

The Major Associated Factors Affecting Canada's Housing Affordability During COVID-19

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1. INTRODUCTION

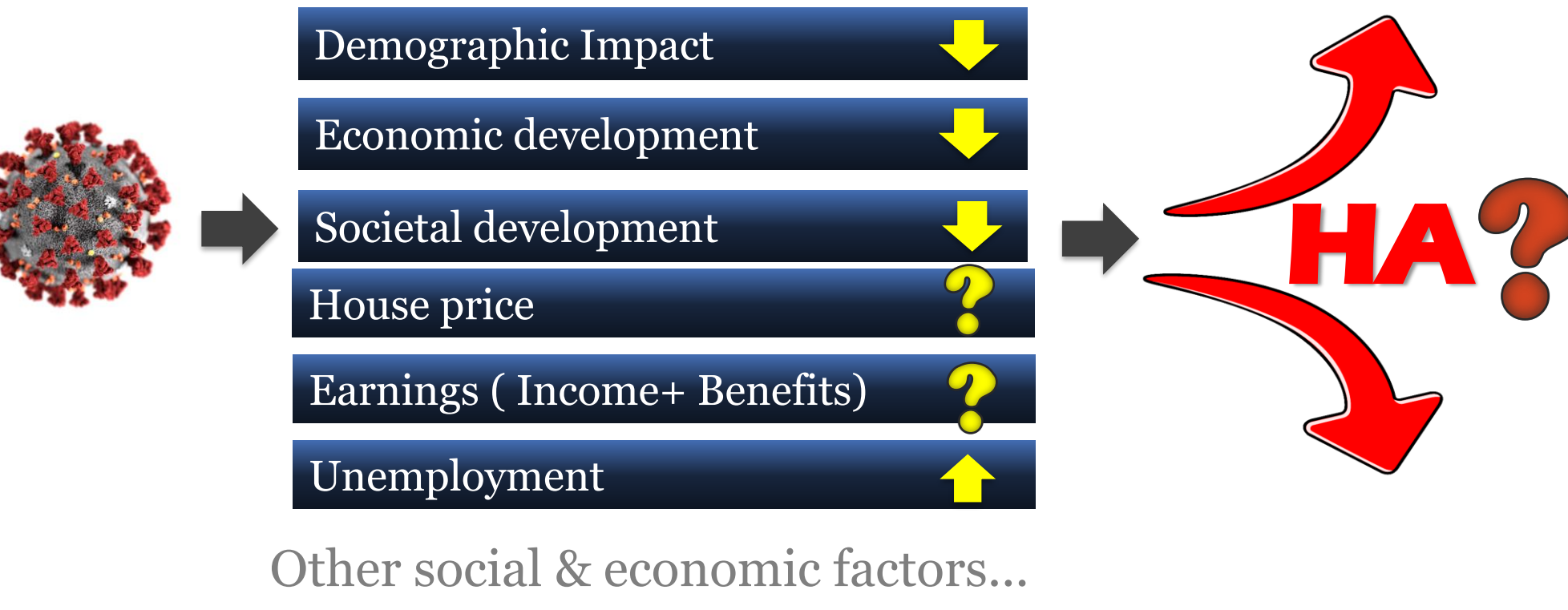
OBJECTIVES

- To find out which societal factors have been the main influences on HA during Covid-19
- To make a careful prediction of HA movement after the pandemic is terminated

DEFINITION: DO YOU HAVE A HA PROBLEM^{1,1}



HAS COVID-19 WORSEN HA?^{1,2}



VULNERABLE GROUP^{1,1,1,2}

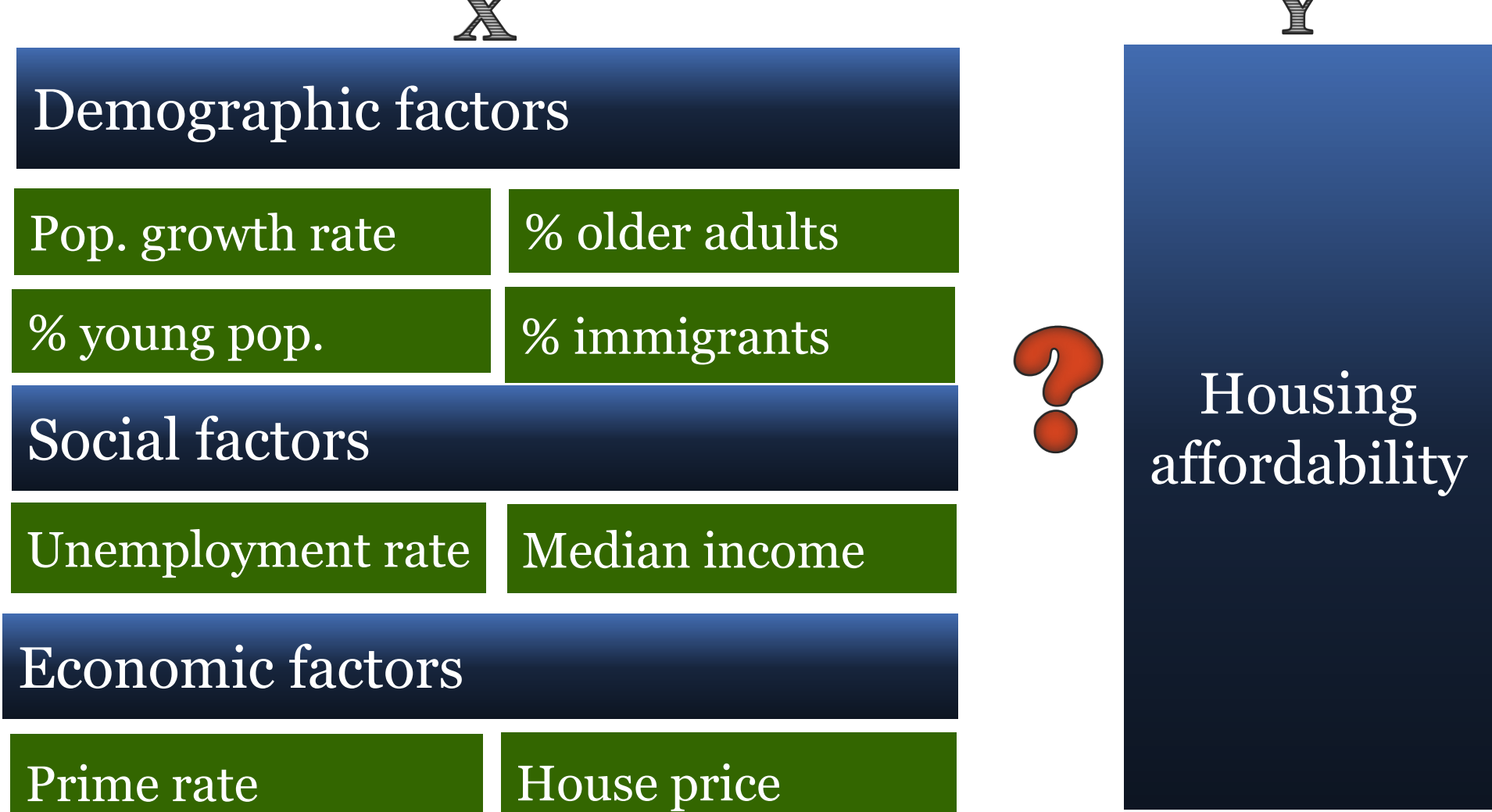
Older adults Young pop. Low-income Immigrants

