged households There is, no doubt, a spectrum of requirements suited to different levels of public sector involvement. Some municipalities require the incorporation of affordable units in developments in return for allowing increased numbers of units overall, additional height, or other benefits that enhance profitability. Halifax Regional Municipality, which employs performance-based incentives to encourage affordable housing, has recently changed its approach to require builders to contribute to a fund for supported housing recognizing that it is difficult to ensure the affordability of units under private management.

Governments can use such funds to build projects for households in need or to subsidize them to buy or rent accommodation in market developments. Government can also act directly by allocating general tax revenues to the construction of low-income housing projects that it may build and manage itself or operate at arm’s length through trusted non-profit or private sector providers. The cost of providing substantial numbers of publicly constructed housing units is normally beyond the resources of municipal governments, although it is feasible to leverage funding from senior governments.

A stronger approach is inclusionary zoning, which has recently been proposed by the governments of both Nova Scotia and New Brunswick. Inclusionary zoning allows municipalities to prescribe a percentage of affordable housing in new developments. Nova Scotia's *Affordable Housing through Inclusionary Zoning Act*, proposed in spring of 2021, that a land use (i.e., zoning) bylaw may incorporate inclusionary zones consistent with the following specifications:

> (1) A land-use by-law may designate any part of the municipality, including an individual parcel, building or development, as an inclusionary housing zone.
>
> (2) A land-use by-law designating an inclusionary housing zone may
>
> (a) define housing types by reference to affordability;
>
> (b) require housing, or a portion of housing, built in the zone to be of one or more defined types; and
>
> (c) create an administrative mechanism to confirm or verify the affordability of housing.
>
> (3) A land-use by-law designating an inclusionary housing zone may provide that the municipality may accept money in lieu of an obligation arising under the by-law.
>
> (4) Where a municipality accepts money under subsection (3), it must use that money for the purpose of inclusionary land-use.[60]

New Brunswick's Review of the Rental Landscape in New Brunswick recommended inclusionary zoning to address rental market concerns[61] and recently committed to permitting municipalities to implement the approach through the Provincial Government's White Paper on municipal reform.[62]

7.2 RECOMMENDATIONS

The following recommendations reflect the scope of municipal responsibility in PEI. Our emphasis is on areas in which our client municipalities for this study can act independently or in collaboration with each other. Municipalities can certainly call for assistance from senior governments and press for actions that will address challenges affecting their residents. Municipal governments can also express support for senior government and private sector initiatives that they anticipate will benefit them and/or their residents, which we have also noted. Housing challenges, however, will not be resolved by one level of government or by government alone. They require collective and collaborative action in a forum to which municipal governments will both deliver solutions and advocate for action by others.

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[60] Bill 40, the proposed Nova Scotia, *Affordable Housing through Inclusionary Zoning Act*, received first reading on March 23, 2021. Premier Tim Houston announced the Provincial Government's intention to incorporate provisions to permit inclusionary zoning in October 2021 (see: Michael Gorman, "N.S. government extends 2% rent cap until Dec. 31, 2023," *CBC News*, October 20, 2021).

[61] New Brunswick Office of the Chief Operating Officer, Clerk of the Executive Council, *Review of the Rental Landscape in New Brunswick*, May 2021, p. 37.

[62] New Brunswick Environment and Local Government, *Working Together for Vibrant and Sustainable Communities*, November 2021, p. 26.

Based on the foregoing conclusions, our recommendations to address housing needs in the Capital Region are as follows (see **Table 7-1**, below, for concordance between conclusions and recommendations):

1. *Create an Intergovernmental Committee* – All three levels of government have roles in the provision, regulation, and maintenance of housing, as we have noted. Locally, municipalities and areas under the direct jurisdiction of the Province administer portions of a regional housing market. Coordination of activities across multiple government agencies can assist with the collection and maintenance of housing data, the monitoring of housing issues, and the delivery of housing supports:

    - *Housing Data* – While housing data is plentiful, we have noted it is often not available in sufficient detail or reliability to be applied to assessment of housing issues in PEI. Staff with the Provincial Department of Social Development and Housing are working with Statistics Canada and CMHC to increase sampling of communities on the Island to generate useable sub-provincial data. An Inter-governmental Committee can support and reinforce this initiative.

      The proposed Committee should also pursue initiatives to generate data locally. Uniform, shared reporting of building permit data would, for example, be helpful to enhance understanding of housing trends from year-to-year. Improved land use data, recorded in GIS databases, which Charlottetown, Cornwall, and Stratford all maintain, would be even more beneficial. Better records of residential occupancy distinguishing ownership from rental, subsidized and specialized housing units, and short-term rentals is critical to understanding the dynamics of local housing as its supply grows and changes.

    - *Monitoring Issues* – While the collection of data is important to monitoring issues, it should be made effective through regular analysis. The Charlottetown housing market extends across Queens County. Understanding requires collaborative review of data and collective assessment of its implications. The Intergovernmental Committee would be well-suited to produce an annual report on regional demographics and housing needs, which would be a key tool to promote and sustain public education. It would also be an ideal agency to oversee the development of the Regional Growth Management Strategy discussed following.

    - *Housing Assistance* – The Federal Government through the housing initiatives of the Nation Housing Strategy, as well as the activities of CMHC, and the Province of PEI through its Housing Action Plans and related programs provide many supports to housing development. Municipalities, for their part, provide the planning and development framework through which housing is delivered both as a human necessity and the anchor of the built environment. A critical role of the proposed Housing Committee will be to identify program and funding supports that will support the provision of affordable and specialized housing in the Charlottetown Region and to develop municipal approaches that will leverage funding or otherwise encourage the development of affordable housing. These may include tax incentives for provision of affordable housing, waiving of permit

fees for affordable housing, and offering surplus municipal property for affordable development, all of which are recommended under the City of Charlottetown's 2018 Affordable Housing Incentive Program.

The City of Charlottetown and the Towns of Cornwall and Stratford should be represented on the Committee as should the PEI Department of Housing and Social Development and CMHC. The Committee should be a working committee comprised of staff with expertise in housing and related issues. We would anticipate municipal staff would be drawn from the respective planning departments, but other municipal staff persons may be considered to have suitable backgrounds to contribute positively. Consideration should be given to inclusion of representatives from as many as two other municipalities within Queens County to represent rural interests as well as select representatives of not-for-profit housing agencies and the residential development community.

2. *Prepare a Growth Management Strategy* – A leading priority of the Intergovernmental Committee should be the creation of a Growth Management Strategy to identify the most suitable locations for future residential development in Queens County, with detailed assessment of the Capital Region. The Strategy would build on the land supply analysis completed for this study and identify specific locations to be zoned for low-, medium-, and high-density residential development with accompanying recommendations for servicing, road network development, and transit and active transportation improvements.

   A Growth Management Strategy would provide the foundation for improving local housing data and its ongoing assessment by providing a housing baseline. It should be an objective of the study to coordinate and improve municipal land use information. It should also identify key metrics for ongoing monitoring of housing issues in region. Its primary purpose, though, would be to detail the additional capacity for residential growth identified by this project in currently developed areas and designate priority areas for infill and future greenfield development.

3. *Amend Municipal Policy and Regulations* – On completion of the Growth Management Strategy, its priorities must be implemented through municipal official plans and development bylaws. Initiatives can be expected to include phased improvements to water and wastewater facilities, and roadways, transit, and active transportation infrastructure needed to expand the current urban footprint. Policy should include measures to protect agricultural uses and the natural environment and ensure appropriate integration of additional housing in the existing urban fabric.

   Independent of the Growth Strategy initiative, amendments should be made to official plans, development bylaws, and zoning maps to increase the opportunities to incorporate additional dwelling units in existing residential and commercial structures and build housing units in alternative formats such as tiny homes, garden suites, group homes, mobile homes, and manufactured homes. All three Capital Region municipalities should prioritize the development of zoning to allow the construction of high-rise apartment structures, special care facilities, and shelters in appropriate locations. Potential changes to address immediate concerns might include explicit recognition of short-term rental as a distinct land use in development bylaws; specification of smaller lot sizes for homes with smaller footprints (i.e., tiny homes, mini-homes, and homes

with less than 1,000 square feet of living area); and provisions to facilitate the development of triplexes, quadruplexes, and stacked townhouses.

Municipalities may also wish to consider changes to provisions that may inhibit housing development or limit the potential number of units that may be accommodated on a property. A leading option is the reduction of parking requirements, which Charlottetown endorsed in its Affordable Housing Incentive Program. Another initiative might be loosening of lot coverage or open space requirements, particularly where open space needs may be met with indoor and roof spaces or balconies.

4. *Address Vulnerable Populations* – The homeless, and physically and mentally challenged populations require special attention. Because the numbers in these groups are relatively small and individual members can be challenging to identify for a variety of reasons, data is difficult to develop and maintain. The point-in-time counts compiled by the John Howard Society respond to this need, but a more regular and structured approach is required. While three separate counts have now been completed, the informality of their collection and reporting make it difficult to draw any firm conclusions concerning the influence of the COVID pandemic or the recent increases in home prices on the homelessness. With counts aggregated for Charlottetown and Summerside, furthermore, it is difficult to discern the scale of challenges within the separate municipal jurisdictions.

   The Capital Region municipalities should assist the John Howard Society and/or other appropriate agencies to conduct point-in-time counts annually within a standardized framework applied to their jurisdictions. They should also track the supply of specialized housing units for victims of family violence, individuals with addictions, individuals with physical and mental health challenges, and others against evolving needs. This would, again, be an ideal role for the proposed Intergovernmental Committee, which would be well-suited to coordinating data collection, seeing to its incorporation in municipal land use databases, and reporting it as a component of an annual housing overview.

   The Province has taken steps to increase specialized units and spaces through the Provincial Housing Action Plan (see **Section 2.5** above). Ongoing data collection will establish additional needs to leverage needed accommodation. Municipalities can facilitate the provision of needed accommodation through zoning measures proposed through Recommendations 3 and 5 in this list.

5. *Employ Inclusionary Zoning* – As we have noted, inclusionary zoning is a key tool being adopted by many jurisdictions to encourage the integrated development of affordable and specialized housing. There appears, however, to be a disconnect between the municipalities and the Province concerning the application of inclusionary zoning measures. Provincial staff we have consulted have stated they have a legal opinion that no feature of current legislation would prevent the application of inclusionary zones in development bylaws, but some municipalities appear to believe they are not empowered to apply the practice.

Table 7-1 Conclusions and Recommendations, Concordance

	Recommendations									
Conclusions	**1. Create an Intergovernmental Committee**	**• Housing Data**	**• Monitoring Issues**	**• Housing Assistance**	**2. Prepare a Growth Management Strategy**	**3. Amend Municipal Policy and Regulations**	**4. Address Vulnerable Populations**	**5. Employ Inclusionary Zoning**	**6. Register and Regulate Short-Term Rental**	**7. Rental Registry**
Inter-governmental Collaboration is Needed	X									
Continued Growth is Desired	X			X	X	X		X		
Housing Supply must be Increased	X			X	X	X	X	X	X	
Residential Density should be Encouraged					X	X	X			
Local Housing Data should be Improved		X	X						X	X
Public Education is Needed	X	X	X		X	X				X
Smaller Residential Units are Needed					X	X	X	X		
More Family-Friendly Rental Units are Needed					X	X	X	X		
Conversion of Rental Units Should be Discouraged						X	X		X	
Transportation Options should be Expanded					X	X		X		
Rent Control has Ambiguous Effects										X
Housing Supports are Needed	X			X		X	X			X
Public Housing is Needed	X			X	X	X	X	X		
Specialized Housing Needs to be Encouraged	X			X	X	X	X	X		

Inclusionary zoning can require developers to provide affordable or specialized housing units as a component of developments throughout the area designated. It is best suited to large developments in which non-market units can be balanced with market housing. A similar effect can be achieved through performance standards, which allow developers to obtain benefits such as increased building height or lot coverage in return for social benefits like the provision of affordable or accessible units, larger rental units for families, or smaller units for young adults, singles, and seniors. The approach is widely used by planners in North America to encourage the development of needed facilities that may not directly produce desired market returns, and is recommended among the many initiatives proposed in the City of Charlottetown's Incentive Program along with inclusionary zoning.

Performance standards can take the form of direct trade-offs, such as allowing an extra storey on an apartment building provided, for example, ten units meet a prescribed affordability standard (e.g., rent at 70% of a monitored market level). They may also be leveraged through other means such as forgiveness of parkland dedication requirements or contribution to a municipal fund dedicated to subsidizing households in need, build public housing, or otherwise address local housing needs. Many models are available for implementation including inclusionary zones, but they must be carefully considered in the context of the Charlottetown region, and the costs and benefits of proposed trade-offs.

6. *Register and Regulate Short-Term Rental* – Capital Region municipalities should identify short-term rental as a distinct land use in their development bylaws and require short-term operators to register in a municipal database. Ongoing registration will facilitate monitoring of the number of short-term rental units and the impact of their creation on the long-term rental market. Operators should be charged to cover the cost of registration and unregistered individuals who offer accommodations for short-term occupancy, including tenants sub-letting units to short-term occupants, should be subject to fines or other sanctions sufficient to deter them. Municipalities may also wish to consider taxation or similar measures to ensure equitable treatment of short-term rentals relative to hotels/motels and B & Bs as well as to discourage the proliferation of short-term properties.

7. *Rental Registry* – The Capital Region municipalities should encourage the Province of PEI to develop a rental housing registry to record and monitor rental housing stock and provide open access so that tenants can verify that rents charged are fair and increases do not exceed annually established Provincial guidelines. Subject to full consideration of privacy concerns, a well-designed registry site open to all will inform participants in the rental market of rental opportunities and rents not only creating a fairer market but also a more efficient one in which units can be more easily and quickly matched with occupant needs and wants. A complete and accurate database of rental property will also be very valuable to municipalities and other stakeholders seeking to monitor and respond to housing issues as it will allow them to assess their own jurisdictions at the neighbourhood or, even, block-face level from year-to-year.

We do not have a recommendation specific to rent controls other than supporting a rental registry. Rent controls have been imposed by the Province for many years and, while municipalities may offer their views on the impact of controls to the Provincial Government, it is up to the Province to amend or revoke its current legislation. Although rent controls may have been a factor in some conversions of long-term rental units to short-term occupancy, data indicates controls have not discouraged the construction of apartments or other housing types that are commonly rented. The absence of rent controls in the neighbouring provinces of Nova Scotia (where emergency controls have been in place since 2020) and New Brunswick, furthermore, does not suggest their removal in PEI will have any significant benefits, as all three provinces are currently dealing with much the same housing issues. On the other hand, many landlords say that rent controls incentivize them to raise rents by the allowable guideline every year, and developers have stated that controls are a key reason why nearly all new units are produced at the upper end of the housing market where owners can establish the maximum base rent.

We recognize that the market cannot be relied on entirely to provide housing for those in need. Increased public sector involvement in supporting the provision of affordable housing can however take many forms. In the environment of the Capital Region and PEI, we suggest small-scale interventions to provide housing in a manner that, as much as possible, is integrated with conventional housing, an approach that fits well with many of the initiatives proposed by the City of Charlottetown in its Affordable Housing Incentive Program, which we have cited several times in our recommendations. Recommended approaches should include the incorporation of affordable units in market developments, infill projects in established neighbourhoods, and provision of increased assistance to non-profit housing providers. Inclusionary zoning is likely to be the primary tool to stimulate desirable projects, but form-based code could also be helpful.

The leading role in public support to housing provision lies with the Province. The Province can delegate some or all the responsibility to municipal government, as noted, but we believe most of PEI's municipal governments are too small to handle it. Even larger communities like Charlottetown, Cornwall, and Stratford lack the scale to efficiently build and manage housing. Municipalities are much more likely to be effective encouraging affordability by ensuring a positive environment for residential development and providing frameworks for development of needed housing types in their building and development plans and bylaws.

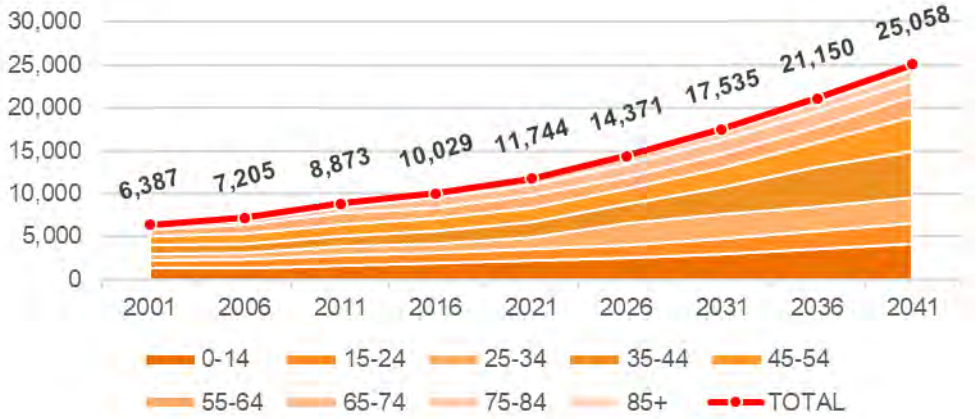
APPENDIX A

Sub-area Population Estimates, Migration Estimates and Housing Estimates

Scenario 1

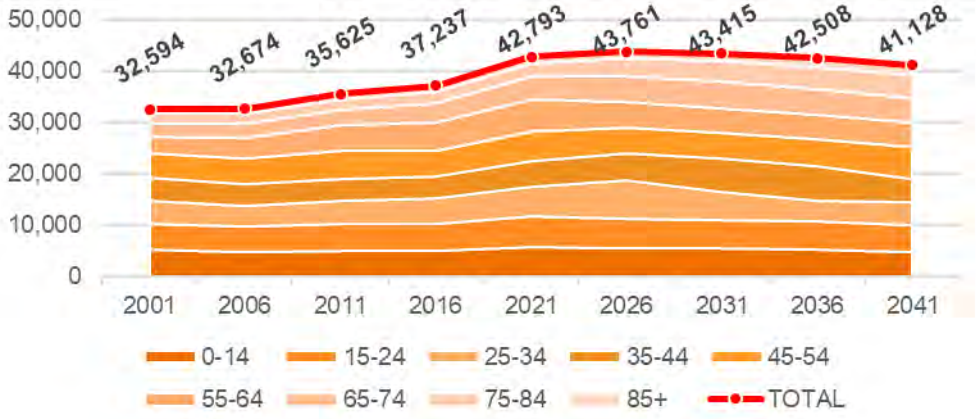
Figure A-1 Population by Age, Queens County Sub-areas, Scenario 1, 2001-2041

