

# *On the edge of* **AFFORDABILITY**

INCREASING ACCESS TO AFFORDABLE  
HOUSING FOR LOW-TO-MODERATE INCOME  
RENTERS IN CANADA

**MARCH  
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A trailblazer for her generation, Zainub Verjee has over four decades built a formidable reputation as an artist, writer, critic, cultural bureaucrat, cultural diplomat and public intellectual in Canada and internationally. A thought leader, persuasive champion of arts, advocate for artists rights, Zainub is a firm believer that art is a public good. She has contributed to international instruments of culture such as Status of the Artist and Cultural Diversity and building institutions such as British Columbia Arts Council. She held senior positions at all levels of government including the Department of Canadian Heritage, Canada Council for the Arts, City of Mississauga, International Art Gallery, Lisbon and Western Front, Vancouver. Currently, she is the executive director of Galleries Ontario/Ontario Galleries – voice of Art Galleries and Art Museums in Canada. She is a Senior Fellow at Massey College, University of Toronto and a McLaughlin College Fellow at York University, Toronto. She has received numerous awards including a Governor General's Award in Visual and Media Arts for outstanding contributions to the arts, and honorary doctorates from OCAD University and NSCAD University.

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**ACTION CANADA**  
BUILDING LEADERSHIP FOR CANADA'S FUTURE

## ACTION CANADA FELLOWSHIP AND THE 2022/23 HOUSING THEME

The Action Canada Fellowship is a competitive national program that brings together emerging leaders from across Canada to enhance our understanding of the country and public policy choices for the future. Each year, Action Canada Fellows take on the challenge of researching and writing policy recommendations on a particular theme; our theme for this year is housing.





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# EXECUTIVE SUMMARY

For one in three Canadians, “home” belongs to someone else. They are young adults, post-secondary students, seniors, newcomers, Black, Indigenous, people with disabilities, and many other low-to-moderate income earners for whom renting is the only option. Today, they struggle to find adequate, accessible and affordable rental housing and are being left behind in public policy efforts to tackle the ongoing housing crisis.

This paper examines policy options at all levels of government to support low-to-moderate income earners living in urban areas across Canada to access affordable rental housing. Through a review of existing literature, non-participant observation, and informal interviews with cross-sector stakeholders across several urban areas, we identify common issues and policy options.

We found that the lack of purpose-built accessible and affordable rental units, the impacts surrounding homeownership on the rental market, and the precarity experienced by renters are driving the unaffordability of rental housing. These factors are

causing financial and psychological anguish among renters, and in some cases, desperation. Thoughtful policy interventions are necessary to ensure that renting is an accessible and affordable long-term option for all Canadians. This report offers recommendations that would pave the way for a more equitable and prosperous society where low-to-moderate income renters in Canada can fully participate and thrive.





## INCREASE SUPPLY

1. Incentivize Construction and Maintenance of Purpose-Built Market Rental Housing
2. Fund the Construction of Purpose-Built Non-Market Rental Housing
3. Launch Dedicated Funds for Non-Profit Acquisitions to Protect Affordable Stock
4. Introduce Right of First Refusal Bylaws

## ACCELERATE DEVELOPMENT

5. Expedite Permits for Developments that Meet Zoning Requirements
6. Upzone to Encourage Rental Housing Density and Diversity

## REDISTRIBUTE TAXES

7. Reform Property and Land Value Tax
8. Commission a Study to Reform the Capital Gains Tax
9. Adopt a Taxation on Imputed Rent

## EMPOWER RENTERS

10. Empower Renters in the Community Planning Process
11. Collect Comprehensive Rental Data, Increase Transparency, and Strengthen Affordability Definition
12. Protect Security of Tenure with Stronger Landlord Requirements for Renovations



# DEFINITIONS

## Affordable housing:

Canada Mortgage and Housing Corporation (CMHC) defines housing as affordable if it costs less than 30% of a household's before-tax income.<sup>1</sup>

## Census metropolitan area:

Statistics Canada defines a "census metropolitan area (CMA) as formed by one or more adjacent municipalities centred on a population centre (known as the core). A CMA must have a total population of at least 100,000 of which 50,000 or more must live in the core based on adjusted data from the previous Census of Population Program".<sup>2</sup>

## Core housing need:

Whether a private household's shelter falls below at least one of the indicator thresholds for housing adequacy, affordability or suitability, and/or would have to spend 30% or more of its total before-tax income to pay the median rent of alternative local housing that is acceptable (attains all three housing indicator thresholds).<sup>3</sup>

## Financialization:

Financialization describes when housing is treated as a commodity, a vehicle for wealth and investment, rather than a human right and a social good for people and communities.<sup>4</sup>

## Housing adequacy:

The Office of the High Commissioner for Human Rights identifies certain aspects pertaining to the adequacy of housing; these include legal security of tenure; availability of services, materials, facilities and infrastructure; affordability; habitability; accessibility; location; and cultural adequacy.<sup>5</sup>

## Housing suitability:

Housing suitability refers to whether a private household is living in suitable accommodations according to the National Occupancy Standard (NOS); that is, whether the dwelling has enough bedrooms for the size and composition of the household.<sup>6</sup>

## Market versus non-market rental housing:

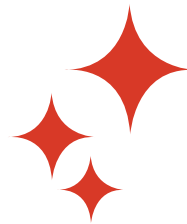
Market rental housing is privately owned by an individual or a company and is rented to tenants who pay rates set by the private market. Non-market rental housing is owned by governments and/or non-profit entities and typically is occupied by low-to-moderate income groups who cannot rent in the private market.<sup>7</sup> Non-market rental housing is "typically made affordable through public and/or non-profit ownership of units or through rent supplements."<sup>8</sup>