HYPOTHESES

- A changed HA trend may be observed
- Certain people may be more vulnerable to HA
- Some social/economic factors may be related to HA

2. METHODS

RESEARCH FRAMEWORK & MEASURES

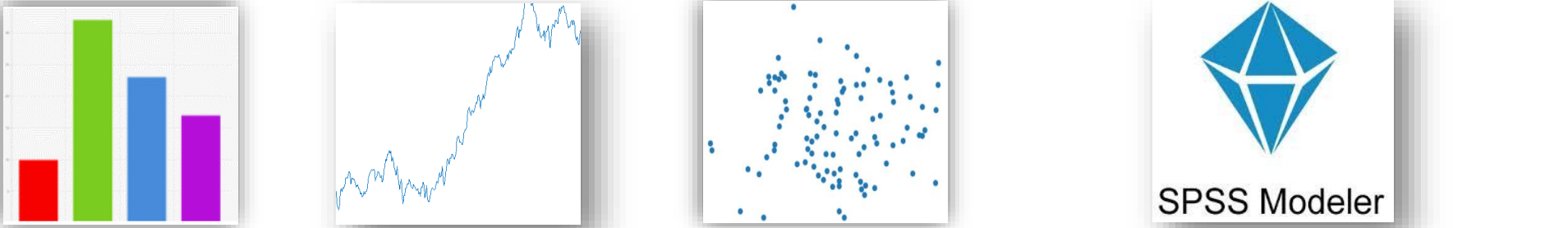


- Prime rate:**
- The annual interest rate that Canada's major banks and financial Institution use as a base to set other interest rates for variable loans and lines of credit including variable-rate mortgages
- Priarily influenced by the policy interest rate set by the Bank of Canada(BOC)