Stratford



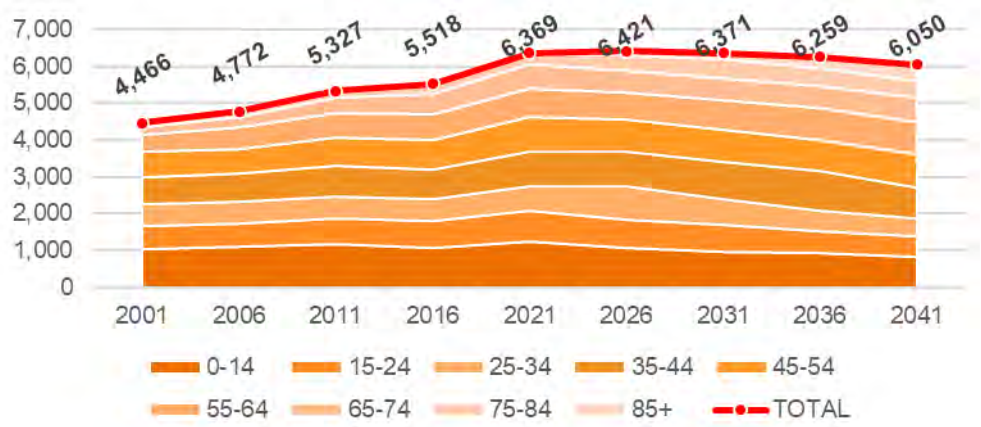
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,318	1,386	1,626	1,892	2,216	2,474	2,984	3,592	4,109
15-24	935	929	1,123	1,168	1,368	1,563	1,823	2,101	2,517
25-34	709	853	1,056	1,173	1,374	2,485	2,793	2,839	2,990
35-44	1,026	1,046	1,315	1,458	1,707	2,229	3,206	4,547	5,369
45-54	1,116	1,122	1,284	1,442	1,689	1,802	2,252	2,870	3,983
55-64	643	1,005	1,284	1,272	1,489	1,385	1,577	1,898	2,363
65-74	367	493	730	1,086	1,271	1,502	1,615	1,704	1,885
75-84	218	279	305	398	466	713	980	1,141	1,219
85+	56	91	150	140	163	218	306	458	624
TOTAL	**6,387**	**7,205**	**8,873**	**10,029**	**11,744**	**14,371**	**17,535**	**21,150**	**25,058**

Charlottetown



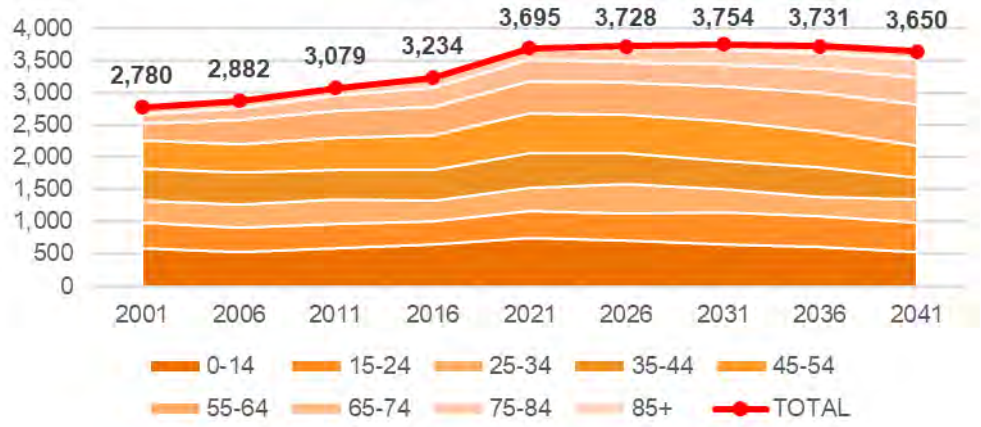
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	5,342	4,829	4,978	5,177	5,949	5,591	5,593	5,349	4,745
15-24	4,914	4,996	5,432	5,182	5,955	5,654	5,532	5,344	5,317
25-34	4,431	3,991	4,344	4,991	5,735	7,524	5,462	4,192	4,411
35-44	4,696	4,321	4,360	4,289	4,929	5,249	6,456	6,702	4,533
45-54	4,775	4,920	5,421	5,006	5,753	4,911	4,883	5,137	6,241
55-64	3,164	3,966	4,896	5,280	6,068	5,146	4,851	4,730	4,707
65-74	2,456	2,711	3,020	3,933	4,520	4,968	5,285	5,140	4,855
75-84	1,955	1,975	2,092	2,255	2,592	3,406	3,866	4,122	4,359
85+	862	965	1,082	1,125	1,293	1,312	1,486	1,793	1,959
TOTAL	**32,594**	**32,674**	**35,625**	**37,237**	**42,793**	**43,761**	**43,415**	**42,508**	**41,128**

Cornwall



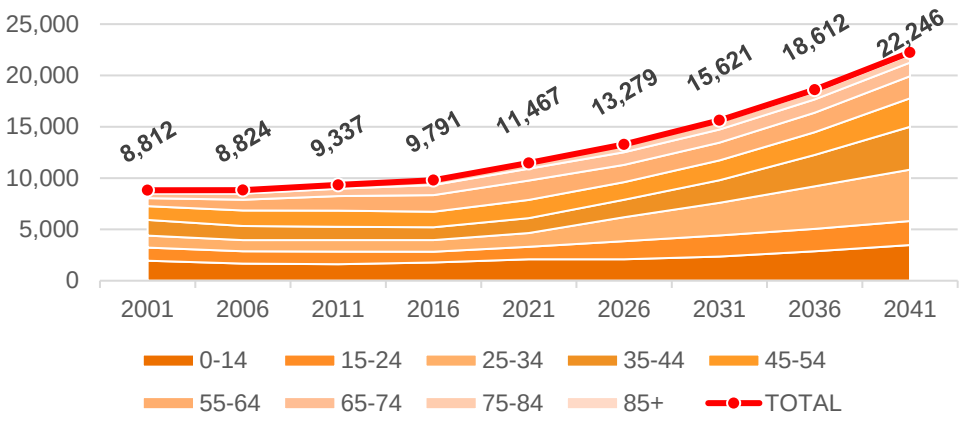
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,037	1,108	1,158	1,070	1,234	1,055	978	937	830
15-24	624	618	719	718	829	793	708	587	555
25-34	601	607	579	594	686	902	716	555	486
35-44	733	750	833	801	924	924	1,007	1,065	834
45-54	688	684	765	822	948	875	855	848	918
55-64	446	592	672	682	787	751	834	873	859
65-74	206	260	414	568	656	576	562	613	674
75-84	104	112	155	212	245	437	526	461	456
85+	26	41	31	52	60	107	185	322	438
TOTAL	**4,466**	**4,772**	**5,327**	**5,518**	**6,369**	**6,421**	**6,371**	**6,259**	**6,050**

East CA



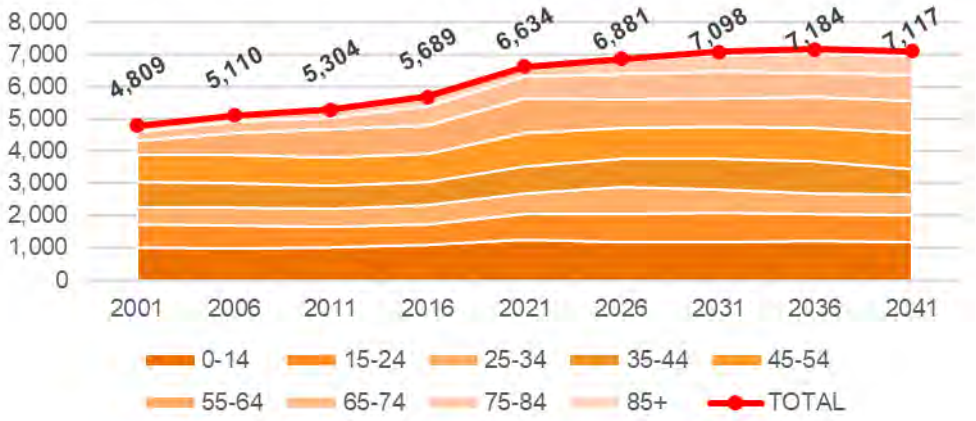
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	581	528	594	657	751	702	651	605	538
15-24	406	386	374	359	411	423	495	485	457
25-34	342	360	374	318	364	464	358	305	356
35-44	501	492	466	477	545	486	452	460	335
45-54	427	431	502	539	616	586	609	551	508
55-64	258	386	415	436	499	497	547	601	627
65-74	151	173	236	303	346	333	331	384	417
75-84	89	101	87	118	135	193	247	228	275
85+	24	25	31	26	29	44	65	112	136
TOTAL	**2,780**	**2,882**	**3,079**	**3,234**	**3,695**	**3,728**	**3,754**	**3,731**	**3,650**

Central CA



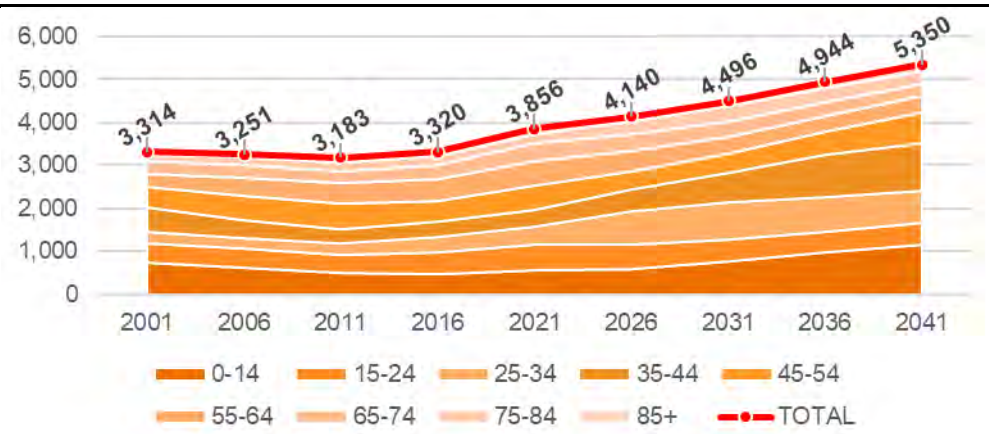
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,954	1,669	1,609	1,781	2,085	2,051	2,047	1,956	1,688
15-24	1,274	1,194	1,231	1,047	1,226	1,055	1,199	1,201	1,257
25-34	1,161	1,092	1,119	1,134	1,328	1,622	1,109	794	892
35-44	1,542	1,383	1,297	1,247	1,460	1,557	1,689	1,677	1,106
45-54	1,337	1,511	1,578	1,514	1,773	1,483	1,440	1,507	1,620
55-64	774	1,046	1,420	1,611	1,887	1,685	1,660	1,593	1,550
65-74	457	582	715	990	1,160	1,351	1,490	1,507	1,475
75-84	257	296	301	380	445	649	788	887	969
85+	55	51	66	87	102	146	192	266	310
TOTAL	**8,812**	**8,824**	**9,337**	**9,791**	**11,467**	**11,600**	**11,615**	**11,387**	**10,866**

West CA



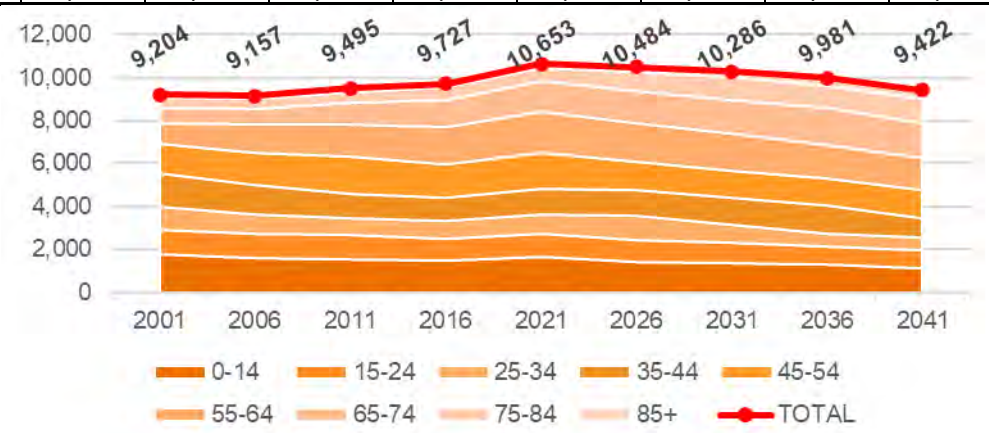
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,002	995	1,023	1,083	1,263	1,178	1,198	1,227	1,172
15-24	726	692	646	667	778	872	902	816	853
25-34	523	560	553	570	665	844	710	672	642
35-44	819	778	702	724	844	869	959	988	806
45-54	820	879	893	883	1,030	972	1,005	1,023	1,104
55-64	425	687	857	899	1,048	882	891	956	991
65-74	296	348	382	585	683	788	810	769	781
75-84	154	126	201	236	275	412	546	612	627
85+	45	45	46	41	48	63	77	121	142
TOTAL	**4,809**	**5,110**	**5,304**	**5,689**	**6,634**	**6,881**	**7,098**	**7,184**	**7,117**

Southeast Queens



Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	746	607	505	474	551	578	753	987	1,139
15-24	426	449	407	510	592	576	512	468	537
25-34	285	252	283	362	421	783	879	818	746
35-44	566	414	319	347	403	501	672	966	1,084
45-54	482	557	587	474	551	426	456	549	723
55-64	293	419	500	510	592	479	389	355	388
65-74	301	301	268	342	397	384	376	338	269
75-84	149	178	211	194	225	307	345	327	319
85+	65	74	103	107	124	107	114	135	145
TOTAL	**3,314**	**3,251**	**3,183**	**3,320**	**3,856**	**4,140**	**4,496**	**4,944**	**5,350**

West Queens

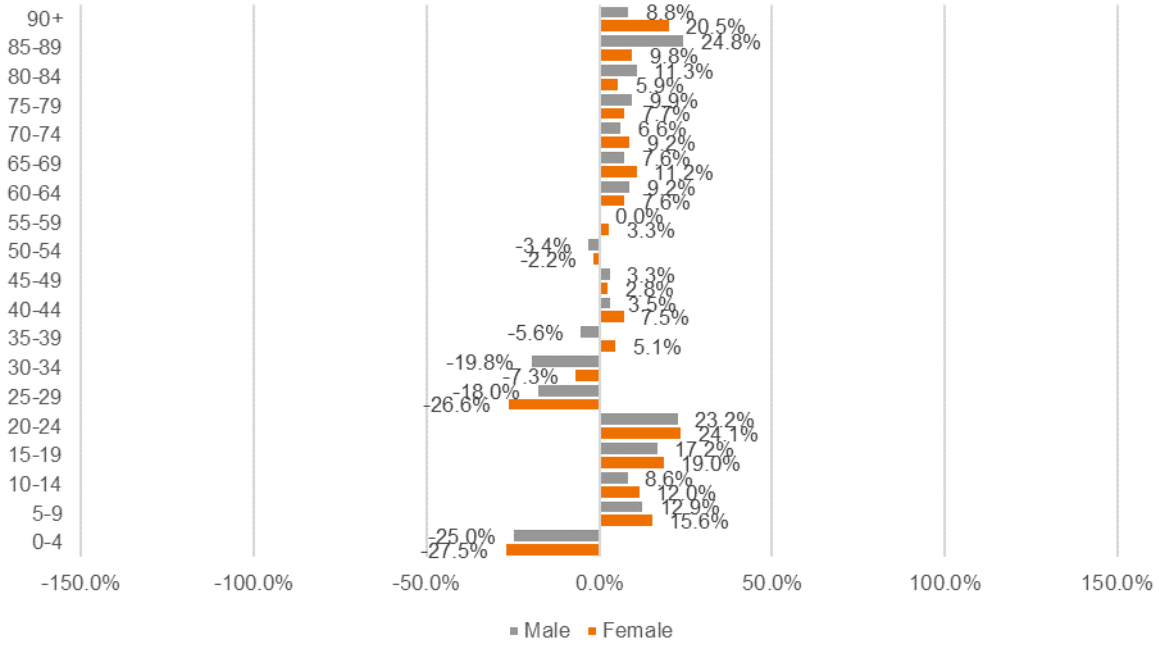


Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,793	1,578	1,541	1,490	1,632	1,438	1,340	1,274	1,122
15-24	1,132	1,131	1,110	1,021	1,118	1,014	997	850	801
25-34	1,046	893	802	801	878	1,129	783	618	607
35-44	1,598	1,405	1,141	1,118	1,224	1,203	1,275	1,315	932
45-54	1,327	1,486	1,721	1,531	1,677	1,307	1,277	1,240	1,294
55-64	997	1,294	1,495	1,725	1,889	1,814	1,699	1,541	1,483
65-74	729	766	1,002	1,296	1,420	1,444	1,606	1,756	1,666
75-84	432	452	493	551	604	913	1,041	1,003	1,125
85+	152	152	190	194	212	222	268	385	393
TOTAL	**9,204**	**9,157**	**9,495**	**9,727**	**10,653**	**10,484**	**10,286**	**9,981**	**9,422**

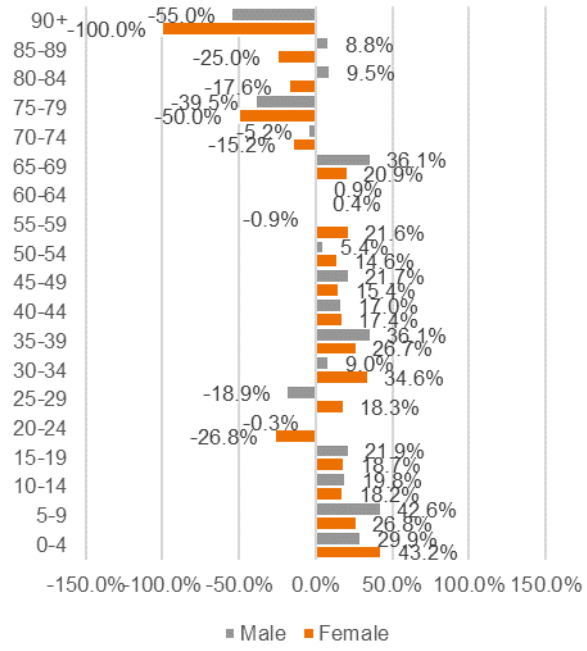
Source Census of Canada 2001 to 2016, Stantec estimates 2021 to 2041

Figure A-2 Five-year Net Migration Estimates, the Capital Region, Scenario 1, 2011-2016

