THE HOUSING SITUATION OF RECENT IMMIGRANTS TO MONTREAL IN COMPARATIVE METROPOLITAN PERSPECTIVE: CONTRASTS AND CONVERGENCES

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INTRODUCTION

It gœs without saying that finding suitable housing without having to compromise other essentials in the household budget is one of the first priorities of newcomers to Canada. The capacity to improve one's housing situation over time, adjust to changing family needs and choose the kind of neighbourhood one wants to live in are all crucial indicators of a welcoming climate of settlement and important signifiers that a successful integration experience is underway. The notion of "success" in regards to housing is of course complex and delicate, since it is based on the norms and values both of the receiving society and of the many and varied cultures from which Canada's newcomers are drawn. This makes it especially valuable to pursue qualitative, case-study based research on the housing aspirations and experiences of different groups (for example, Ghosh 2007). At the same time, it remains important to monitor newcomers' housing conditions using "classic" indicators such as housing tenure and housing expenditures relative to incomes, and at the same time to consider how these may vary between the different metropolitan areas in which new immigrants to Canada make their homes.

In this brief article, we highlight in what ways the housing situation facing newcomers in Montreal is different from or similar to that in the other two major "gateway" cities. It is largely based on a recent study carried out by researchers from three of the five centres of excellence of the Metropolis project, using data from the Census as well as from the *Longitudinal Survey of Immigrants to Canada* (LSIC) (Hiebert et al. 2006; Hiebert, Mendez and Wyly 2006; Preston et al. 2006; Rose et al. 2006).[1] We also draw on other relevant recent research. We consider whether recent housing market changes may be attenuating some of those differences. Research and policy issues raised by the findings are mentioned as they arise throughout the paper.

MONTREAL'S HOUSING STOCK AND HOUSING MARKET TRENDS

When newcomers land in the Montreal metropolitan region (CMA) they find themselves in a residential landscape that is quite different from those experienced by immigrants to Canada's two other major gateway cities. Less than one-third of the CMA housing stock is in the form of single detached housing, compared to well over 40% in both Toronto and Vancouver. At the other extreme, only one in 11 of all housing units is in a high-rise building, compared to over 25% in Toronto and Vancouver. In 2001 (the year to which pertains most of the data about newcomer housing referred to in this article, unless otherwise specified), almost half of Montreal area households were renters. On the Island of Montreal – where some 90% of the region's recent immigrants (those with less than five years' residence in Canada) live - almost two-thirds of the housing stock is comprised of rental units.

Recent immigrant households are more likely to be comprised of families with children than are Montreal households in general. What particular housing issues do they face? In 2001, housing units on the Island had an average of 5.2 rooms; however, this dropped to 4.9 in 2006, largely due to a boom in condominium apartment building. Apartments suitable for families with children are in fact rarer than these figures suggest, since especially in the older housing stock, there is often a double living-room and only one closed bedroom. Housing market data from Canada Mortgage and Housing Corporation (CMHC) show that in the mid-1990s Montreal's situation was much more favourable for renter families with chil-

dren than Toronto's or Vancouver's in terms of rents and vacancy rates. However, this situation reversed by 2001 when two and three bedroom apartments in the Montreal area became very scarce – although still much cheaper than in the other two gateway cities. Recent analyses by CMHC and by the Communauté métropolitaine de Montreal (CMM) (Montreal [Communauté métropolitaine] 2008) show that even with the economic slowdown that began in mid-decade, rental vacancy rates have remained low for units with two or more bedrooms, except for those at the top end of the market.

Thus, although Montreal still has a major rental cost advantage, there are signs of convergence in the housing market with other Canadian cities. This is a potential worrying trend for the housing situation of newcomers needing to rent housing in Montreal, to the extent that their household incomes remain much lower than those of their counterparts who settle in Toronto or Vancouver, as was the case in 2001 (Hiebert et al. 2006, Table 1). Nor is Montreal's increasingly buoyant homeownership market improving its accessibility for immigrants: in Montreal in 2001, immigrant homeowners with less than 10 years' residence in Canada spent 23% more on monthly housing costs than the Canadian-born even though their incomes were 16% lower. This gap was wider than in 1996, and it will be important to monitor the situation as soon as the 2006 census data become available – especially since it is, albeit anecdotally, reported by settlement services agencies that immigrant families with children may move into homeownership before they are on a sound financial footing, due to persistent difficulties in finding suitable rental housing.

HOUSEHOLD SIZE AND HOUSING TENURE

The 2001 Census showed that recent immigrant households are larger than Montreal households in general (2.8 versus 2.4) but of smaller size than in the other main gateway cities. Multi-family living is also very rare among Montreal's newcomers (only 1.7% of recent immigrant renters, 4.3% of owners), compared to Toronto and Vancouver. Even among immigrants from ethno-cultural backgrounds in which extended-family living is more prevalent (such as South Asian) this type of living arrangement is much less common in Montreal. Could this be due in part to the nature of Montreal's housing stock?