DATA SOURCE

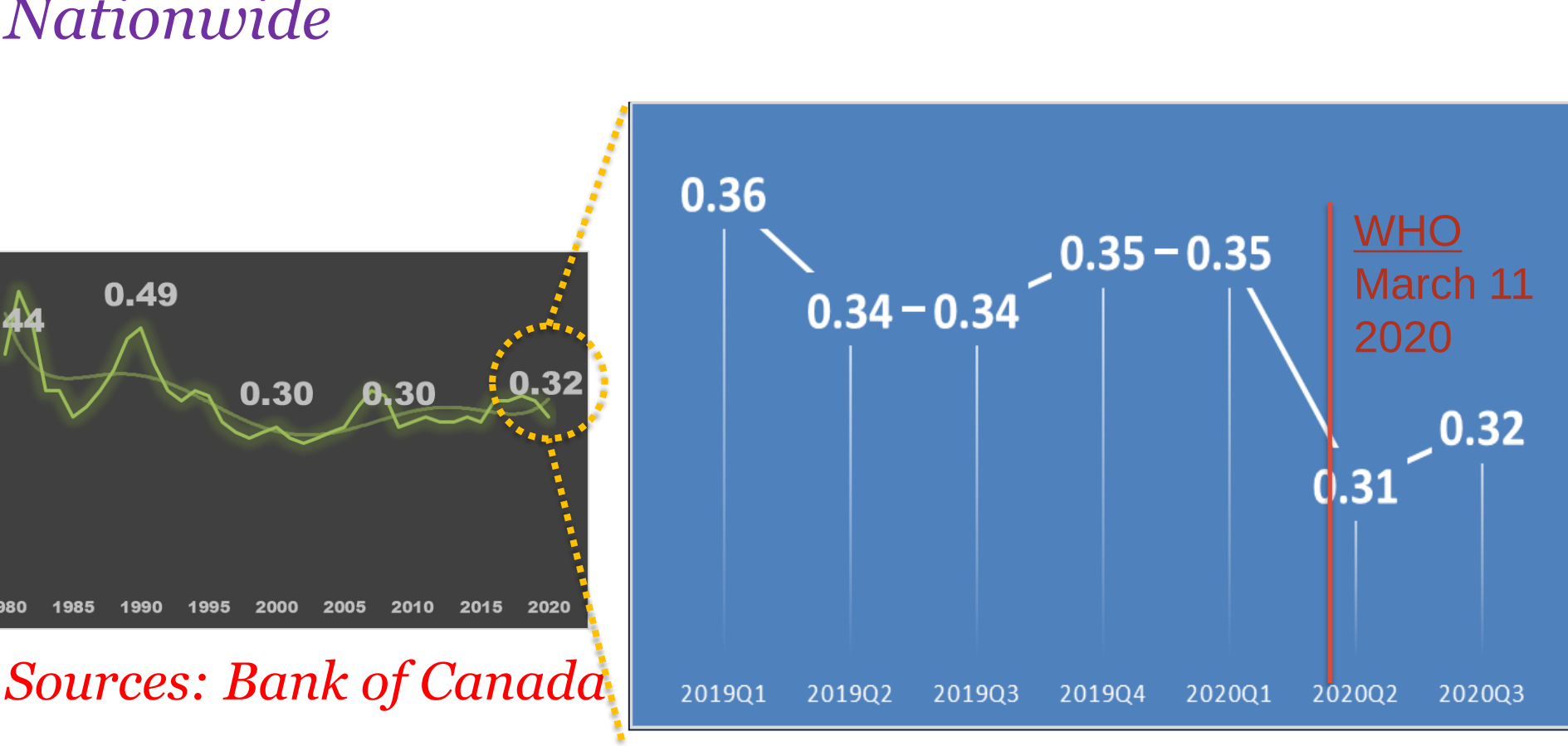


ANALYSES

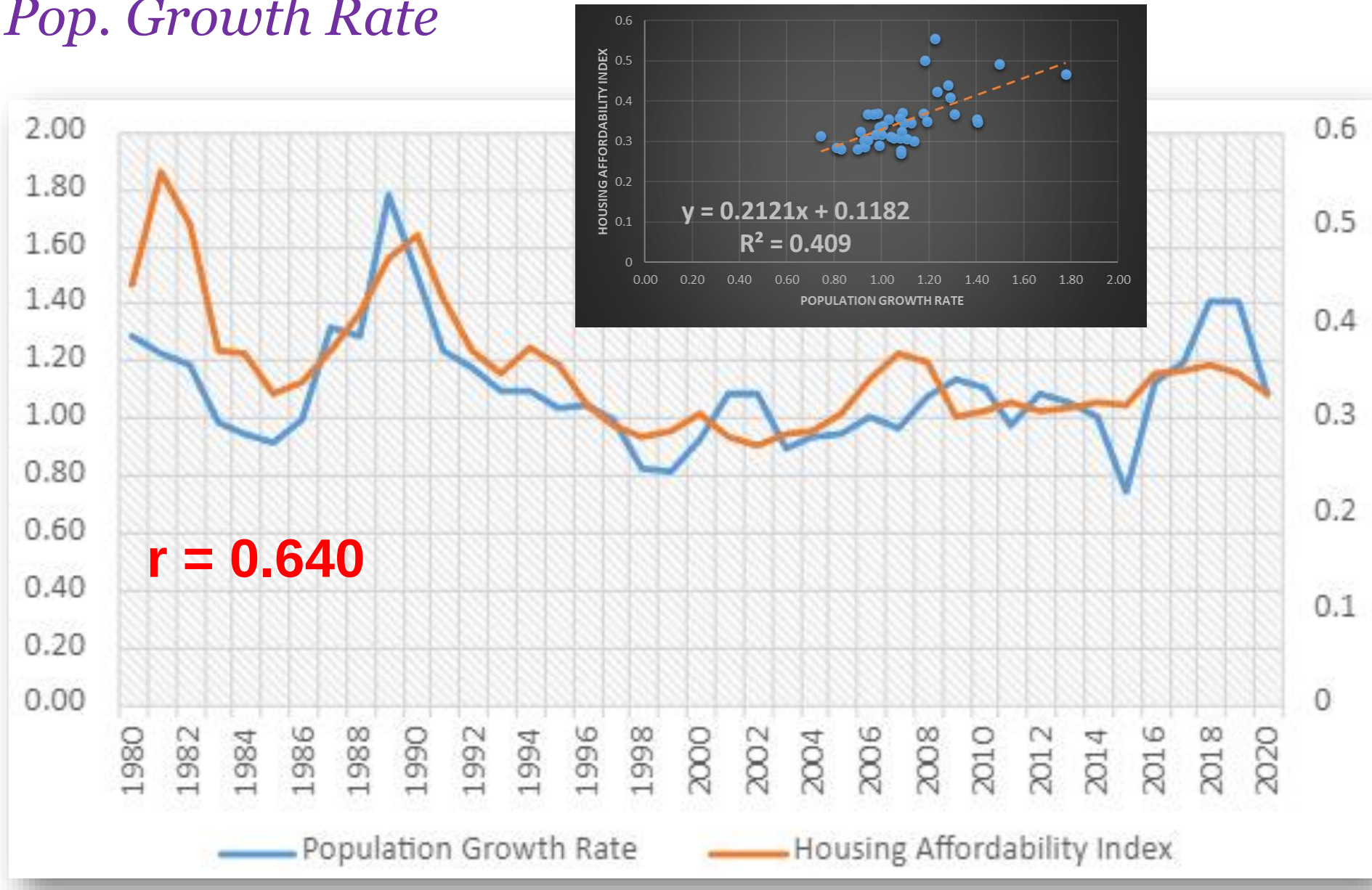


3. RESULTS