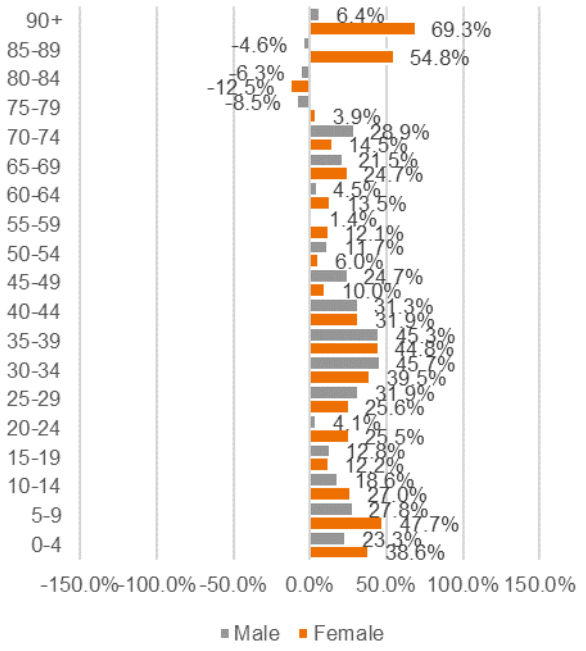
Charlottetown



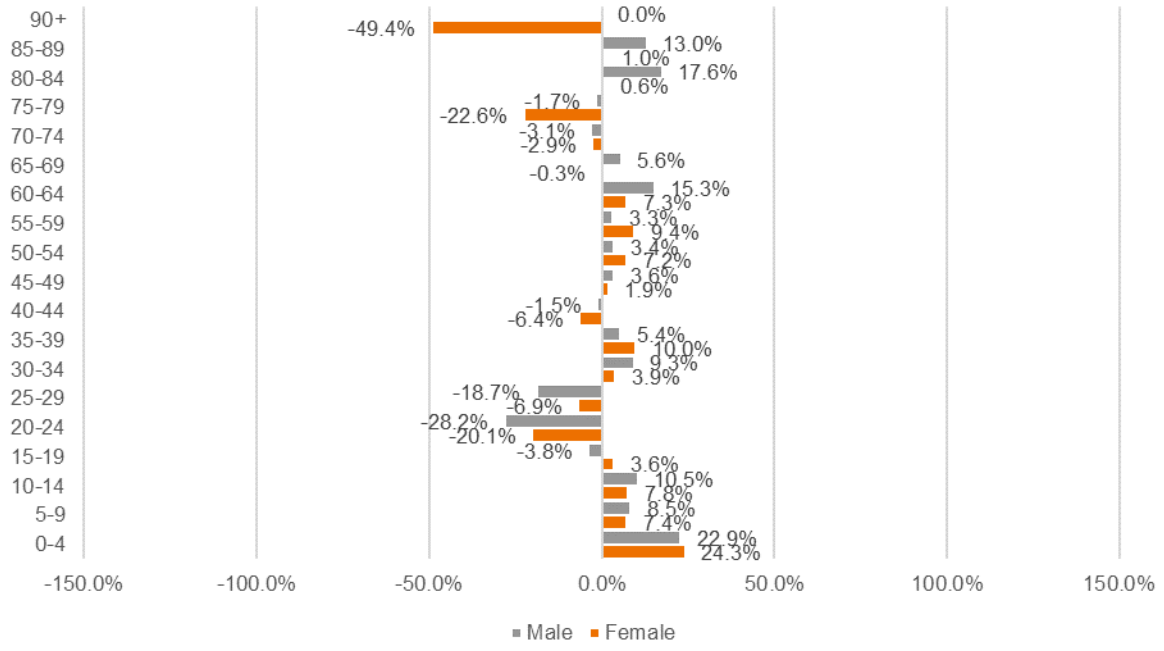
Cornwall



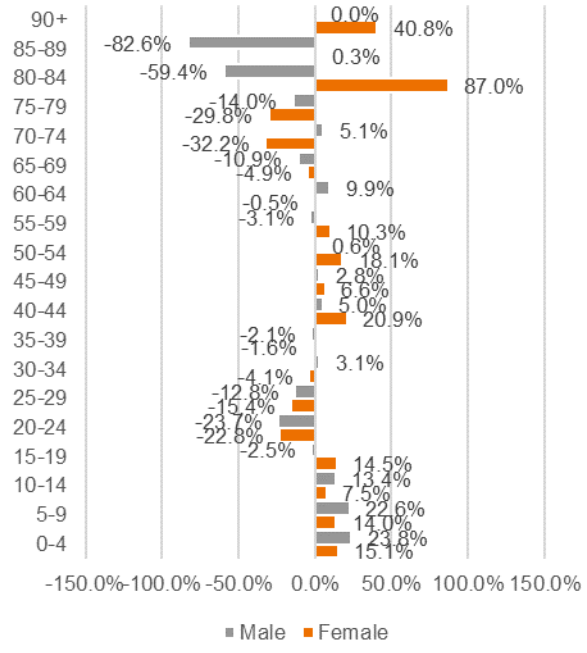
Stratford



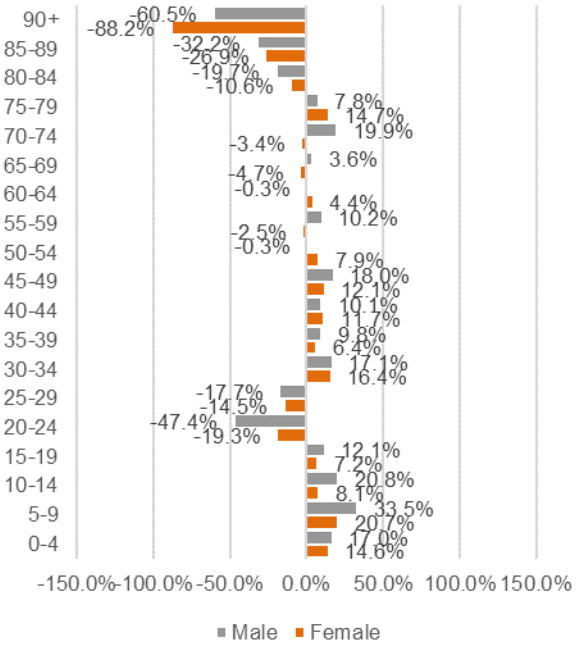
Central CA



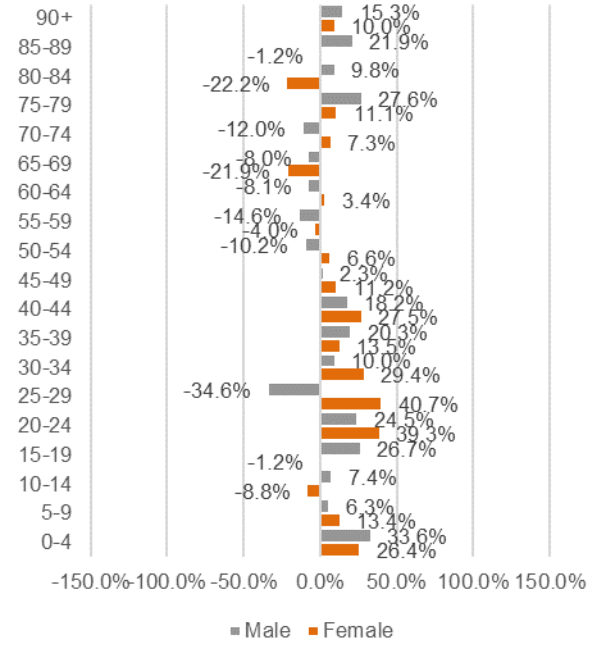
East CA



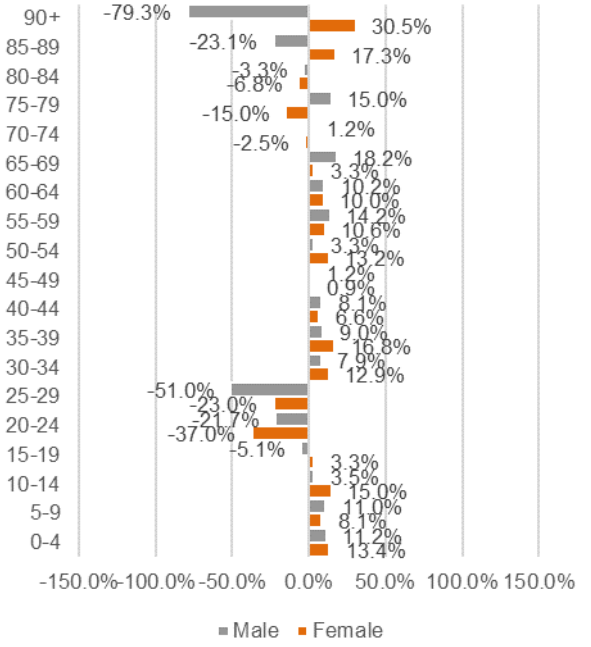
West CA



Southeast Queens



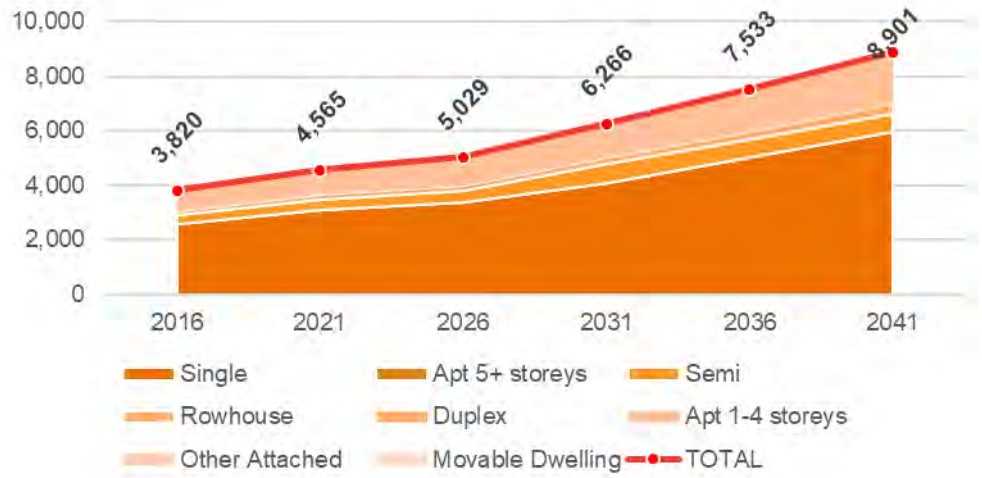
West Queens



Source Stantec Consulting Ltd.

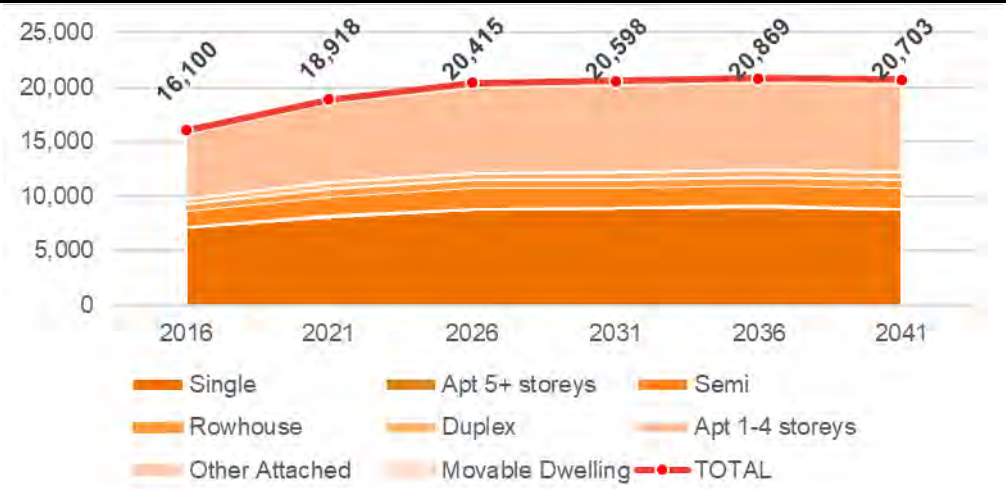
Figure A-3 Dwelling Units by Type, Queens County Sub-areas, Scenario 1, 2016-2041

Stratford



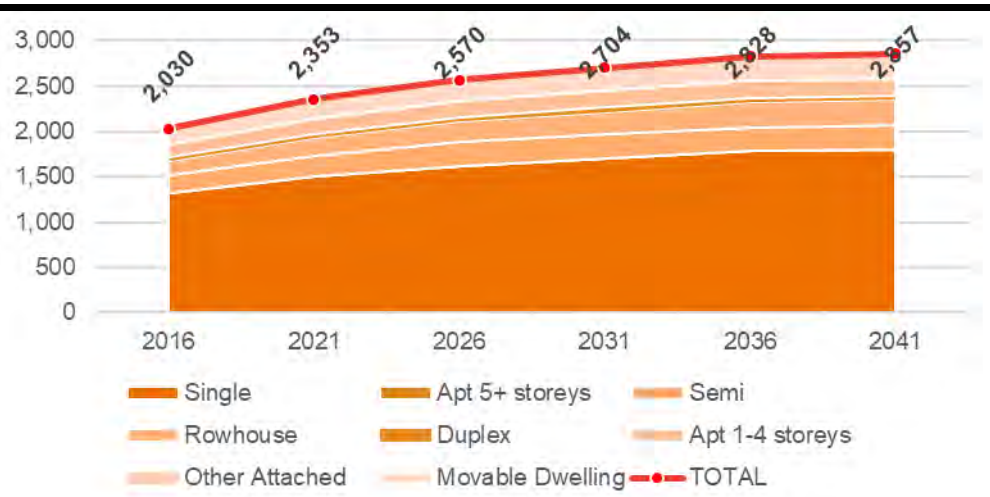
Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,820	2,565	10	1,245	345	135	20	745	0
2021	4,565	3,074	0	1,479	399	172	24	884	0
2026	5,029	3,365	0	1,650	447	193	26	986	0
2031	6,266	4,101	0	2,149	682	236	35	1,196	0
2036	7,533	5,043	0	2,475	647	291	47	1,489	0
2041	8,901	5,960	0	2,925	676	349	58	1,842	0

Charlottetown



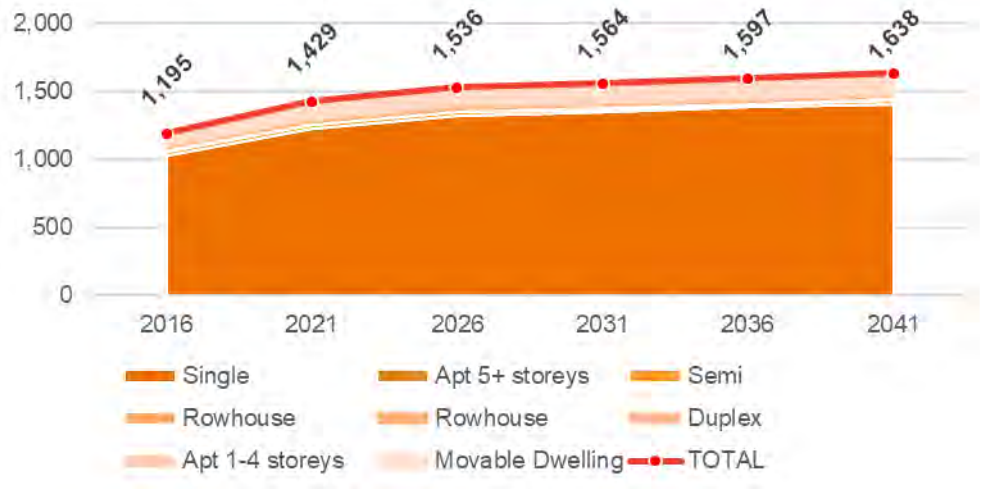
Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	16,100	7,165	45	1,470	550	505	6,040	35	295
2021	18,918	8,136	40	1,793	678	630	7,288	25	328
2026	20,415	8,774	40	1,943	713	677	7,882	27	360
2031	20,598	8,878	37	1,906	710	686	7,973	28	380
2036	20,869	9,061	35	1,910	702	699	8,030	28	404
2041	20,703	8,811	35	1,961	674	715	8,062	27	418

Cornwall



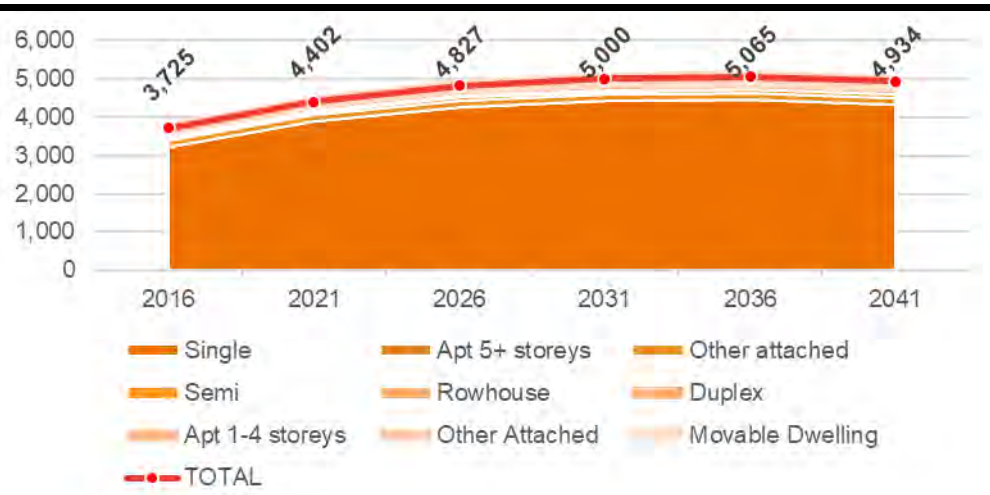
Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	2,030	1,325	0	200	155	30	145	0	175
2021	2,353	1,503	0	230	199	39	173	0	209
2026	2,570	1,624	0	255	232	43	187	0	230
2031	2,704	1,703	0	261	254	49	191	0	246
2036	2,828	1,784	0	262	275	49	190	0	268
2041	2,857	1,800	0	269	281	47	186	0	274

East CA



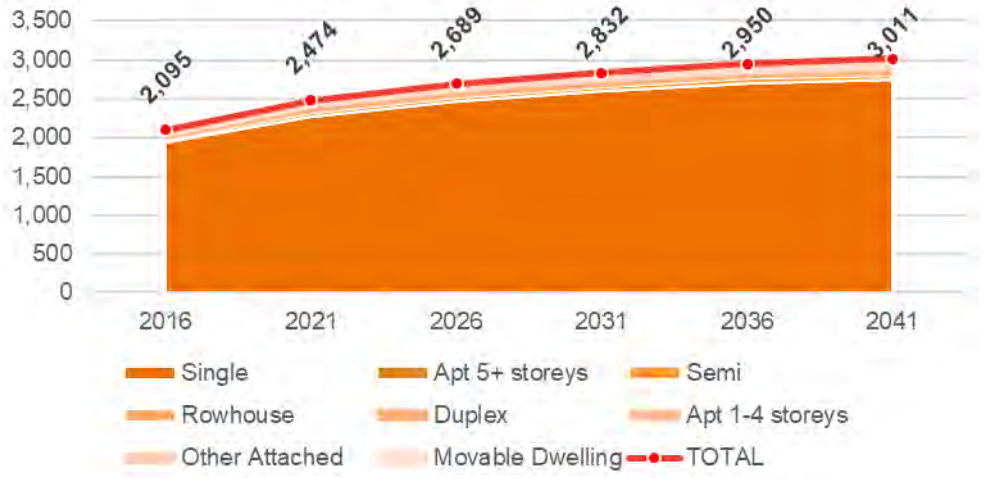
Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	1,195	1,030	0	30	15	10	10	0	105
2021	1,429	1,230	0	24	13	15	13	0	134
2026	1,536	1,323	0	26	15	17	15	0	139
2031	1,564	1,351	0	24	15	14	11	0	149
2036	1,597	1,387	0	22	14	12	9	0	154
2041	1,638	1,413	0	25	16	14	10	0	160