Perhaps the most striking difference in the housing profile of recent immigrants to Montreal compared to those who land in Toronto or Vancouver concerns housing tenure. The 2001 census showed that less than 11% of households that had immigrated over the previous five years were homeowners, compared to almost one-third in Toronto and more than 40% in Vancouver. Part of the explanation no doubt lies in the nature of the housing stock and the long tradition of renting in Montreal. However, major differences in the characteristics of recent immigrant flows to Montreal compared to Toronto and Vancouver enter into the picture as well. Homeownership is much more prevalent among family than non-family households, whereas the data supplied by Statistics Canada to Metropolis project researchers showed that In terms of household type, new arrivals to Montreal were much more likely to be non-family households, while family households were less likely to have children. Similarly, the LSIC shows higher proportions of households without children among new arrivals to Montreal than in the case of Toronto and Vancouver. Moreover, Québec admits a higher percentage of immigrants in the skilled worker category and relatively fewer family-class immigrants. Also, Québec government data show that newcomers admitted to Québec in the skilled worker category in the late 1990s were very young, 46% being under 30 at the time of admission (Godin 2004). Consequently, they were at the beginning of their occupational and housing careers. Also, especially compared to Vancouver, Montreal has drawn very few business immigrants, who tend to arrive with capital to invest in their own housing. Finally, the regional and ethno-cultural origins of newcomers to Montreal over the second half of the 1990s were significantly different from those of newcomers settling in Toronto and Vancouver. The proportion of those from regions where newcomers have quite high homeownership rates (East and South Asia) is less in the case of Montreal, while a higher percentage of Montreal newcomers belong to minority groups that have experienced major economic integration difficulties over the past decade (such as those from Arabic-speaking or sub-Saharan African countries) (Leloup et Ferreira 2005).

Immigrants' homeownership rates have always tended to increase with length of settlement. Data from the LSIC show that in the early months after arrival, almost 60% of newcomers to Montreal indicated their intention to own their own home - differing little in this respect from their Toronto and Vancouver counterparts (Ferreira 2008). However, after four years the ownership rates of Montreal newcomers are still only around 20% compared to well over 50% in Toronto and Vancouver, in spite of more favourable housing prices in Montreal compared to newcomer incomes. The fact that newcomers to Montreal arrive with much lower savings may play a role in this intriguing finding, as well as the lower propensity to form multi-family households – a strategy that facilitates housing cost savings and income pooling (Hiebert and Mendez 2008).

FINDING HOUSING

The vast majority (86%) of newcomers to Montreal surveyed for the LSIC already had a social network in Canada when they arrived, and could make use of this network to help them find housing. Two out of five newcomers reported difficulties finding housing, and among these, reliance on help from friends was even more prevalent (72%) than among their counterparts in Toronto and Vancouver. Friendship networks (as opposed to community organizations or more formal channels) played a more important role for immigrants admitted under the economic categories than for refugees. While this can be seen as a "good news" finding in terms of social capital, it dœs raise the question of whether newcomers who rely on friends are fully and accurately informed about their housing options and rights. Indeed, recent discussion forums indicate that how the type and sources of housing information influence newcomer housing careers is an important emerging research interest among stakeholders in Montreal.

Another distinguishing factor in Montreal newcomers' housing difficulties is that access to credit or difficulties in finding a guarantor to co-sign the lease were reported as frequently as financial barriers – in spite of the fact that, legally-speaking, neither of these is required in order to rent an apartment in Québec....

HOUSING AFFORDABILITY

The 2001 census showed that the "average" recent immigrant household renting in Montreal had a much lower income than its Toronto or Vancouver counterpart but nevertheless spent much less of it on housing (only 23% compared to 28% in the other two cities). Montreal's immigrant renters who came to Canada less than ten years earlier were somewhat more likely to have a housing affordability problem (according to the usual threshold of a shelter cost to income ratio of 30% or more) than were renters in general (41.8% versus 36.4%). While these recent and fairly recent immigrants faced a more favourable situation than their Vancouver and Toronto counterparts, the gap between them and renters in general was proportionately greater in Montreal. Among homeowners, there was a much greater disparity in the incidence of high shelter-cost-to-income ratios between immigrants of less than 10 years' residence and households in general, and again, this disparity was more marked in the case of Montreal.

Severe housing affordability problems are most commonly captured by CMHC's model of "core need", which takes into account regional housing market conditions and integrates housing suitability and quality indicators into the measure of the intensity of housing problems. Here again (according to CMHC housing indicators and data), even though the incidence of this problematic situation was quite high (37.2%) among Montreal's recent immigrant renters (less than 5 years in Canada), even more of their counterparts in Vancouver (44.5%) and Toronto (50%) were in core need.