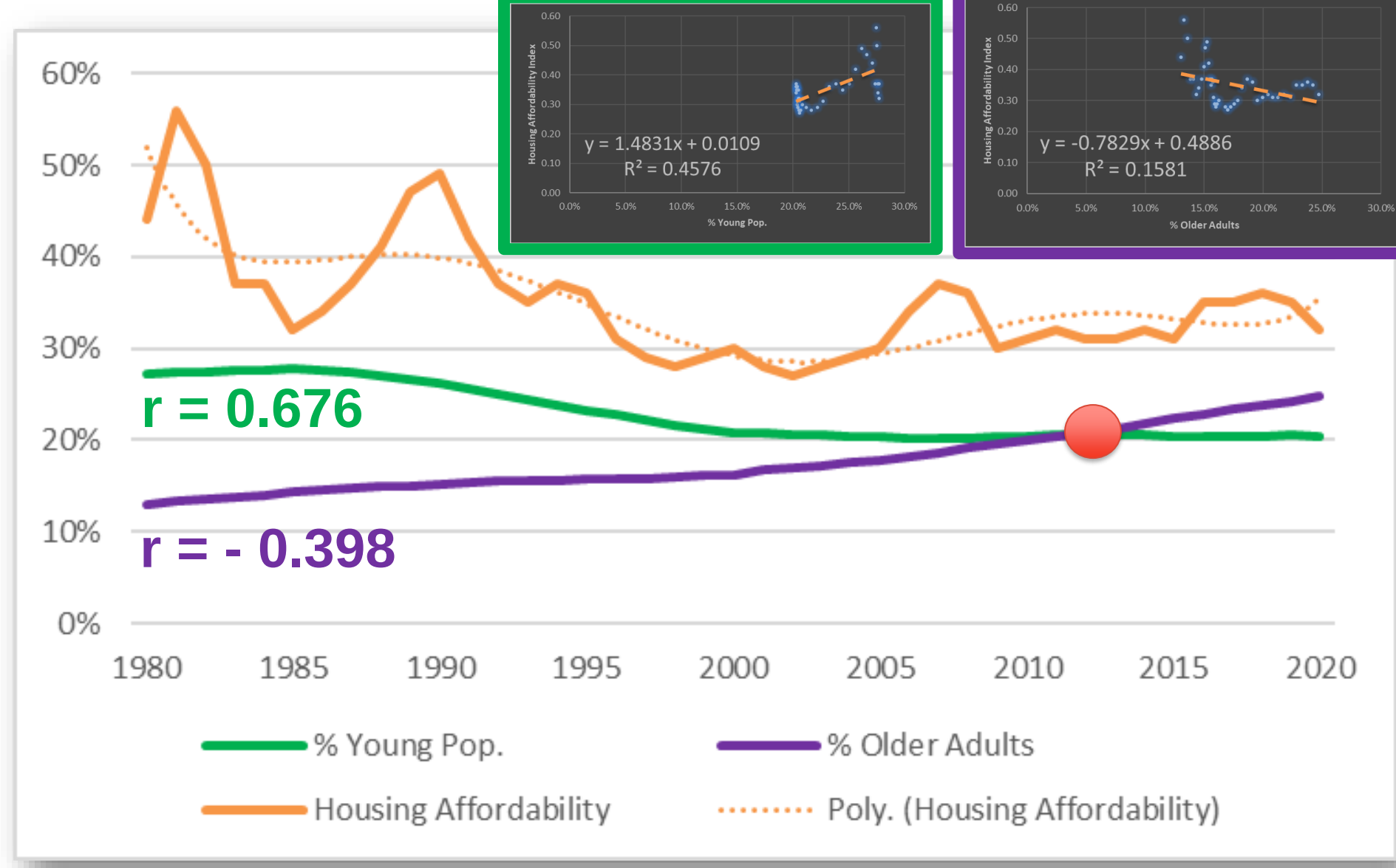
HOUSING AFFORDABILITY OVER TIME



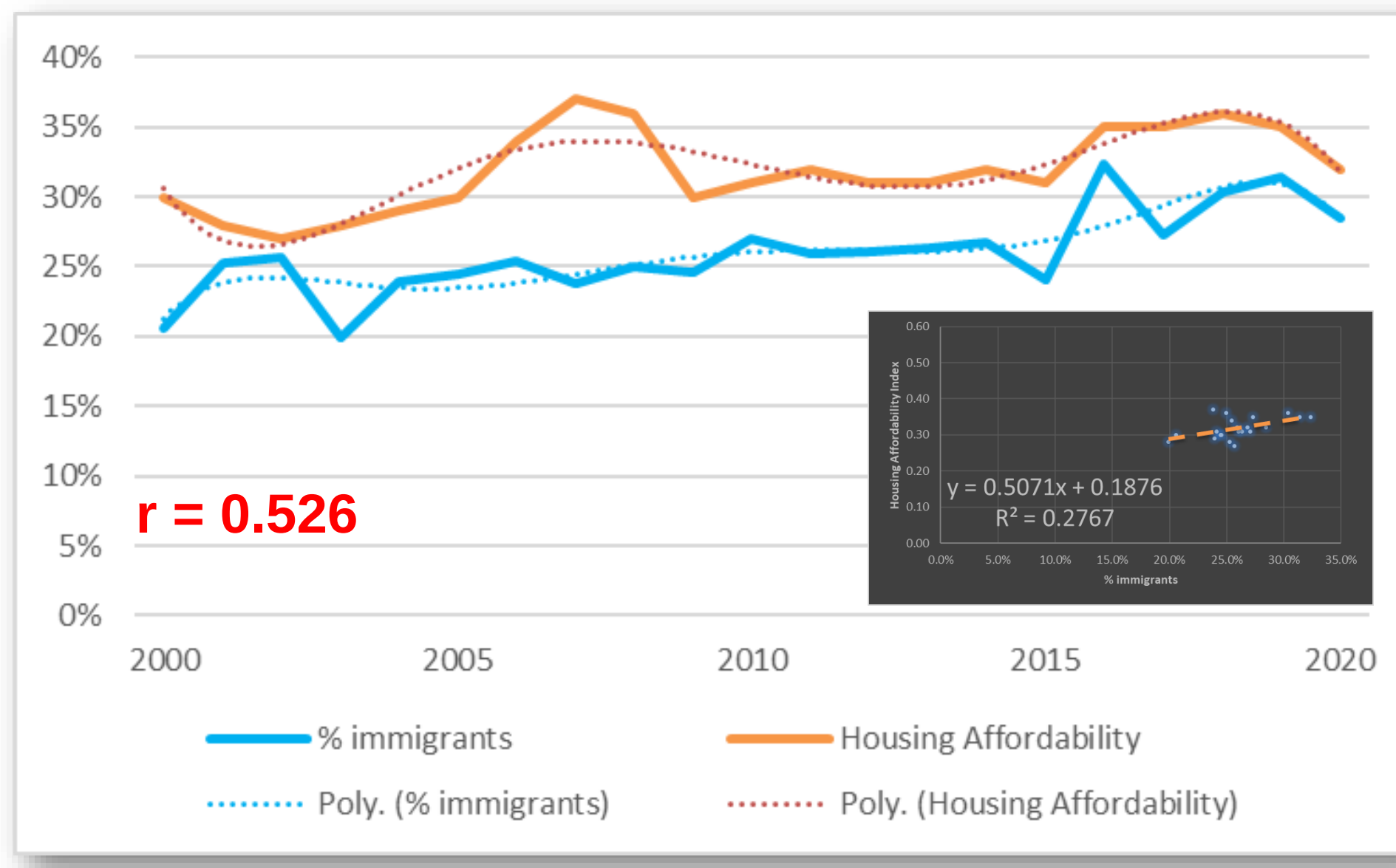
DEMOGRAPHIC FACTORS