Central CA



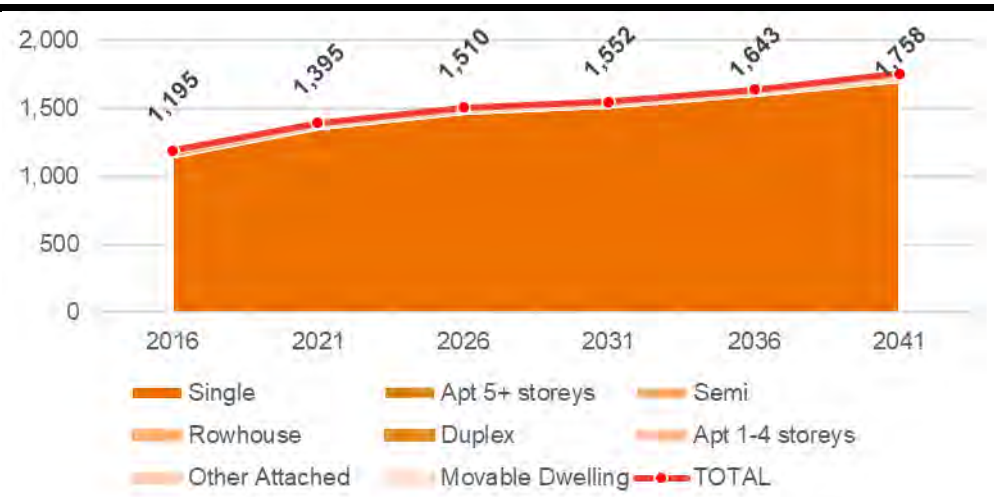
Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,725	3,225	0	70	55	10	15	0	315
2021	4,402	3,890	0	79	63	10	13	0	347
2026	4,827	4,265	0	87	62	14	15	0	383
2031	5,000	4,422	0	86	57	18	11	0	407
2036	5,065	4,466	0	88	56	20	8	0	427
2041	4,934	4,323	0	87	58	24	7	0	434

West CA



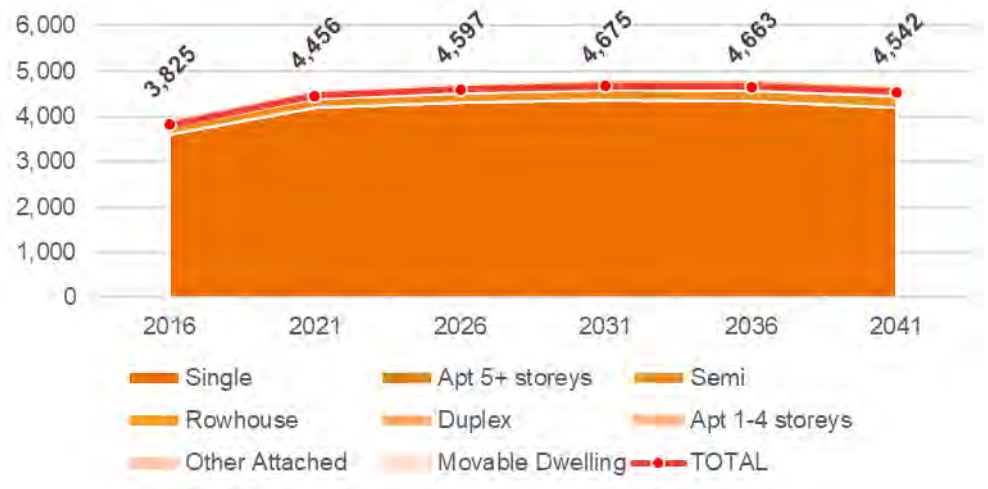
Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	2,095	1,940	0	35	0	25	0	0	90
2021	2,474	2,274	0	43	0	51	0	0	106
2026	2,689	2,469	0	46	0	57	0	0	117
2031	2,832	2,597	0	54	0	57	0	0	125
2036	2,950	2,699	0	56	0	58	0	0	138
2041	3,011	2,742	0	56	0	59	0	0	154

Southeast Queens



Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	1,195	1,145	0	0	10	10	0	0	15
2021	1,395	1,355	0	0	0	0	10	0	30
2026	1,510	1,467	0	0	0	0	10	0	33
2031	1,552	1,508	0	0	0	0	9	0	35
2036	1,643	1,595	0	0	0	0	10	0	38
2041	1,758	1,699	0	0	0	0	13	0	46

West Queens



Year	TOTAL	Single	Apt 5+ storeys	Semi	Row-house	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,825	3,610	0	20	95	20	10	25	65
2021	4,456	4,201	0	47	116	0	0	18	74
2026	4,597	4,308	0	52	142	0	0	19	76
2031	4,675	4,359	0	58	160	0	0	18	80
2036	4,663	4,326	0	60	172	0	0	17	88
2041	4,542	4,195	0	61	177	0	0	18	91

Source Census of Canada 2001 to 2016, Stantec estimates 2021 to 2041

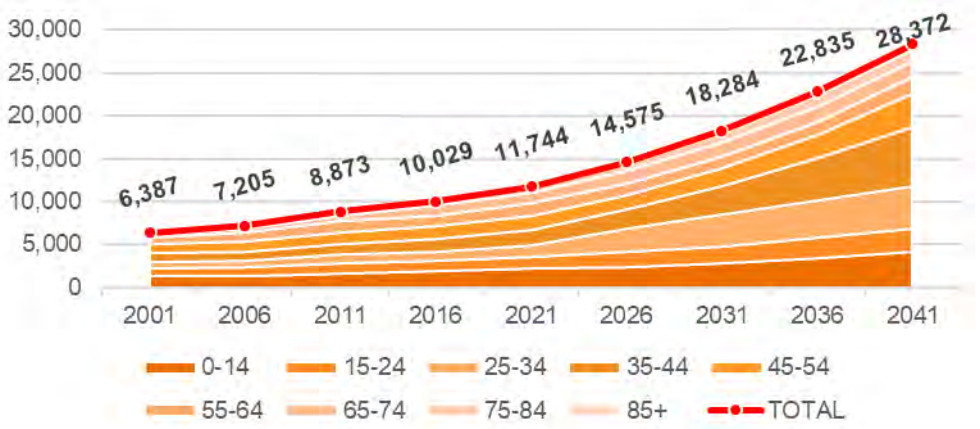
APPENDIX B

Sub-area Population Estimates, Migration Estimates and Housing Estimates

Scenario 2

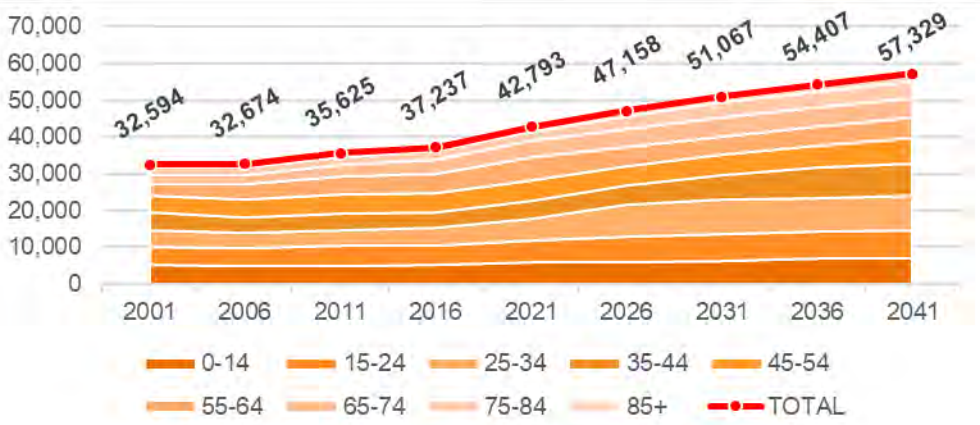
Figure B-1 Population by Age, Queens County Sub-areas, Scenario 2, 2001-2041

Stratford



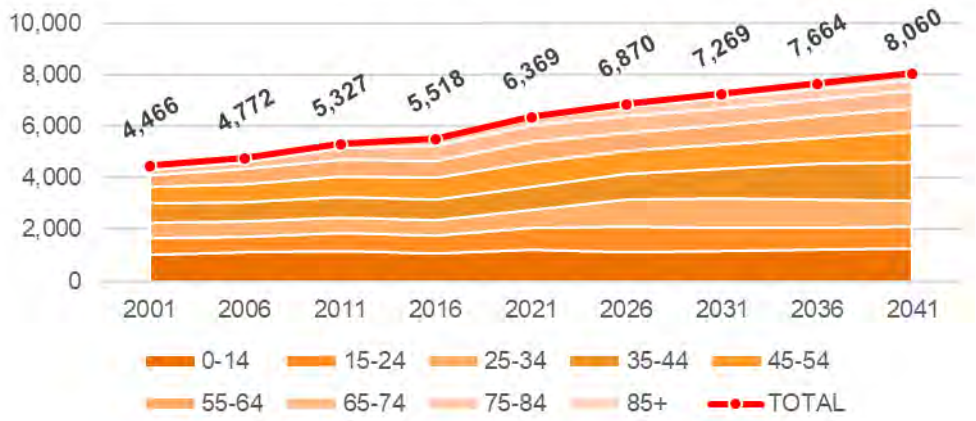
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,318	1,386	1,626	1,892	2,216	2,394	2,832	3,464	4,221
15-24	935	929	1,123	1,168	1,368	1,726	1,995	2,279	2,622
25-34	709	853	1,056	1,173	1,374	2,714	3,658	4,394	5,001
35-44	1,026	1,046	1,315	1,458	1,707	2,228	3,246	4,920	6,893
45-54	1,116	1,122	1,284	1,442	1,689	1,697	2,100	2,699	3,836
55-64	643	1,005	1,284	1,272	1,489	1,307	1,378	1,583	1,956
65-74	367	493	730	1,086	1,271	1,556	1,661	1,668	1,741
75-84	218	279	305	398	466	739	1,118	1,372	1,433
85+	56	91	150	140	163	214	296	456	669
TOTAL	**6,387**	**7,205**	**8,873**	**10,029**	**11,744**	**14,575**	**18,284**	**22,835**	**28,372**

Charlottetown



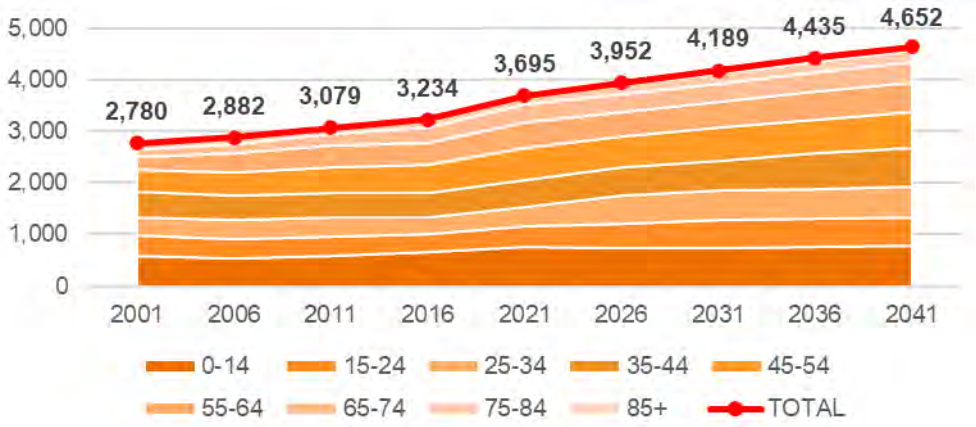
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	5,342	4,829	4,978	5,177	5,949	5,747	6,225	6,776	7,075
15-24	4,914	4,996	5,432	5,182	5,955	7,005	7,341	7,351	7,541
25-34	4,431	3,991	4,344	4,991	5,735	8,843	9,383	9,287	9,471
35-44	4,696	4,321	4,360	4,289	4,929	5,404	6,733	8,400	8,667
45-54	4,775	4,920	5,421	5,006	5,753	5,161	5,403	5,873	7,186
55-64	3,164	3,966	4,896	5,280	6,068	5,235	5,122	5,265	5,533
65-74	2,456	2,711	3,020	3,933	4,520	4,910	5,183	5,103	5,005
75-84	1,955	1,975	2,092	2,255	2,592	3,535	4,114	4,380	4,579
85+	862	965	1,082	1,125	1,293	1,318	1,562	1,973	2,273
TOTAL	**32,594**	**32,674**	**35,625**	**37,237**	**42,793**	**47,158**	**51,067**	**54,407**	**57,329**

Cornwall



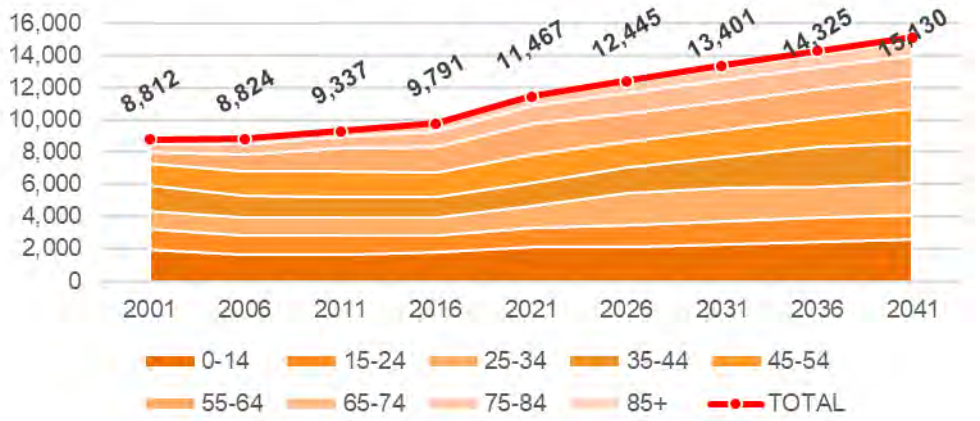
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,037	1,108	1,158	1,070	1,234	1,132	1,149	1,231	1,288
15-24	624	618	719	718	829	976	924	844	829
25-34	601	607	579	594	686	1,047	1,124	1,073	989
35-44	733	750	833	801	924	991	1,161	1,411	1,533
45-54	688	684	765	822	948	896	946	1,011	1,176
55-64	446	592	672	682	787	720	768	836	893
65-74	206	260	414	568	656	640	640	665	706
75-84	104	112	155	212	245	379	420	379	396
85+	26	41	31	52	60	90	139	212	249
TOTAL	**4,466**	**4,772**	**5,327**	**5,518**	**6,369**	**6,870**	**7,269**	**7,664**	**8,060**

East CA



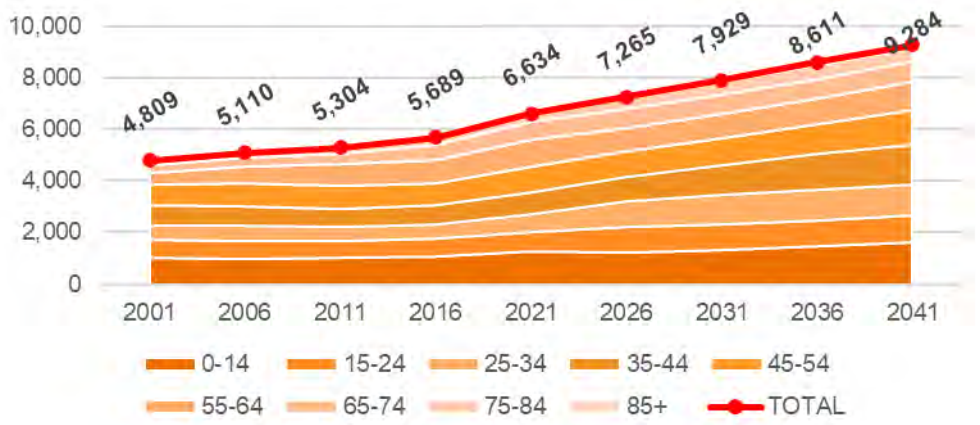
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	581	528	594	657	751	727	738	773	787
15-24	406	386	374	359	411	493	537	538	548
25-34	342	360	374	318	364	545	578	581	608
35-44	501	492	466	477	545	555	592	692	733
45-54	427	431	502	539	616	591	638	656	696
55-64	258	386	415	436	499	460	488	539	587
65-74	151	173	236	303	346	352	348	374	391
75-84	89	101	87	118	135	188	220	200	220
85+	24	25	31	26	29	42	52	82	82
TOTAL	**2,780**	**2,882**	**3,079**	**3,234**	**3,695**	**3,952**	**4,189**	**4,435**	**4,652**

Central CA



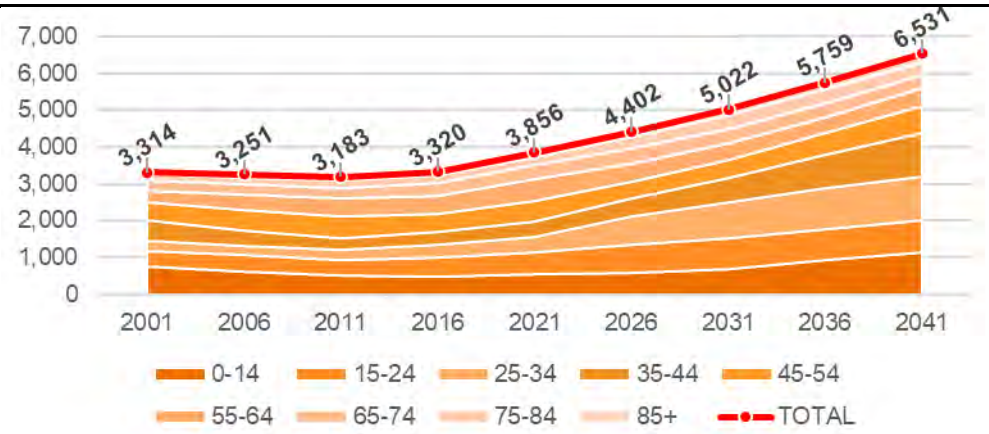
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,954	1,669	1,609	1,781	2,085	2,097	2,259	2,474	2,559
15-24	1,274	1,194	1,231	1,047	1,226	1,362	1,443	1,472	1,590
25-34	1,161	1,092	1,119	1,134	1,328	2,012	2,048	1,951	1,965
35-44	1,542	1,383	1,297	1,247	1,460	1,625	1,968	2,405	2,465
45-54	1,337	1,511	1,578	1,514	1,773	1,597	1,663	1,817	2,163
55-64	774	1,046	1,420	1,611	1,887	1,693	1,720	1,781	1,865
65-74	457	582	715	990	1,160	1,280	1,360	1,382	1,397
75-84	257	296	301	380	445	642	759	792	843
85+	55	51	66	87	102	136	180	251	283
TOTAL	**8,812**	**8,824**	**9,337**	**9,791**	**11,467**	**12,445**	**13,401**	**14,325**	**15,130**

West CA



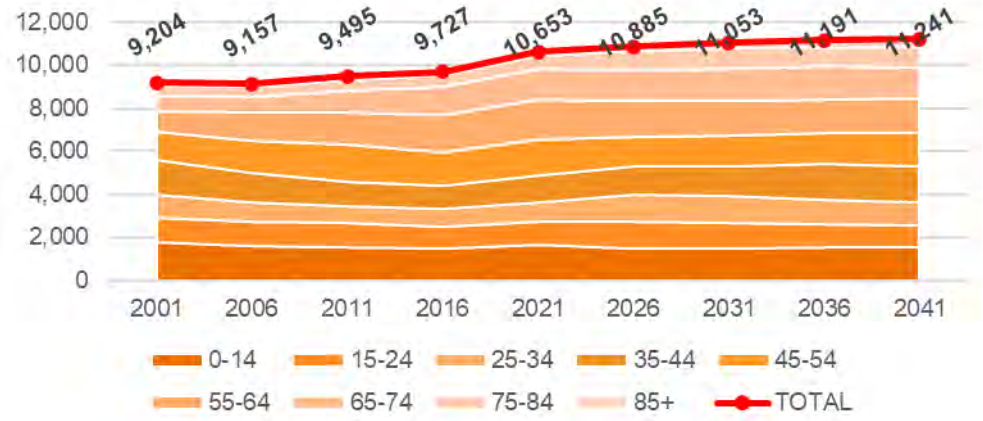
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,002	995	1,023	1,083	1,263	1,233	1,328	1,483	1,611
15-24	726	692	646	667	778	973	1,004	987	1,046
25-34	523	560	553	570	665	1,026	1,145	1,209	1,210
35-44	819	778	702	724	844	925	1,118	1,371	1,531
45-54	820	879	893	883	1,030	985	1,070	1,166	1,375
55-64	425	687	857	899	1,048	909	926	1,009	1,105
65-74	296	348	382	585	683	752	766	756	773
75-84	154	126	201	236	275	405	503	516	521
85+	45	45	46	41	48	57	69	114	113
TOTAL	**4,809**	**5,110**	**5,304**	**5,689**	**6,634**	**7,265**	**7,929**	**8,611**	**9,284**