Low incomes characterize most households that have housing affordability problems. However, census data for 2006 obtained by the CMM show that among low-income households, recent immigrants are much more likely than other groups to have housing affordability problems (Montreal [Communauté métropolitaine] 2008). While we still await 2006 indicators allowing us to update "MTV" comparisons among immigrants, it may prove telling that from 2004 to 2005, the incidence of housing "core need" in Montreal, while remaining much lower than in Vancouver and Toronto, rose markedly, such that it surpassed the Canadian average (Canada Mortgage and Housing Corporation 2008, 12).

SEVERE HOUSING VULNERABILITY

Households that have to spend one-half or more of their incomes on shelter are generally deemed to be very "vulnerable", either because they have to cut back on other essentials in order to remain housed or because such high expenditures prove unsustainable, putting them at risk of eviction and homelessness. While low incomes, short or long-term, and a lack of savings to fall back on, characterize households in this situation, it is exacerbated in expensive regional housing markets. In Montreal in 2001, although not as high as in Toronto or Vancouver, the percentage of recent immigrant renters spending at least 50% of their income on housing was still significant, at 27.8%, which corresponds to over 9 000 households.

No doubt due in part to the presence of a relatively strong social "safety net" and its quite affordable rental housing, Montreal has up until now been able to avoid a significant presence of refugee and immigrant families among the ranks of those in shelters for the homeless. There have been anecdotal reports that this phenomenon is increasing. However, in recent years there has only been one relatively systematic attempt to measure the homeless population and document their characteristics, and this was restricted to three shelters (Cousineau et al. 2005). Nor has the phenomenon of "hidden homelessness" been examined in the Montreal context.

HOUSING QUALITY

According to data from the Longitudinal Survey of Immigrants to Canada, only one-fifth of newcomers to Montreal in 2000-2001 faced overcrowded housing conditions in the early months after settlement, putting them in a more favourable situation than their counterparts in Toronto and Vancouver. (The sub-group of refugees,

however, fared worse in this respect in Montreal than in the other two cities.) The small household sizes of immigrants admitted to Québec in the second half of the 1990s could be a factor here. In the same vein, Leloup and Zhou (2006) found that while recent immigrants occupy their dwellings at higher densities than other households, the relative disadvantage of the former in this respect is not as great in Montreal as in Canada's other gateway cities.

According to CMHC data, rents are generally much lower in Montreal's older housing stock than in newer units. However, this dœs not apply to neighbourhoods undergoing gentrification, some of which are former immigrant districts that today are no longer accessible to newcomers of modest means. For the past 25 years or so, low-income newcomers of diverse origins have been gravitating to inner suburban districts where much of the stock is comprised of mediocre-quality walk-up apartment buildings built in the early years of the post-war boom. The housing in these areas is not necessarily very cheap, but it tends to be available to those who may face financial barriers – or discrimination on the basis of "race" or family type - elsewhere. The problems of deterioration and under-maintenance in this stock have been recognized by community organizations and municipal authorities for many years. The City acknowledges explicitly that immigrant families are particularly hard hit by substandard housing conditions that have major implications for everyday life, well-being and even health; thus, housing quality is closely related to questions of newcomer integration or exclusion (Montreal [Ville] 2006).

SOCIAL HOUSING

In the province of Québec, with the partial exception of housing cooperatives, social housing has generally been envisaged as a solution of last resort. However, in Montreal, as elsewhere, the characteristics of those seeking out this solution have been changing over the past two decades, with a marked increase in the concentrations of immigrant families in heavily-subsidized social housing. This is especially true for municipally-managed public housing (HLM), which is targeted to those most in need (based on criteria similar to those used by CMHC to measure "core need"). Families with several children, those facing severe housing quality problems, those experiencing radically-altered family circumstances such as marriage breakdown combined with long-term problems of economic integration are more likely to turn to low-rent social housing. Although Montreal dœs not have very large public housing complexes such as those found in other major Canadian metropolitan areas, public and community-sector stakeholders still have to mitigate problems of stigmatization, isolation and lack of integration with the surrounding neighbourhoods (Germain and Leloup 2006).

CONCLUSION

The vast majority of recent immigrants to Montreal, like most other Montreal Island residents, live in private sector rental housing. Although, like generations of immigrants before them, most arrive with plans for homeownership, for the majority, this move will not take place in the first decade after arrival, and for many it may not ever figure in their housing career. It is above all the future of the private-rented housing sector that will determine the quality of life and shape the housing experiences of most newcomers to Montreal.

It will be important to keep on monitoring the adequacy of Montreal's rental housing stock relative to the household composition of immigrants. The ongoing shortage of suitable and modestly-priced units for families may become far more pressing as the cohort of young, childless arrivals of the past decade moves into the family formation stage.

While a comparative perspective makes clear that, overall, newcomers and recent immigrants to Montreal are quite well housed considering the modest level of their incomes, to the extent that some aspects of the housing market could be becoming more like other Canadian cities where newcomers experience greater housing difficulties, we should beware of complacency.

NOTE

[1] Citations to these reports will not be repeated throughout the text of this article. Data not otherwise attributed are drawn from one or other of these reports.