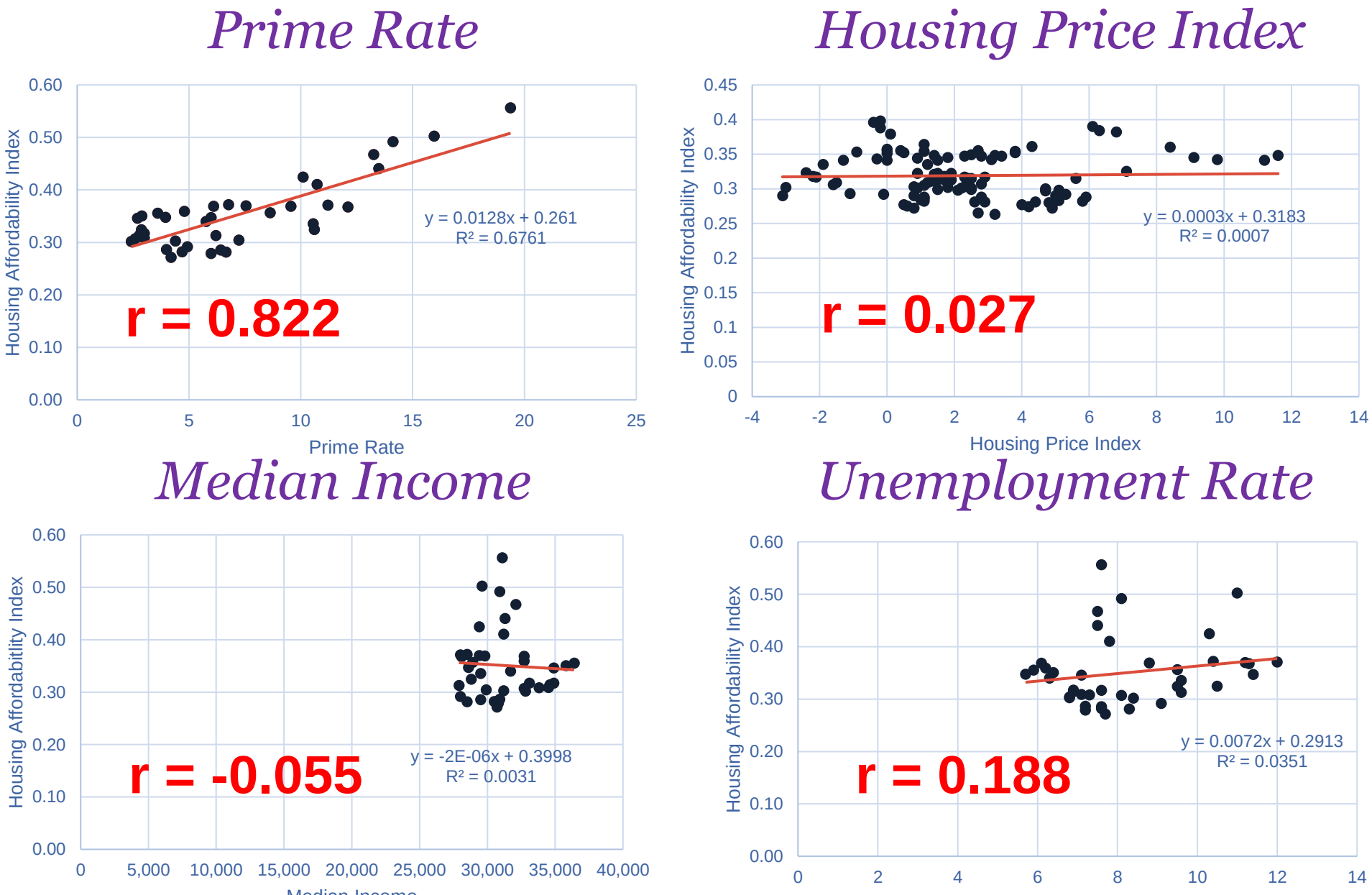
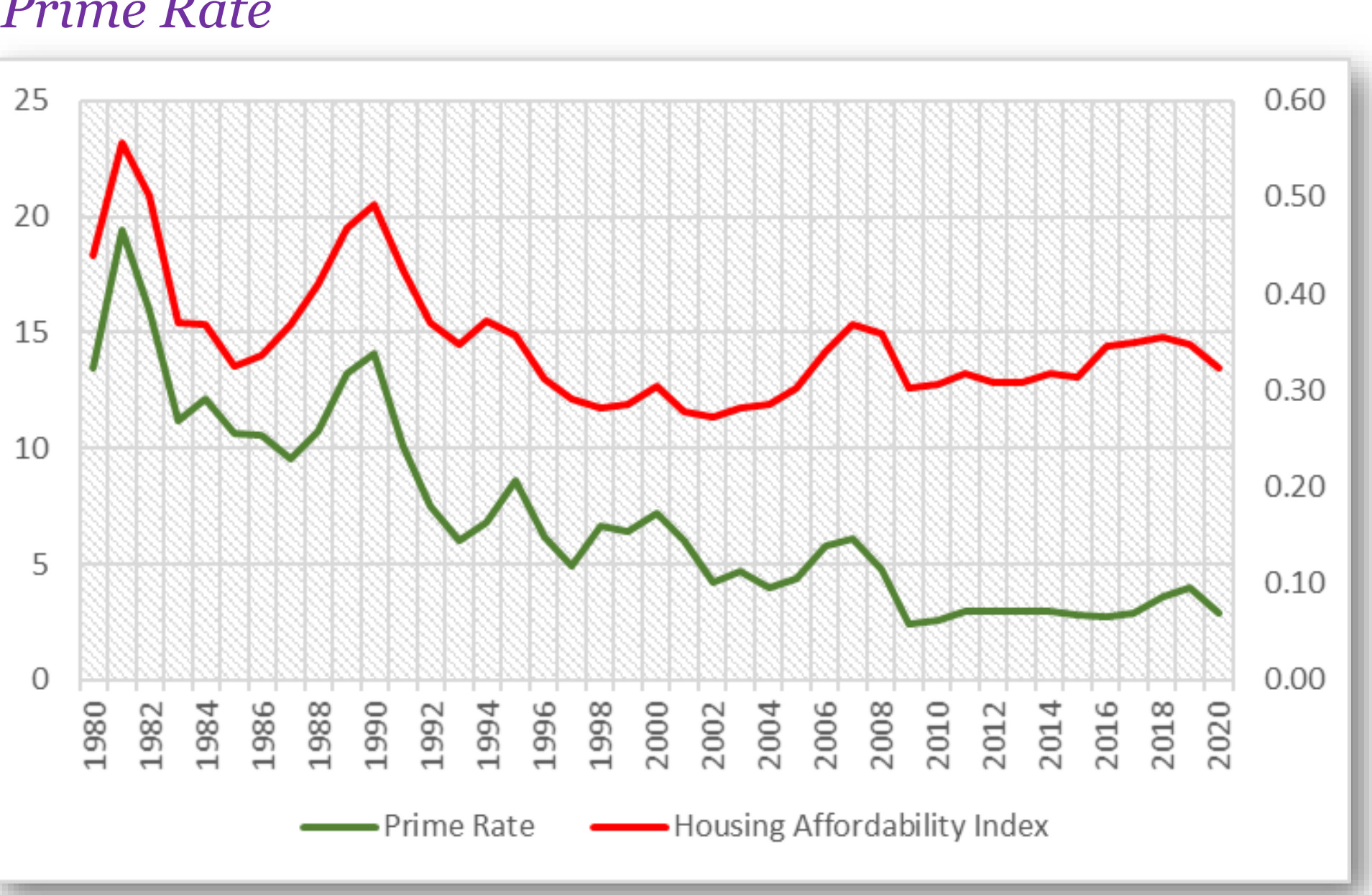
% Older Adults (>=65), % Young Pop. (20-34)