Southeast Queens



Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	746	607	505	474	551	563	698	916	1,133
15-24	426	449	407	510	592	768	824	831	891
25-34	285	252	283	362	421	773	979	1,120	1,172
35-44	566	414	319	347	403	482	644	930	1,179
45-54	482	557	587	474	551	466	495	572	742
55-64	293	419	500	510	592	500	458	447	474
65-74	301	301	268	342	397	404	403	386	352
75-84	149	178	211	194	225	318	370	367	366
85+	65	74	103	107	124	129	151	191	221
TOTAL	**3,314**	**3,251**	**3,183**	**3,320**	**3,856**	**4,402**	**5,022**	**5,759**	**6,531**

West Queens

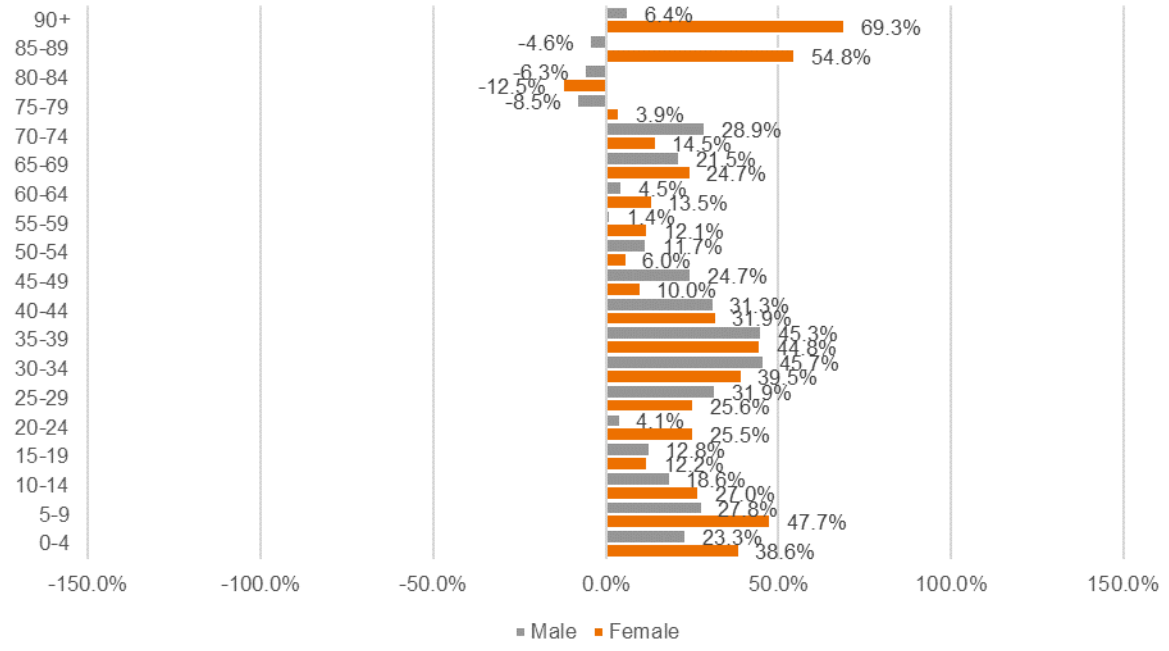


Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,793	1,578	1,541	1,490	1,632	1,484	1,469	1,522	1,524
15-24	1,132	1,131	1,110	1,021	1,118	1,233	1,191	1,083	1,047
25-34	1,046	893	802	801	878	1,287	1,243	1,132	1,068
35-44	1,598	1,405	1,141	1,118	1,224	1,267	1,424	1,665	1,650
45-54	1,327	1,486	1,721	1,531	1,677	1,404	1,402	1,434	1,589
55-64	997	1,294	1,495	1,725	1,889	1,689	1,620	1,572	1,565
65-74	729	766	1,002	1,296	1,420	1,442	1,500	1,533	1,483
75-84	432	452	493	551	604	859	947	895	954
85+	152	152	190	194	212	220	257	355	360
TOTAL	**9,204**	**9,157**	**9,495**	**9,727**	**10,653**	**10,885**	**11,053**	**11,191**	**11,241**

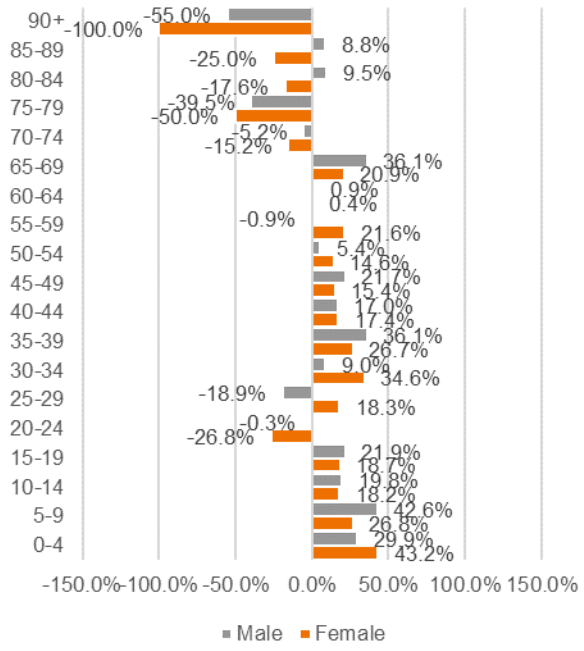
Source Census of Canada 2001 to 2016, Stantec estimates 2021 to 2041

Figure B-2 Five-year Net Migration Estimates, Capital Region, Scenario 2, 2011-2021

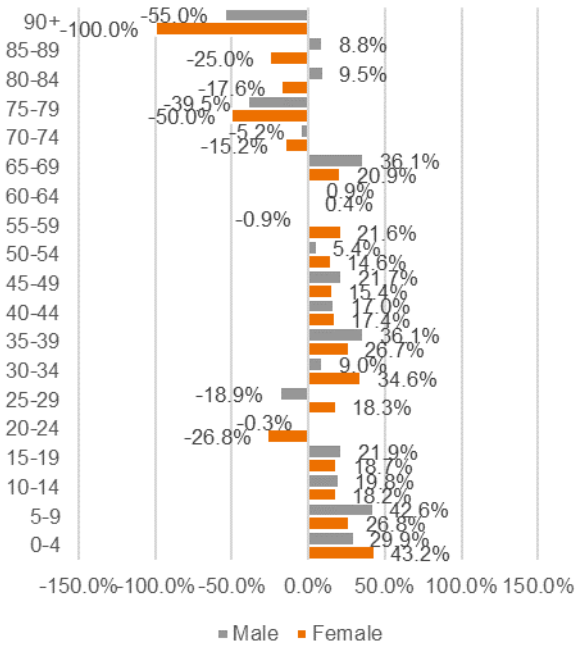
Charlottetown



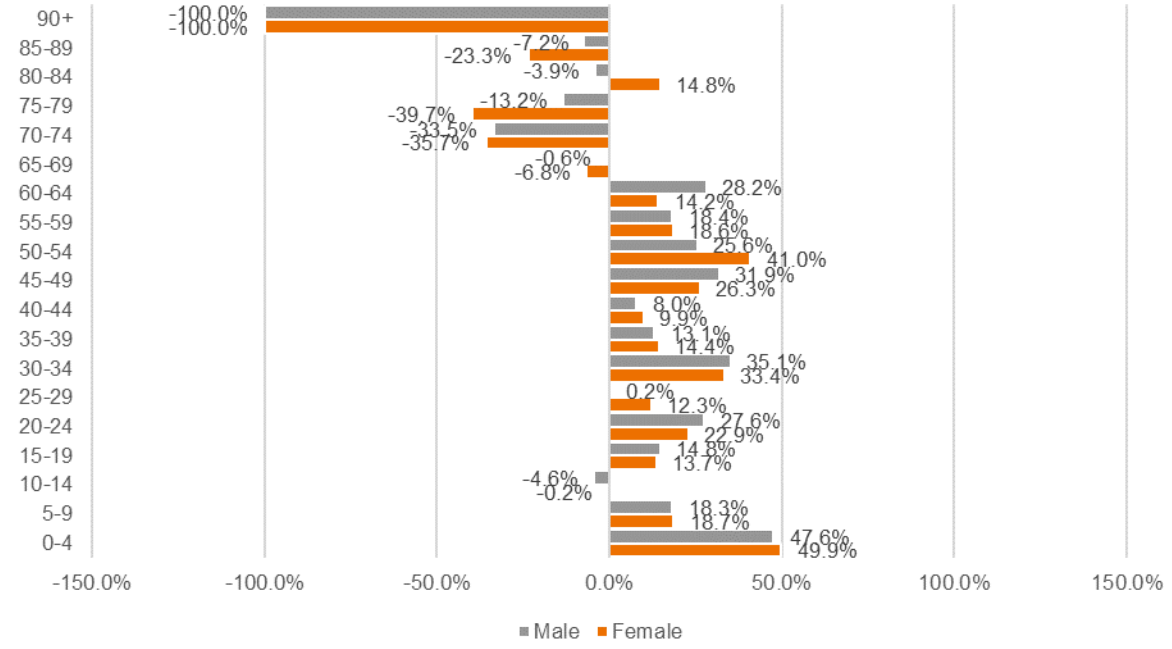
Cornwall



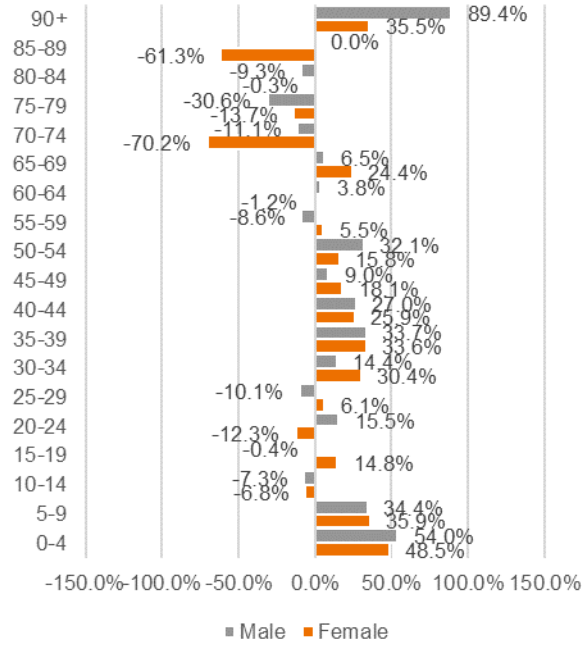
Stratford



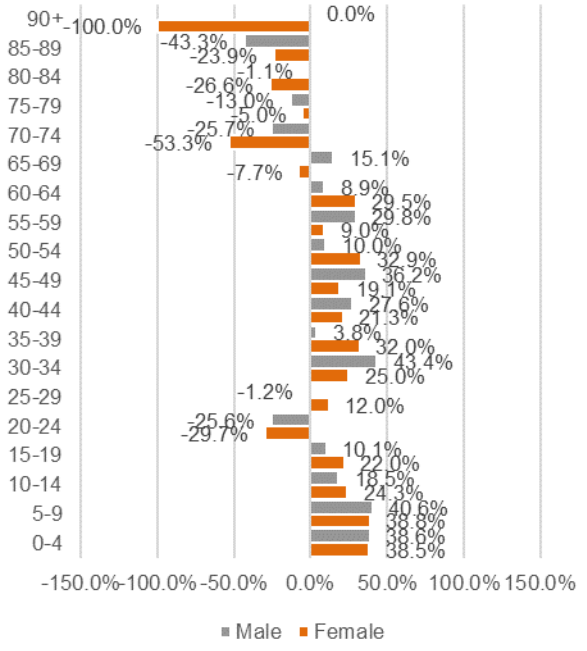
Central CA



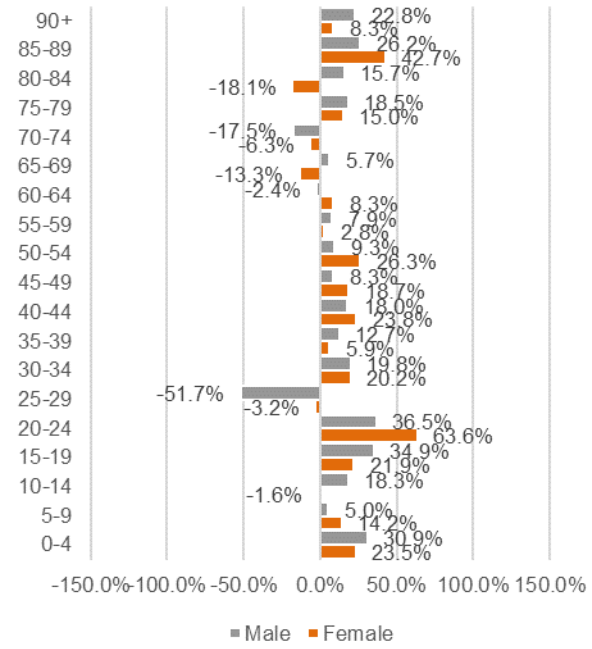
East CA



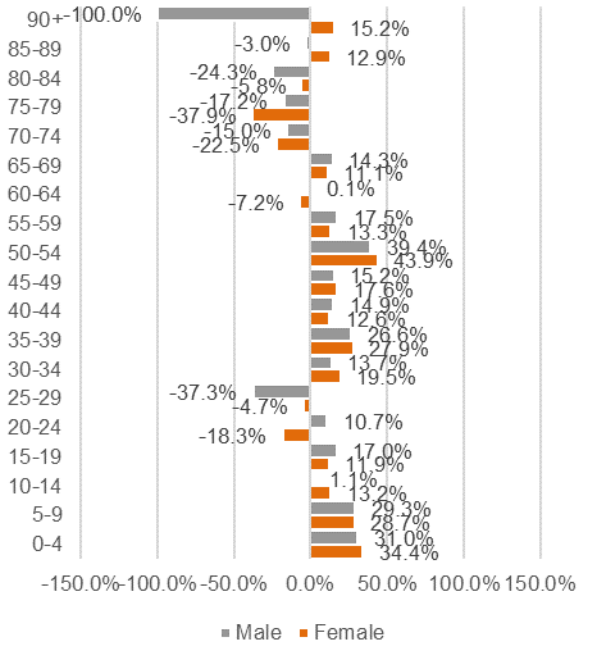
West CA



Southeast Queens



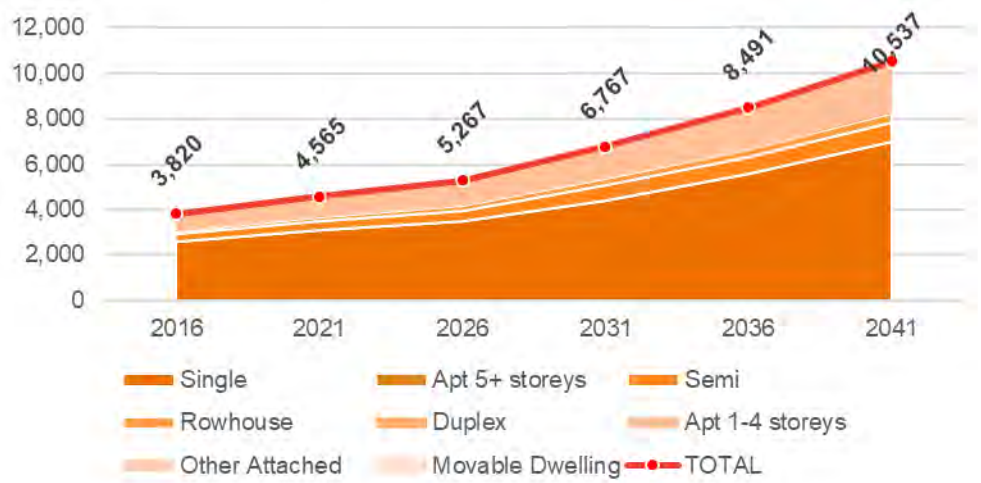
West Queens



Source Stantec Consulting Ltd.