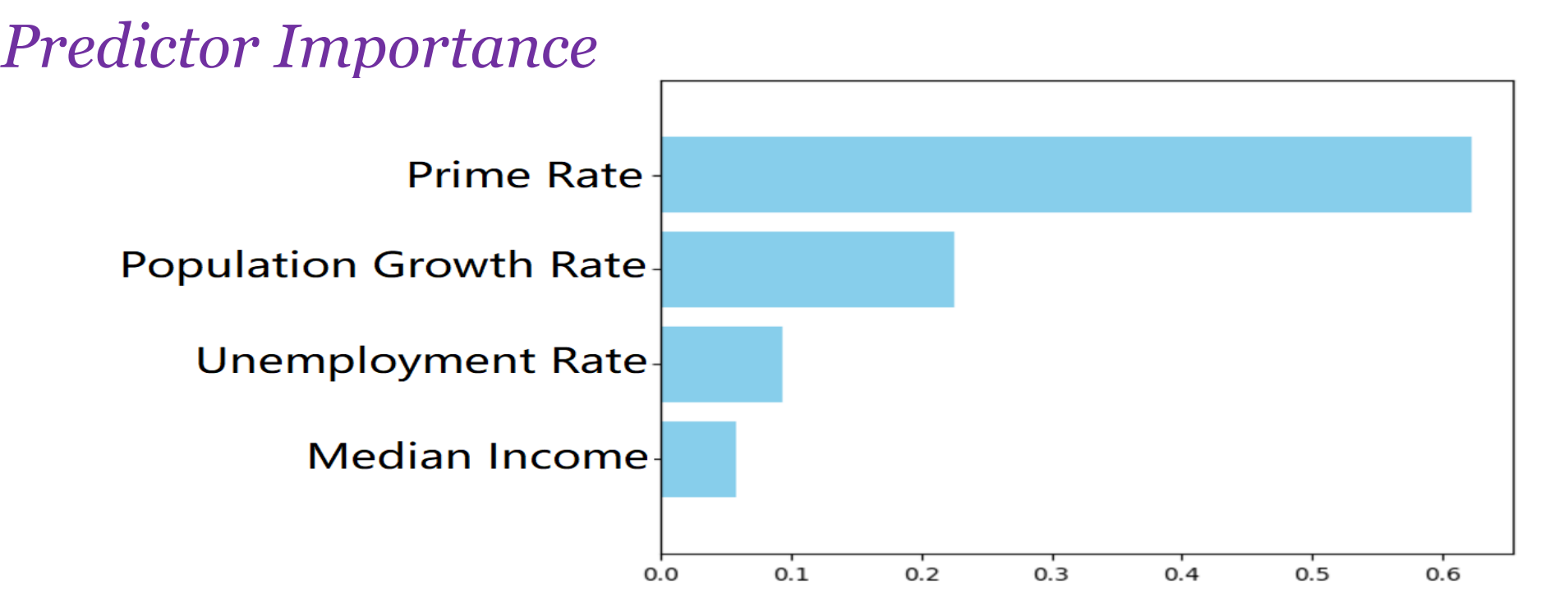
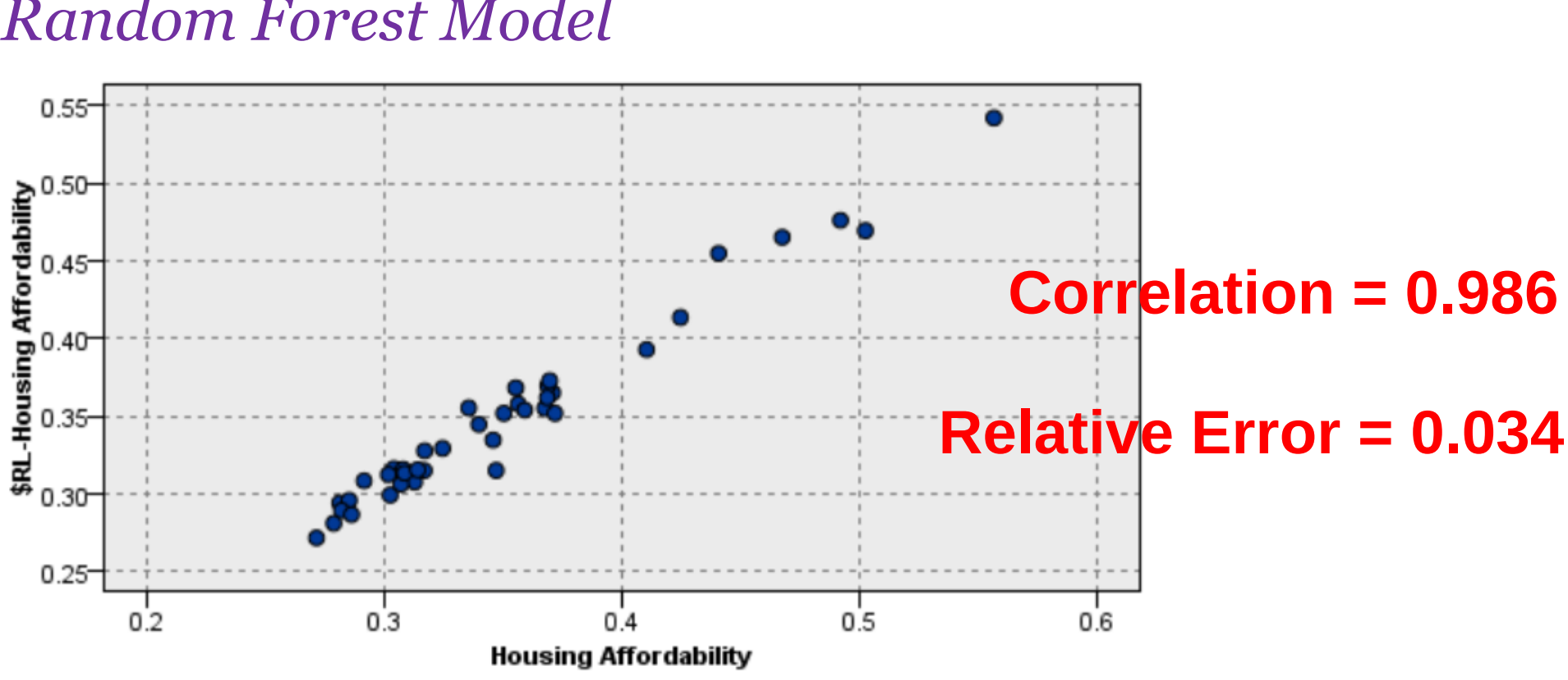
% Immigrants



SOCIAL & ECONOMIC FACTORS



PREDICTIVE MODELING



Prediction of HA after the pandemic

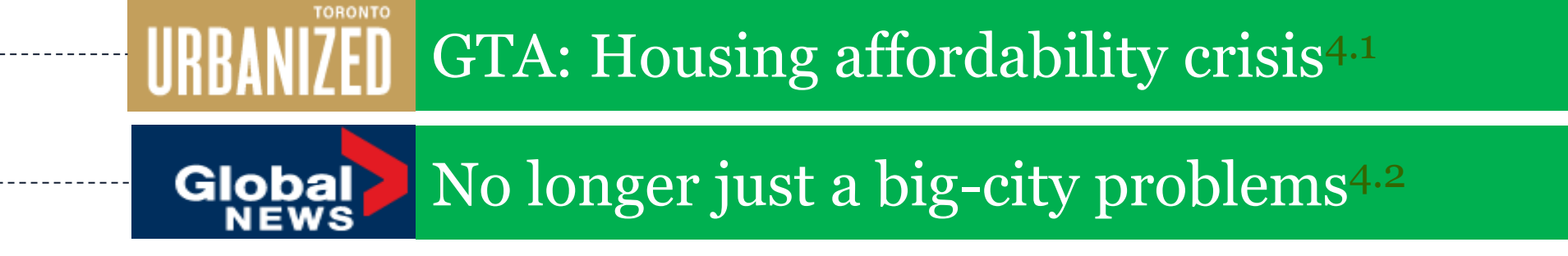
Predictor	Value after the pandemic forecasting	Basis for the pandemic forecasting
Prime Rate	2.45	According to Bank of Canada
Population Growth Rate	1.41	Back to pre-pandemic level
Unemployment Rate	5.7	Back to pre-pandemic level
Median Income	36400	Back to pre-pandemic level