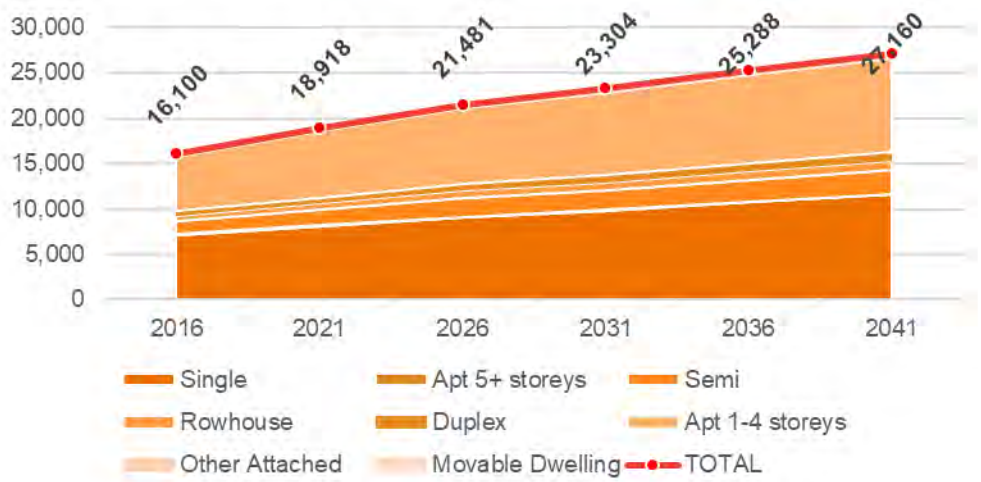
Figure B-3 Dwelling Units by Type, Queens County Sub-areas, Scenario 2, 2016-2041

Stratford



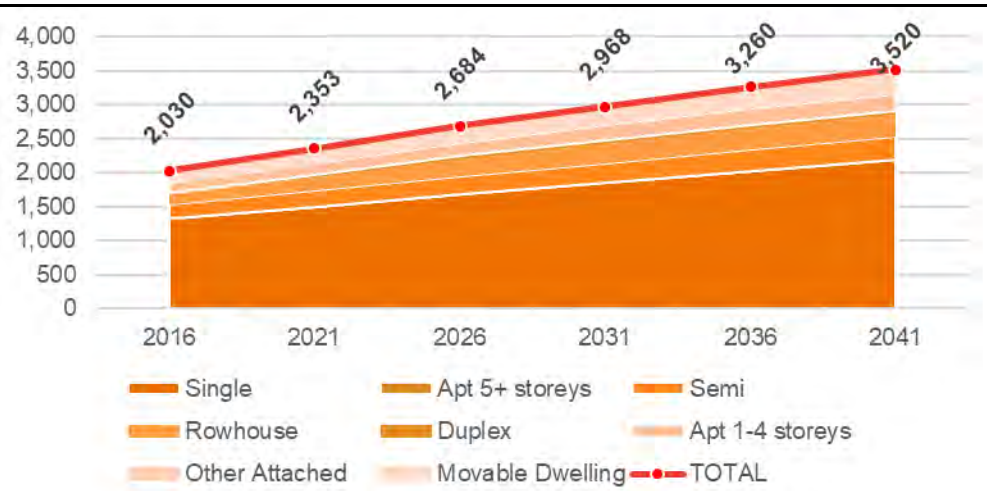
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,820	2,565	10	345	135	20	745	0	10
2021	4,565	3,074	0	399	172	24	884	0	12
2026	5,267	3,486	0	476	203	27	1,062	0	13
2031	6,767	4,363	0	713	260	36	1,380	0	16
2036	8,491	5,560	0	763	338	51	1,763	0	16
2041	10,537	6,982	0	842	428	71	2,198	0	16

Charlottetown



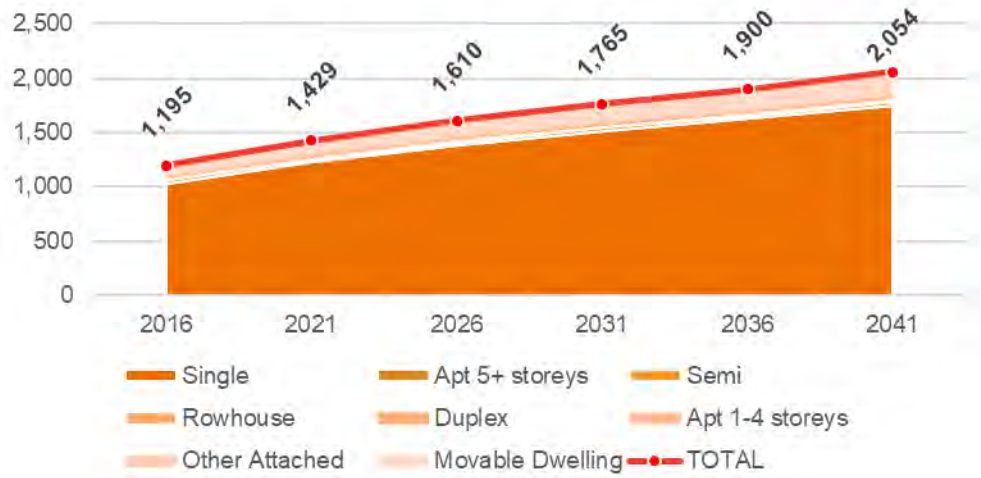
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	16,100	7,165	45	1,470	550	505	6,040	35	295
2021	18,918	8,136	40	1,793	678	630	7,288	25	328
2026	21,481	9,104	46	2,069	772	726	8,367	27	370
2031	23,304	9,847	50	2,184	848	809	9,129	28	408
2036	25,288	10,762	53	2,413	925	889	9,763	28	454
2041	27,160	11,586	57	2,654	996	974	10,359	27	507

Cornwall



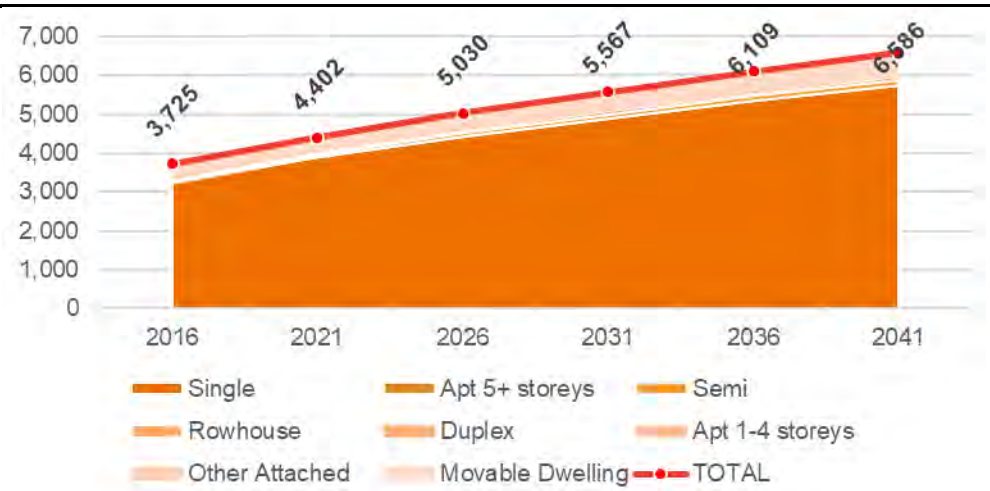
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	2,030	1,325	0	200	155	30	145	0	175
2021	2,353	1,503	0	230	199	39	173	0	209
2026	2,684	1,687	0	265	243	49	200	0	241
2031	2,968	1,859	0	276	281	57	220	0	276
2036	3,260	2,031	0	307	311	58	231	0	322
2041	3,520	2,186	0	339	330	57	242	0	365

East CA



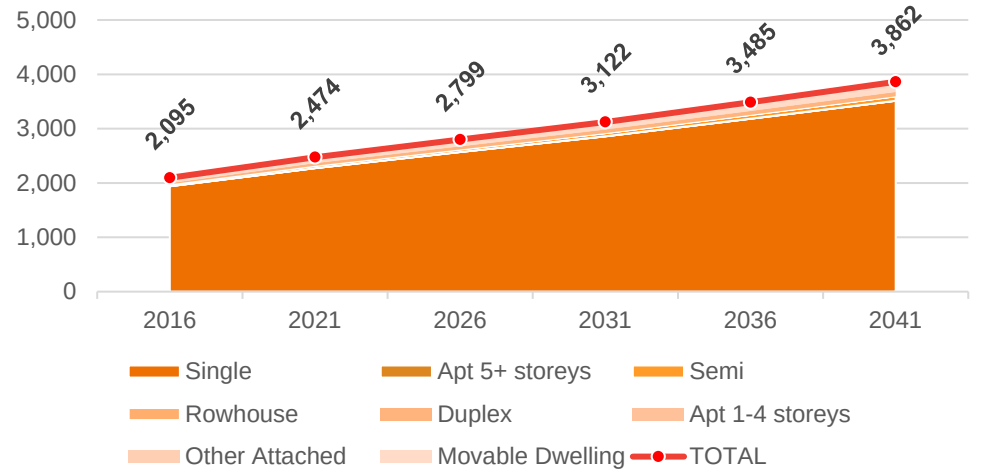
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	1,195	1,030	0	30	15	10	10	0	105
2021	1,429	1,230	0	24	13	15	13	0	134
2026	1,610	1,381	0	29	15	20	17	0	149
2031	1,765	1,512	0	31	15	21	18	0	169
2036	1,900	1,626	0	32	14	22	17	0	189
2041	2,054	1,749	0	37	15	24	17	0	212

Central CA



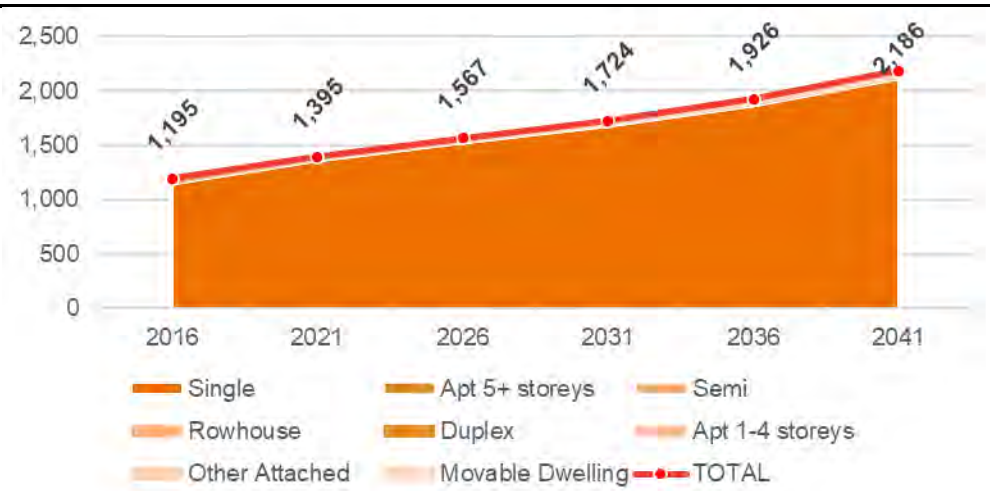
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,725	3,225	0	70	55	10	15	0	315
2021	4,402	3,890	0	79	63	10	13	0	347
2026	5,030	4,434	0	92	70	14	18	0	402
2031	5,567	4,899	0	102	73	18	18	0	457
2036	6,109	5,359	0	121	75	20	17	0	518
2041	6,586	5,745	0	140	81	22	16	0	582

West CA



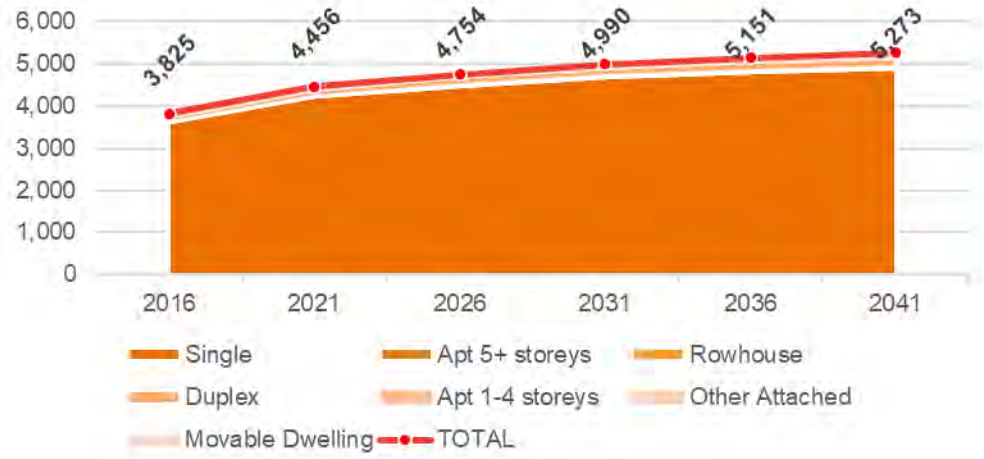
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	2,095	1,940	0	35	0	25	0	0	90
2021	2,474	2,274	0	43	0	51	0	0	106
2026	2,799	2,570	0	48	0	60	0	0	121
2031	3,122	2,860	0	57	0	67	0	0	137
2036	3,485	3,183	0	70	0	74	0	0	159
2041	3,862	3,514	0	82	0	81	0	0	186

Southeast Queens



Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	1,195	1,145	0	0	10	10	0	0	15
2021	1,395	1,355	0	0	0	0	10	0	30
2026	1,567	1,521	0	0	0	0	10	0	36
2031	1,724	1,671	0	0	0	0	10	0	42
2036	1,926	1,864	0	0	0	0	11	0	50
2041	2,186	2,110	0	0	0	0	15	0	61

West Queens



Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,825	3,610	0	20	95	20	10	25	65
2021	4,456	4,201	0	47	116	0	0	18	74
2026	4,754	4,458	0	52	143	0	0	20	80
2031	4,990	4,663	0	51	164	0	0	22	90
2036	5,151	4,792	0	55	176	0	0	23	104
2041	5,273	4,893	0	57	180	0	0	26	117

Source Census of Canada 2001 to 2016, Stantec estimates 2021 to 2041

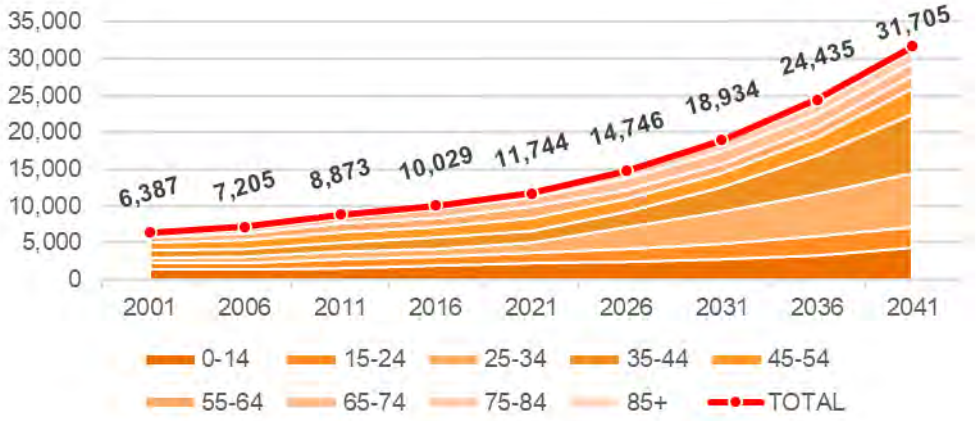
APPENDIX C

Sub-area Population Estimates, Migration Estimates and Housing Estimates

Scenario 3

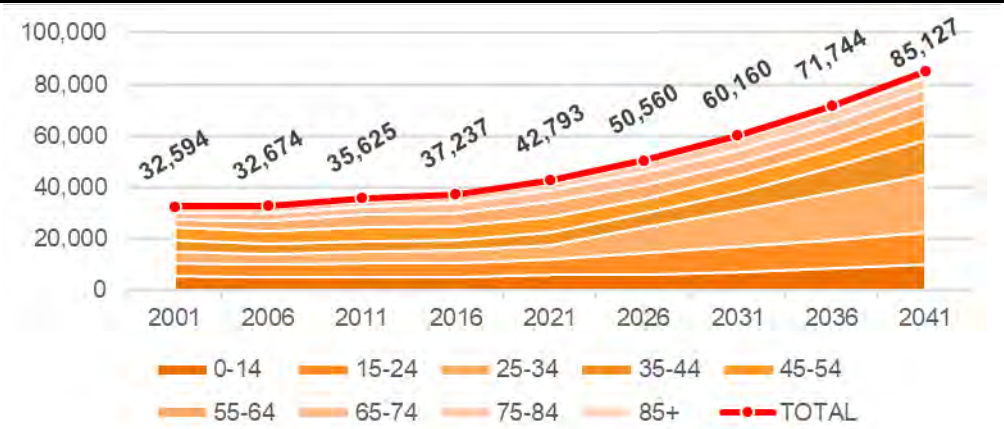
Figure C-1 Population by Age, Queens County Sub-areas, Scenario 3, 2001-2041

Stratford



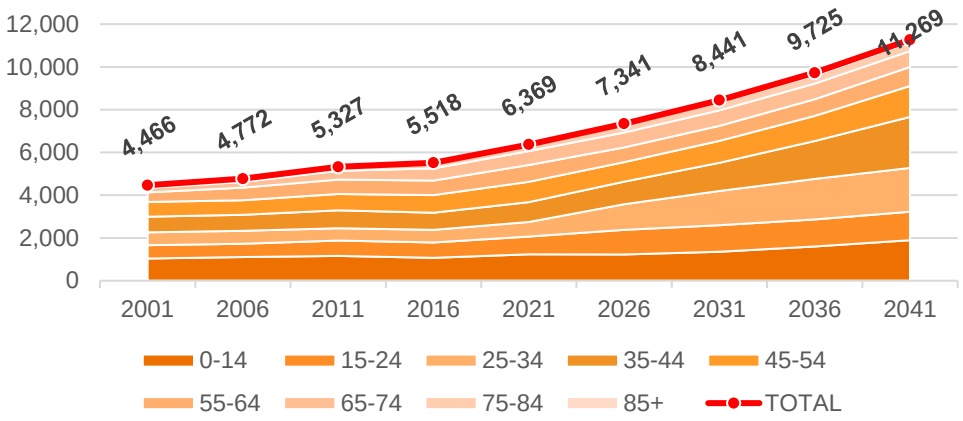
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,318	1,386	1,626	1,892	2,216	2,333	2,710	3,338	4,260
15-24	935	929	1,123	1,168	1,368	1,875	2,203	2,541	2,827
25-34	709	853	1,056	1,173	1,374	2,877	4,333	5,841	7,395
35-44	1,026	1,046	1,315	1,458	1,707	2,226	3,259	5,140	7,936
45-54	1,116	1,122	1,284	1,442	1,689	1,609	1,965	2,531	3,649
55-64	643	1,005	1,284	1,272	1,489	1,253	1,240	1,364	1,660
65-74	367	493	730	1,086	1,271	1,601	1,715	1,668	1,668
75-84	218	279	305	398	466	762	1,223	1,559	1,618
85+	56	91	150	140	163	210	287	453	692
TOTAL	**6,387**	**7,205**	**8,873**	**10,029**	**11,744**	**14,746**	**18,934**	**24,435**	**31,705**

Charlottetown



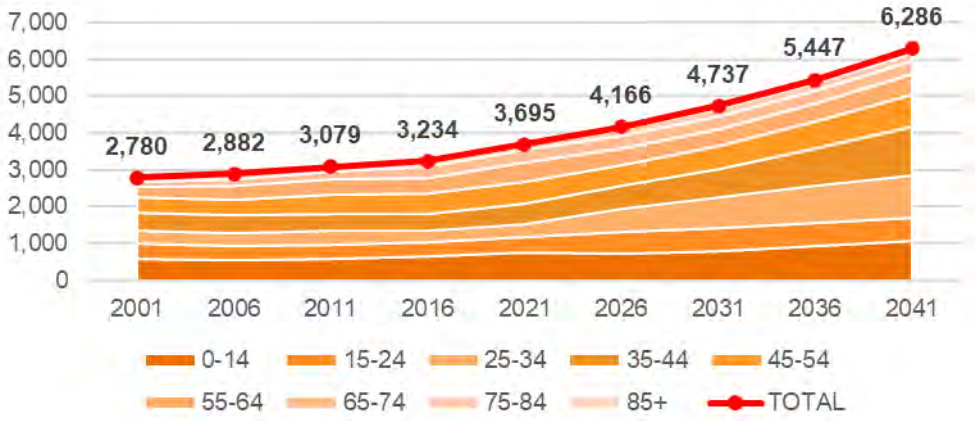
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	5,342	4,829	4,978	5,177	5,949	5,826	6,685	8,209	10,068
15-24	4,914	4,996	5,432	5,182	5,955	8,532	10,307	11,391	12,382
25-34	4,431	3,991	4,344	4,991	5,735	10,144	13,969	18,091	22,246
35-44	4,696	4,321	4,360	4,289	4,929	5,566	7,040	10,084	13,671
45-54	4,775	4,920	5,421	5,006	5,753	5,479	6,089	6,855	8,473
55-64	3,164	3,966	4,896	5,280	6,068	5,294	5,358	5,825	6,498
65-74	2,456	2,711	3,020	3,933	4,520	4,783	4,921	4,872	4,946
75-84	1,955	1,975	2,092	2,255	2,592	3,626	4,213	4,370	4,476
85+	862	965	1,082	1,125	1,293	1,309	1,578	2,047	2,366
TOTAL	**32,594**	**32,674**	**35,625**	**37,237**	**42,793**	**50,560**	**60,160**	**71,744**	**85,127**

Cornwall



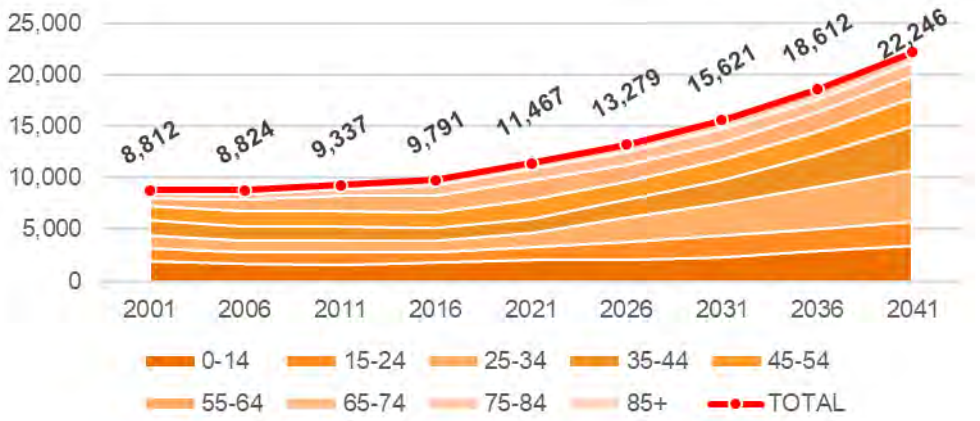
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,037	1,108	1,158	1,070	1,234	1,224	1,356	1,600	1,896
15-24	624	618	719	718	829	1,157	1,239	1,264	1,331
25-34	601	607	579	594	686	1,193	1,605	1,897	2,051
35-44	733	750	833	801	924	1,059	1,315	1,773	2,382
45-54	688	684	765	822	948	912	1,028	1,174	1,446
55-64	446	592	672	682	787	688	700	781	889
65-74	206	260	414	568	656	697	727	727	747
75-84	104	112	155	212	245	345	385	389	406
85+	26	41	31	52	60	67	87	121	122
TOTAL	**4,466**	**4,772**	**5,327**	**5,518**	**6,369**	**7,341**	**8,441**	**9,725**	**11,269**

East CA



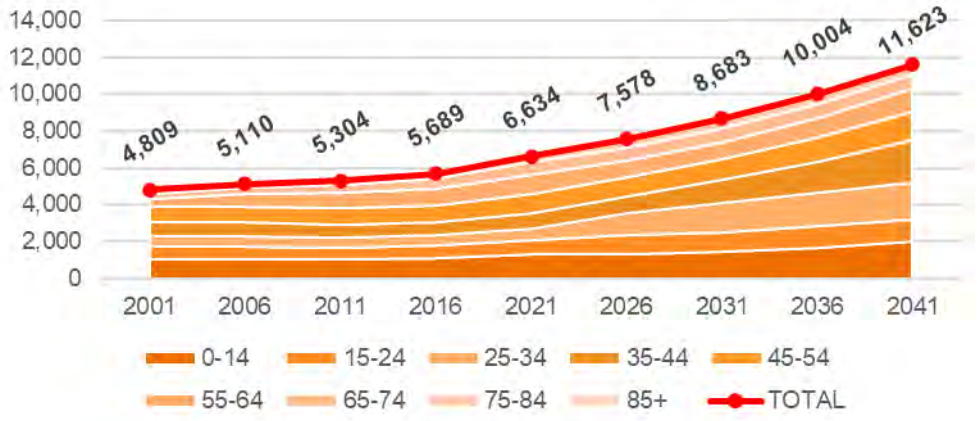
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	581	528	594	657	751	733	787	923	1,067
15-24	406	386	374	359	411	571	628	623	642
25-34	342	360	374	318	364	631	842	1,028	1,142
35-44	501	492	466	477	545	620	756	1,001	1,329
45-54	427	431	502	539	616	583	648	730	882
55-64	258	386	415	436	499	432	437	480	538
65-74	151	173	236	303	346	361	359	363	359
75-84	89	101	87	118	135	189	215	203	210
85+	24	25	31	26	29	46	65	95	116
TOTAL	**2,780**	**2,882**	**3,079**	**3,234**	**3,695**	**4,166**	**4,737**	**5,447**	**6,286**

Central CA



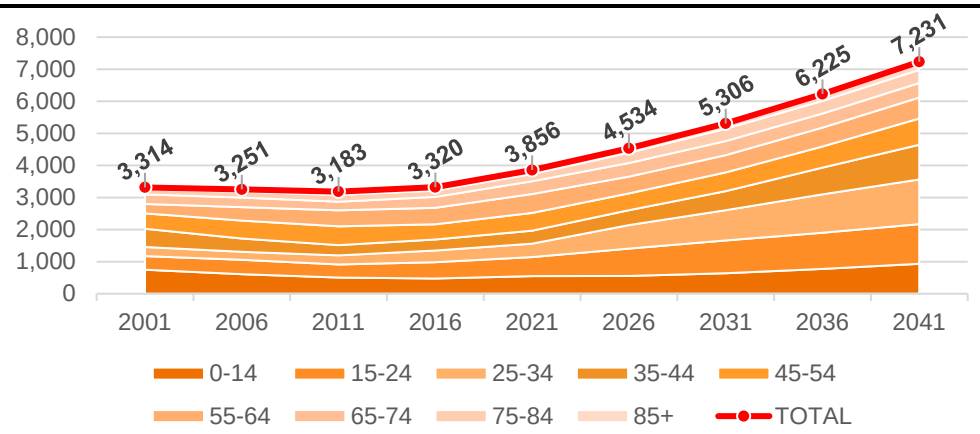
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,954	1,669	1,609	1,781	2,085	2,092	2,352	2,875	3,472
15-24	1,274	1,194	1,231	1,047	1,226	1,758	2,061	2,175	2,345
25-34	1,161	1,092	1,119	1,134	1,328	2,345	3,183	4,142	5,005
35-44	1,542	1,383	1,297	1,247	1,460	1,695	2,201	3,063	4,169
45-54	1,337	1,511	1,578	1,514	1,773	1,714	1,927	2,212	2,785
55-64	774	1,046	1,420	1,611	1,887	1,679	1,732	1,908	2,152
65-74	457	582	715	990	1,160	1,243	1,273	1,287	1,325
75-84	257	296	301	380	445	638	740	733	766
85+	55	51	66	87	102	116	153	216	228
TOTAL	**8,812**	**8,824**	**9,337**	**9,791**	**11,467**	**13,279**	**15,621**	**18,612**	**22,246**

West CA



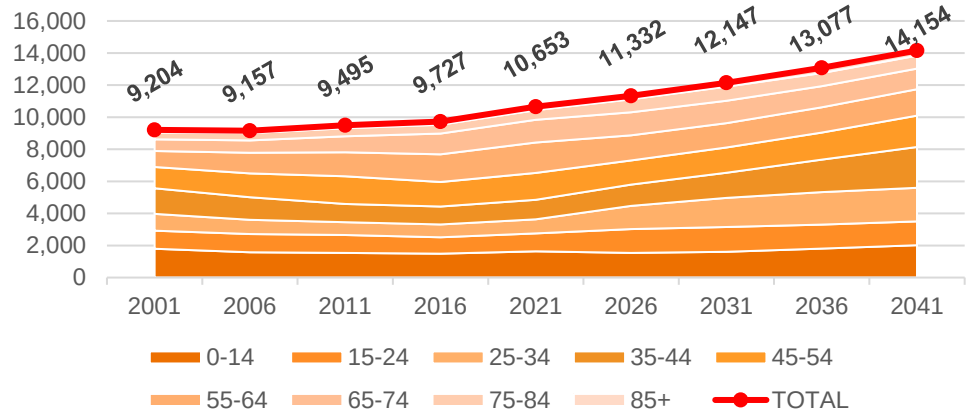
Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,002	995	1,023	1,083	1,263	1,267	1,414	1,673	1,987
15-24	726	692	646	667	778	1,064	1,101	1,143	1,205
25-34	523	560	553	570	665	1,165	1,567	1,848	2,038
35-44	819	778	702	724	844	972	1,236	1,675	2,249
45-54	820	879	893	883	1,030	996	1,124	1,286	1,594
55-64	425	687	857	899	1,048	929	957	1,056	1,196
65-74	296	348	382	585	683	727	737	752	770
75-84	154	126	201	236	275	396	464	449	464
85+	45	45	46	41	48	63	83	121	120
TOTAL	**4,809**	**5,110**	**5,304**	**5,689**	**6,634**	**7,578**	**8,683**	**10,004**	**11,623**

Southeast Queens



Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	746	607	505	474	551	552	637	773	932
15-24	426	449	407	510	592	853	1,022	1,128	1,236
25-34	285	252	283	362	421	734	944	1,194	1,396
35-44	566	414	319	347	403	463	597	833	1,079
45-54	482	557	587	474	551	526	584	661	818
55-64	293	419	500	510	592	522	536	586	653
65-74	301	301	268	342	397	424	441	440	455
75-84	149	178	211	194	225	321	381	395	408
85+	65	74	103	107	124	138	165	214	253
TOTAL	**3,314**	**3,251**	**3,183**	**3,320**	**3,856**	**4,534**	**5,306**	**6,225**	**7,231**

West Queens

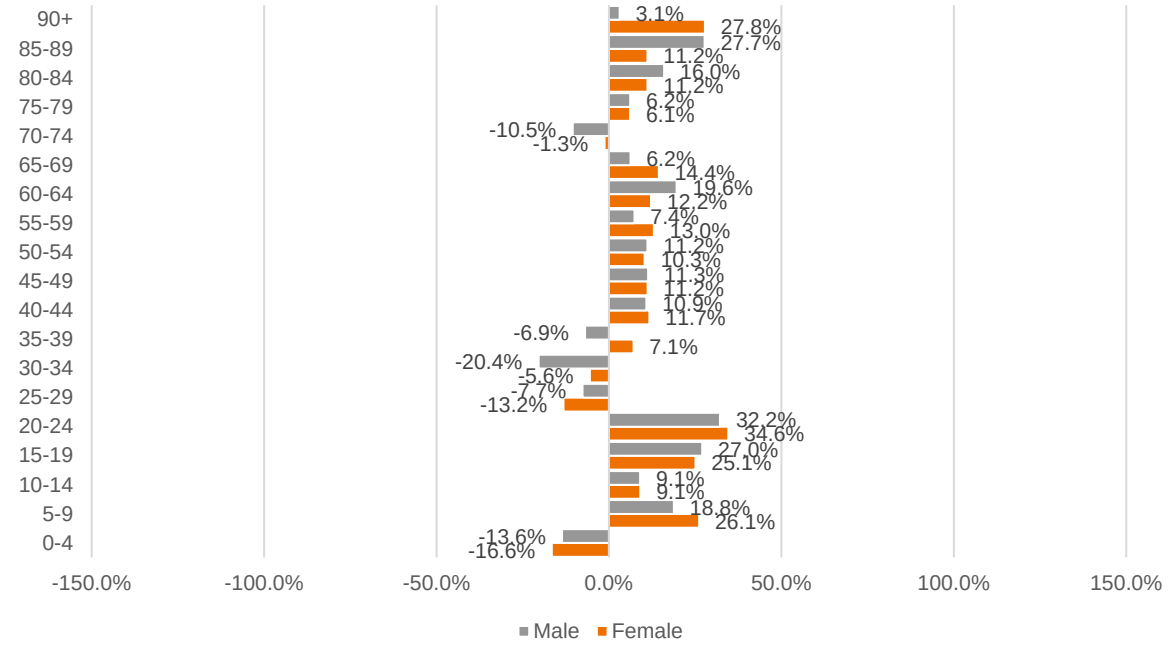


Cohort	2001	2006	2011	2016	2021	2026	2031	2036	2041
0-14	1,793	1,578	1,541	1,490	1,632	1,533	1,603	1,807	2,020
15-24	1,132	1,131	1,110	1,021	1,118	1,487	1,552	1,493	1,482
25-34	1,046	893	802	801	878	1,447	1,810	2,031	2,092
35-44	1,598	1,405	1,141	1,118	1,224	1,330	1,573	2,024	2,548
45-54	1,327	1,486	1,721	1,531	1,677	1,504	1,572	1,689	1,955
55-64	997	1,294	1,495	1,725	1,889	1,570	1,513	1,570	1,647
65-74	729	766	1,002	1,296	1,420	1,435	1,401	1,323	1,284
75-84	432	452	493	551	604	814	882	817	807
85+	152	152	190	194	212	213	240	323	319
TOTAL	**9,204**	**9,157**	**9,495**	**9,727**	**10,653**	**11,332**	**12,147**	**13,077**	**14,154**

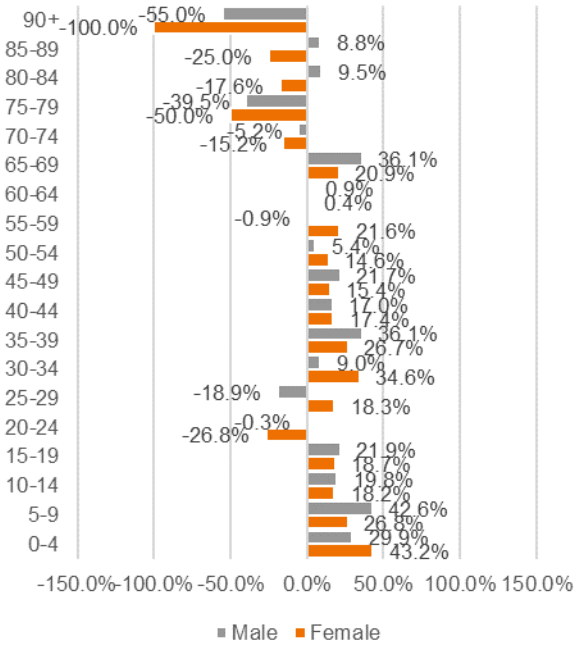
Source Census of Canada 2001 to 2016, Stantec estimates 2021 to 2041

Figure C-2 Five-year Net Migration Estimates, Capital Region, Scenario 3, 2016-2021