Predicted HA Index = 0.37

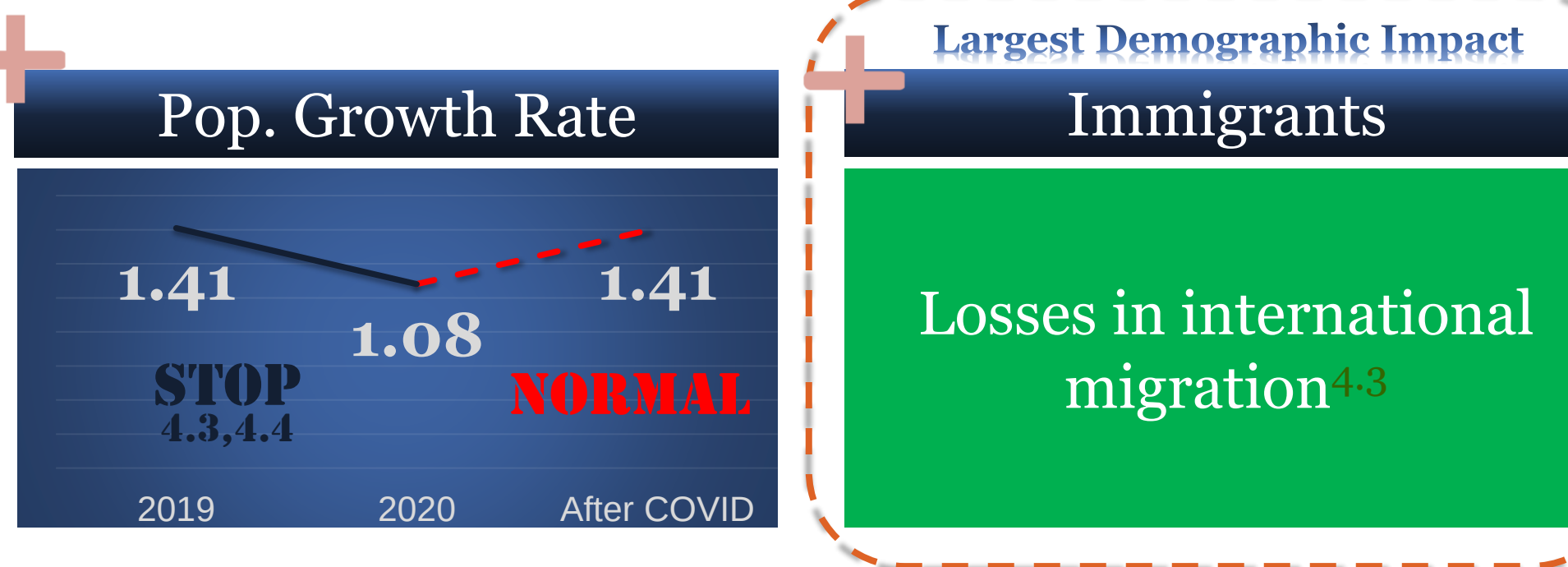
4. DISCUSSION & CONCLUSION

A CHANGED HA TREND WAS OBSERVED

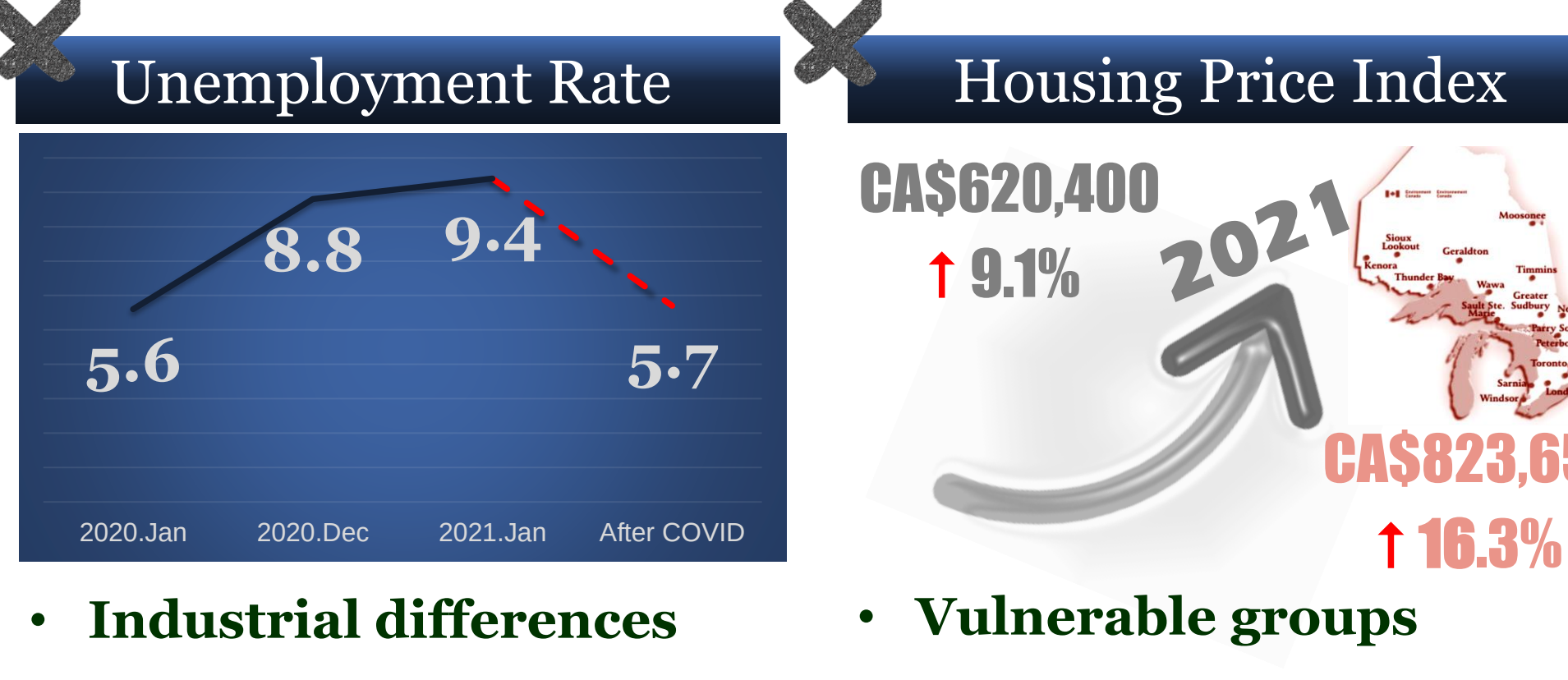
- 2020 Q1 → Q2 Sharp drop: 0.35 → 0.31
- 2020 Q2 → Q3 Slight increase to 0.32
- After pandemic ?? 0.37, regional differences worsening



DEMOGRAPHIC FACTORS



SOCIAL AND ECONOMIC FACTORS



The Most Important Factor Government Policy

April, 2020 Low Prime Rate: 2.45 2023

LIMITATIONS

- All possible predictors
- Provincial differences
- Relevant Tax & Benefits
- Data after the pandemic
- Causality

REFERENCES

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4.1. Hanrahan, L. (2021). The GTA is in a "housing affordability crisis" and there's no relief in sight. <https://dailyhive.com/toronto/gta-housing-affordability-crisis-report>

4.2 Alini, E. (2021). Pandemic housing boom means affordability is no longer just a big-city problem. <https://globalnews.ca/news/7576096/pandemic-housing-boom-affordability/>

4.3 Statistics Canada. (2020). Population growth essentially stopped due to COVID-19. <https://www150.statcan.gc.ca/n1/daily-quotidien/201217/dq201217b-eng.htm>

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