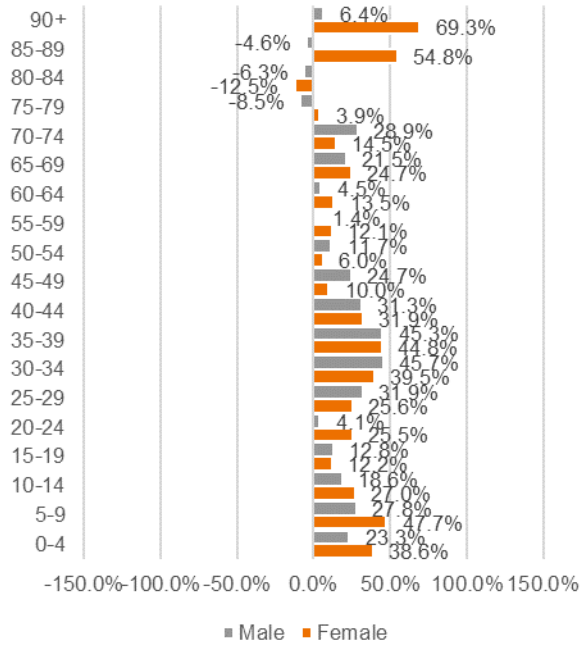
Charlottetown



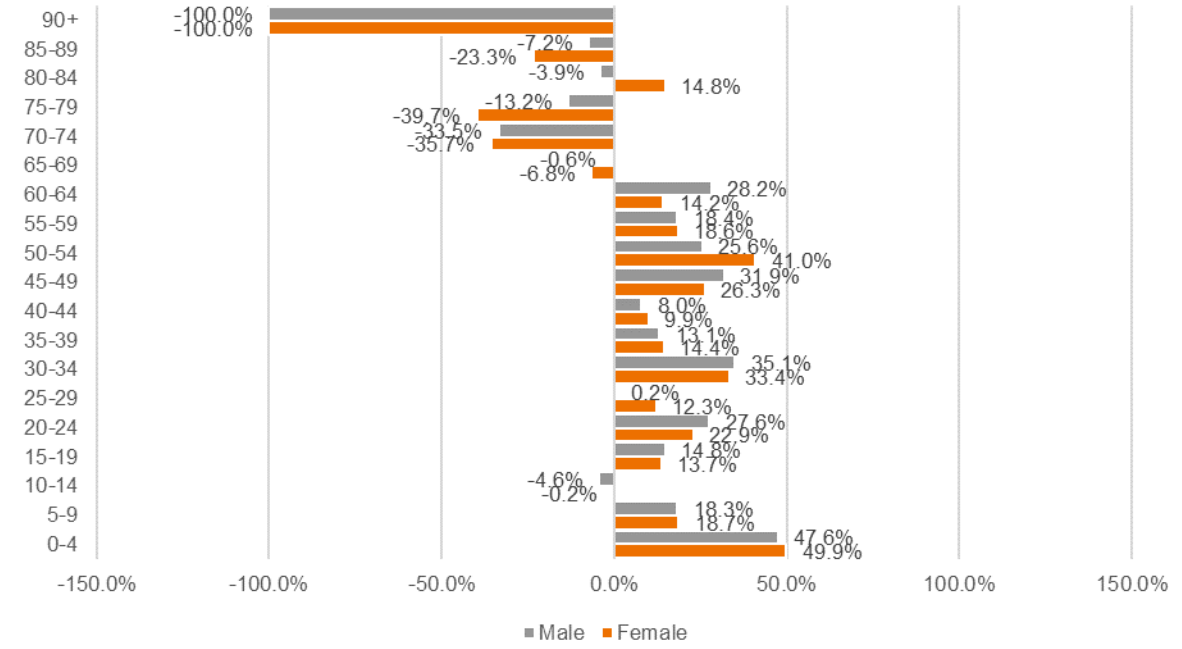
Cornwall



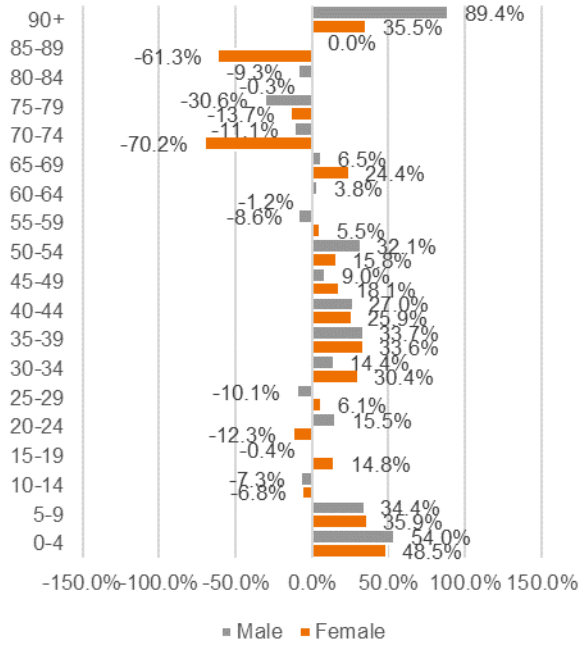
Stratford



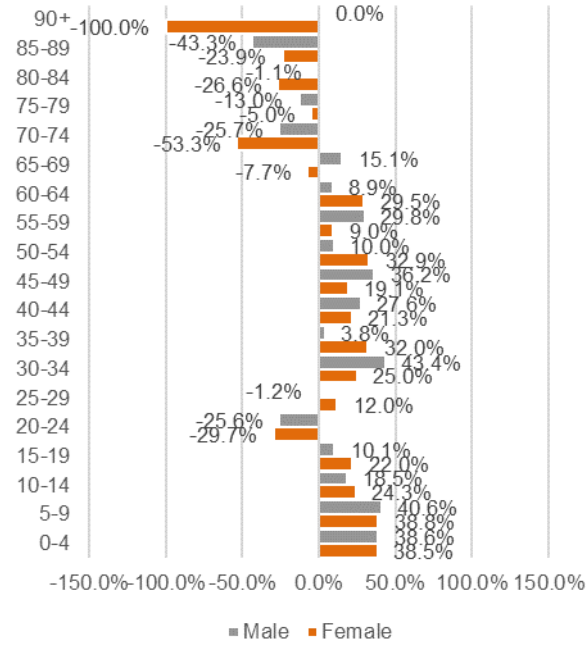
Central CA



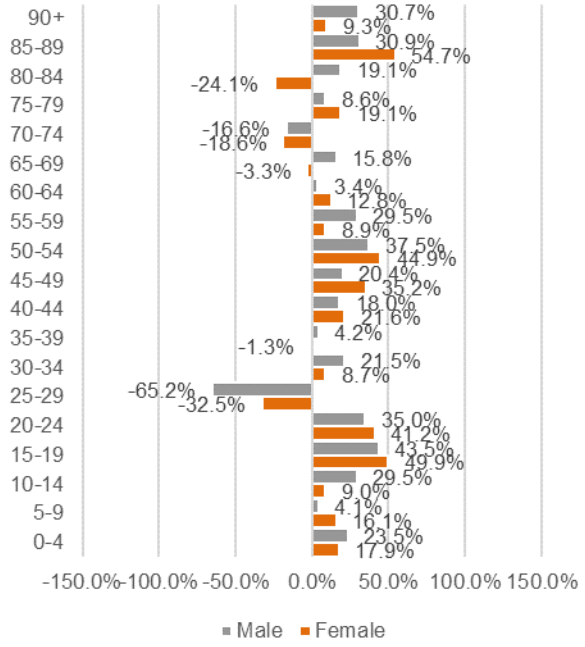
East CA



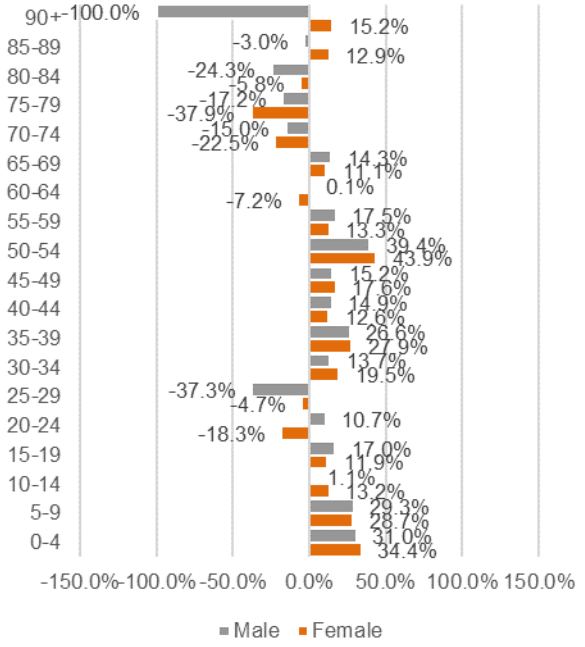
West CA



Southeast Queens



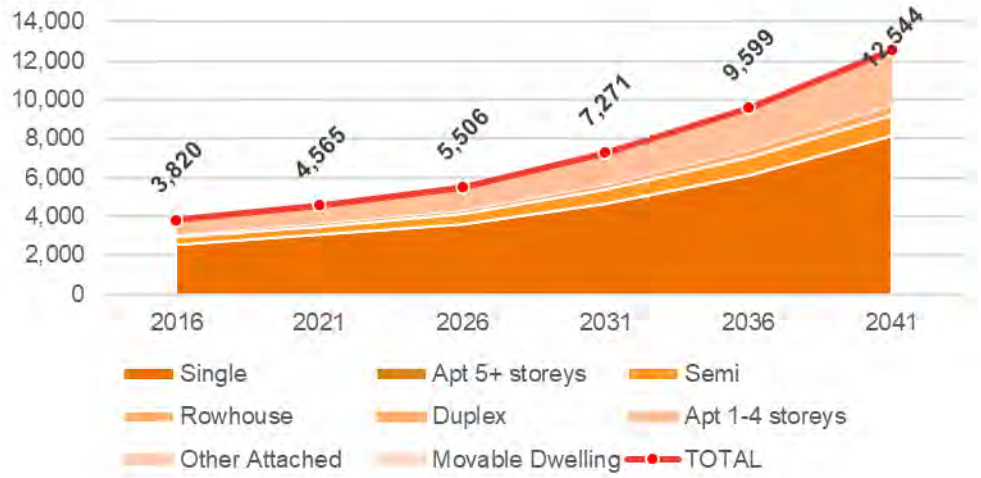
West Queens



Source Stantec Consulting Ltd.

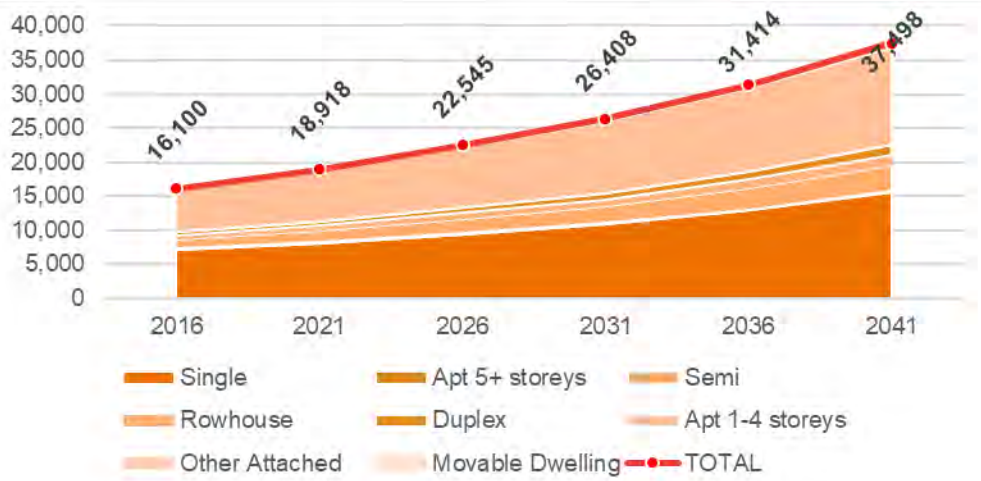
Figure C-3 Dwelling Units by Type, Queens County Sub-areas, Scenario 3, 2016-2041

Stratford



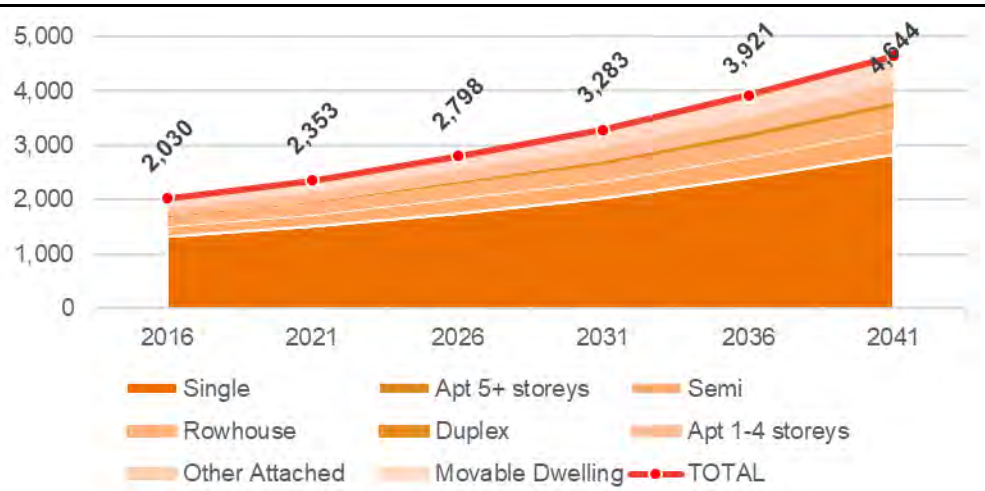
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,820	2,565	10	1,245	345	135	20	745	0
2021	4,565	3,074	0	1,479	399	172	24	884	0
2026	5,506	3,607	0	1,886	506	213	28	1,139	0
2031	7,271	4,632	0	2,623	730	284	37	1,573	0
2036	9,599	6,130	0	3,452	904	387	55	2,106	0
2041	12,544	8,141	0	4,386	1,099	514	82	2,692	0

Charlottetown



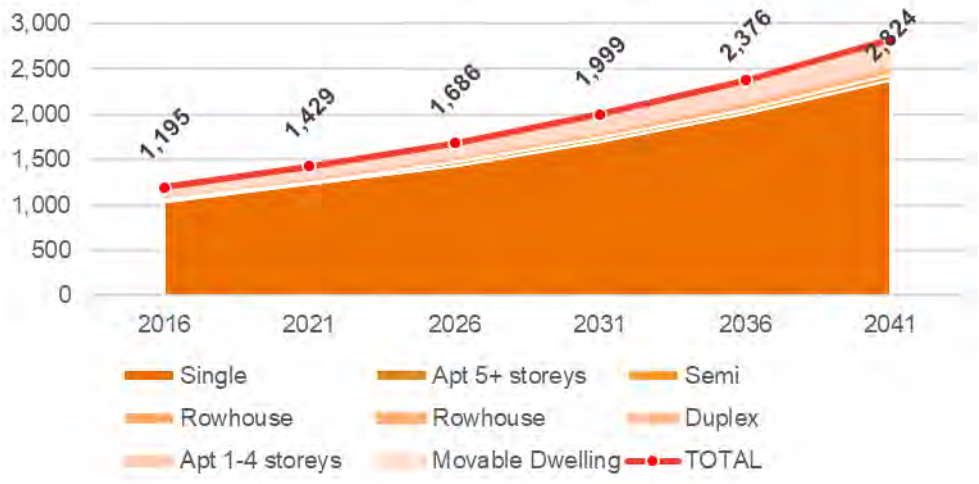
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	16,100	7,165	45	8,595	1,470	550	505	6,040	35
2021	18,918	8,136	40	10,414	1,793	678	630	7,288	25
2026	22,545	9,432	52	12,683	2,195	833	777	8,851	27
2031	26,408	10,913	66	14,992	2,499	1,015	954	10,497	28
2036	31,414	12,942	81	17,875	3,147	1,241	1,162	12,299	27
2041	37,498	15,668	96	21,105	3,813	1,526	1,411	14,328	27

Cornwall



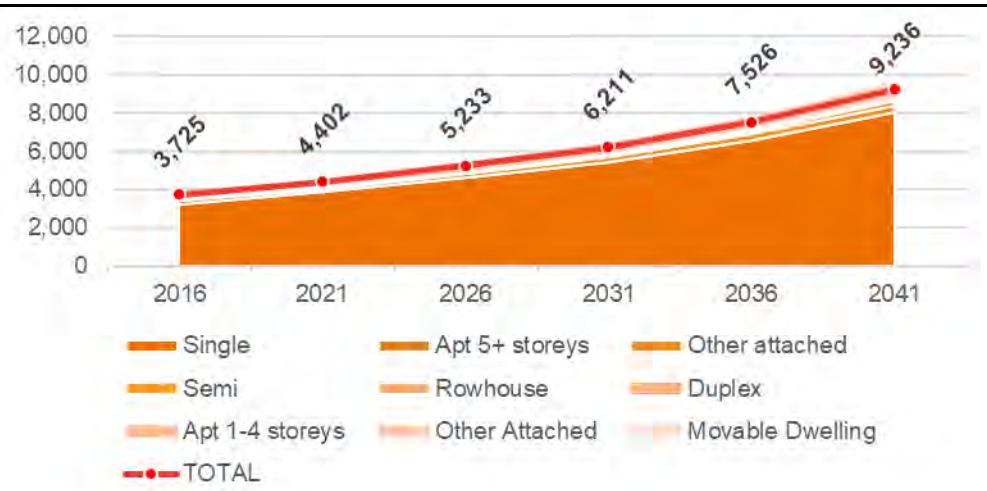
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	2,030	1,325	0	525	200	155	30	145	0
2021	2,353	1,503	0	641	230	199	39	173	0
2026	2,798	1,751	0	795	275	254	54	213	0
2031	3,283	2,039	0	934	299	311	68	256	0
2036	3,921	2,402	0	1,124	375	372	78	299	0
2041	4,644	2,833	0	1,310	453	429	85	343	0

East CA



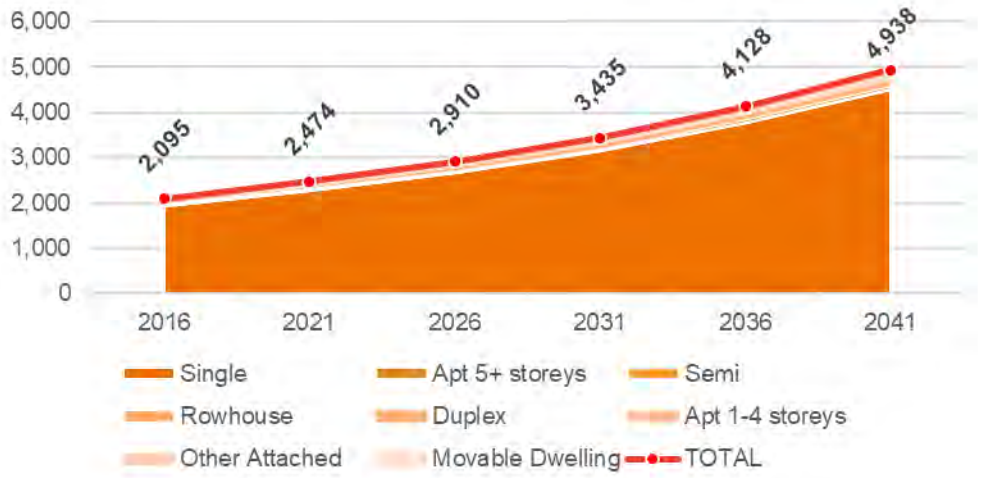
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	1,195	1,030	0	65	30	15	10	10	0
2021	1,429	1,230	0	65	24	13	15	13	0
2026	1,686	1,439	0	88	32	15	22	19	0
2031	1,999	1,698	0	108	38	15	30	25	0
2036	2,376	2,011	0	129	48	14	37	30	0
2041	2,824	2,381	0	152	59	14	44	34	0

Central CA



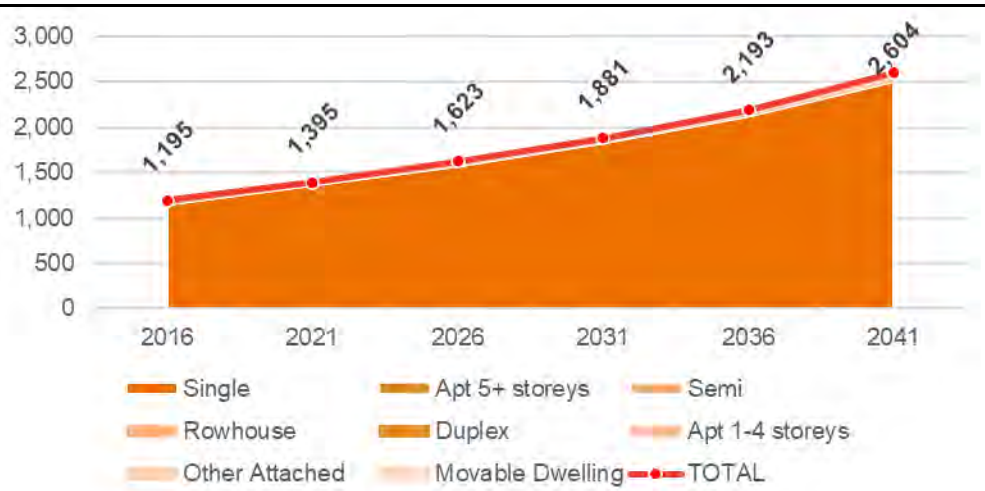
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,725	3,225	0	175	70	55	10	15	0
2021	4,402	3,890	0	165	79	63	10	13	0
2026	5,233	4,602	0	209	97	78	15	20	0
2031	6,211	5,438	0	257	119	94	18	26	0
2036	7,526	6,558	0	322	161	108	20	32	0
2041	9,236	8,015	0	400	214	127	20	39	0

West CA



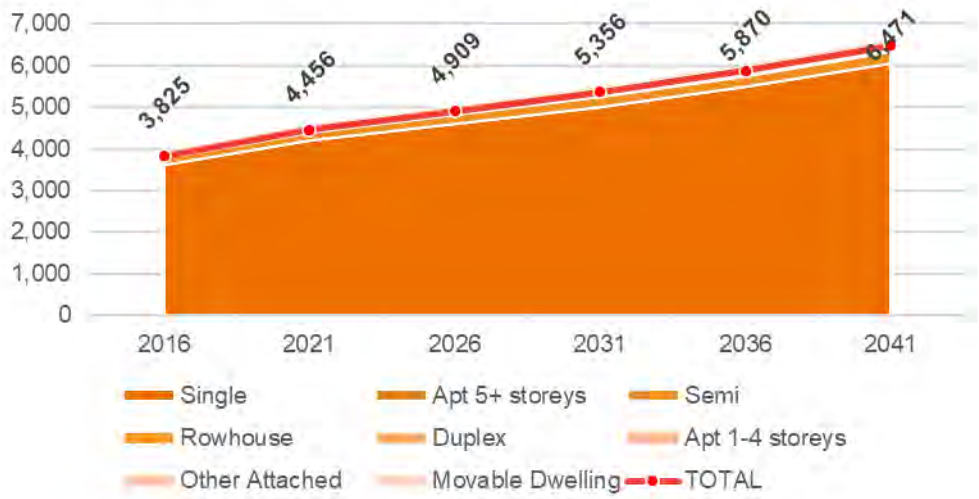
Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	2,095	1,940	0	60	35	0	25	0	0
2021	2,474	2,274	0	94	43	0	51	0	0
2026	2,910	2,671	0	113	50	0	63	0	0
2031	3,435	3,148	0	136	59	0	77	0	0
2036	4,128	3,768	0	175	82	0	94	0	0
2041	4,938	4,492	0	221	111	0	110	0	0

Southeast Queens



Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	1,195	1,145	0	30	0	10	10	0	0
2021	1,395	1,355	0	10	0	0	0	10	0
2026	1,623	1,574	0	11	0	0	0	11	0
2031	1,881	1,821	0	12	0	0	0	12	0
2036	2,193	2,120	0	14	0	0	0	14	0
2041	2,604	2,512	0	17	0	0	0	17	0

West Queens



Year	TOTAL	Single	Apt 5+ storeys	Semi	Rowhouse	Duplex	Apt 1-4 storeys	Other Attached	Movable Dwelling
2016	3,825	3,610	0	155	20	95	20	10	25
2021	4,456	4,201	0	181	47	116	0	0	18
2026	4,909	4,607	0	218	52	144	0	0	22
2031	5,356	5,016	0	238	46	166	0	0	26
2036	5,870	5,479	0	263	52	179	0	0	33
2041	6,471	6,037	0	277	54	183	0	0	40

Source Census of Canada 2001 to 2016, Stantec estimates 2021 to 2041

Stantec

Design with community in mind