## Primary versus secondary rental markets:

The primary rental market (also known as the purpose-built rental market) includes rental units in privately initiated apartment structures containing at least three rental units. The secondary rental market covers rental dwellings that were not originally purpose-built for the rental market, including rental condominiums or homes.<sup>9</sup>

## Vacancy rates:

The proportion of all available rental units that are vacant, or without a tenant, at a given time.<sup>10</sup>







# INTRODUCTION

For one in three Canadians, “home” belongs to someone else. The latest census data shows that renting has grown twice as fast as home ownership in urban areas and there are now more people renting in Canada than ever.<sup>11,12</sup> A recent survey found that 45% of renters in Canada were planning to rent indefinitely or were unsure when they would buy, demonstrating that renting may be a long-term housing option for many rather than just a brief step on the path to homeownership.<sup>13</sup>



Despite recent declines in core housing need and unaffordable housing, as of 2021, 27% of renters were living in unaffordable housing.<sup>14</sup> Canada Mortgage and Housing Corporation’s January 2023 *Rental Market Report* found that vacancy rates for purpose-built rentals in most census metropolitan areas fell to 1.9% — the lowest in nearly 20 years — while condominium rental vacancy rates in the secondary rental market averaged 1.6% in 17 Canadian centres in 2021.<sup>15,16</sup> These rates are well below the 3% threshold considered “healthy” by the Federation of Canadian Municipalities. The median income of renters is lower than the national average and increasing inflation and interest rates are exacerbating affordability challenges.<sup>17,18</sup> These challenges are amplified for members of society who have been marginalized or who face housing discrimination.

As a result, renters are struggling to realize their right to housing. People attempting to recover from homelessness are struggling to find a spot in affordable non-market housing. Renters are bunching up in non-market housing because they can’t afford to transition into market rentals.<sup>19</sup> Those who have made it into a market rental may struggle to make rent payments. This results in renters having to make difficult choices. Renters have increased odds of experiencing food insecurity compared to homeowners, reflecting little flexibility to adjust to rising rent costs.<sup>20</sup> Lack of access to housing is considered a social determinant of health and is associated with low educational attainment and poverty.<sup>21,22,23,24</sup>

This report seeks to identify policy options that would make renting a more sustainable and affordable housing option for low-to-moderate income renters in urban Canada.

## The Human Right to Housing

Access to housing is not only necessary for peace, security and dignity, but it is also critical to biological development, cohabitation, and sustainable socio-economic development. There have been many international laws that have affirmed the human right to housing. The United Nations enshrined housing as a human right under international law between 1948 and 1966, while Canada ratified the International Covenant on Economic, Social and Cultural Rights in 1976. Locally, the Government of Canada enacted the National Housing Strategy Act in 2019, which recognizes “that the right to adequate housing is a fundamental human right affirmed in international law” and outlines the National Housing Strategy and other mechanisms by which to support Canadians to realize this right.



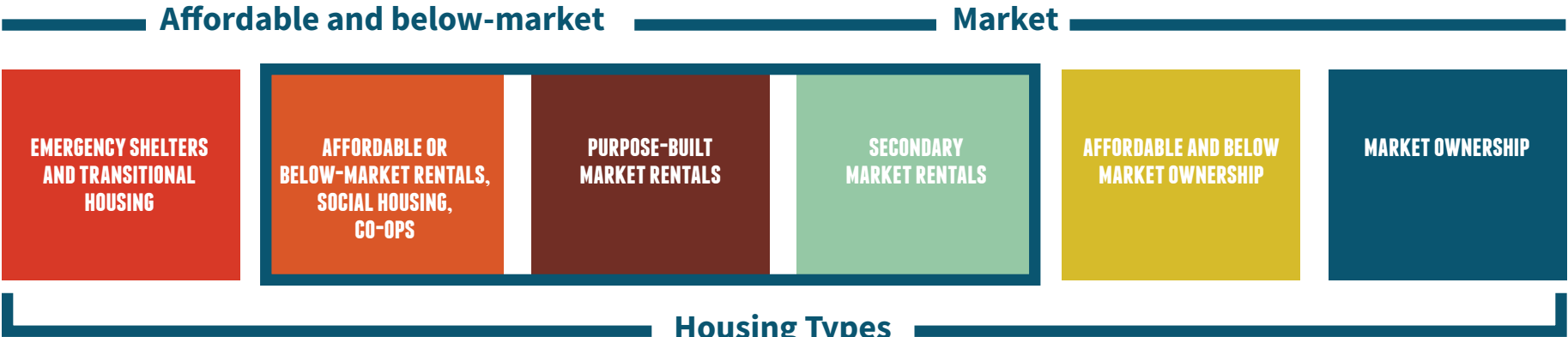
# HISTORICAL CONTEXT

Canada’s policy interventions in the rental market date back to the post-World War II era. There was demand for rental housing, federal policy support for renting outweighed support for homeownership, and rental housing was generally seen as a public good.<sup>25</sup> As a result, rental production comprised half of all housing construction in the mid-1960s and the majority of Canada’s total purpose-built rental housing stock was constructed at that time through federal subsidies and tax incentives.

Such bias towards rental construction had diminished by the 1990s. The Government of Canada rolled back its postwar low-interest loan programs for purpose-built rental housing and shifted the financing of housing construction to financial institutions, choosing to focus instead on mortgage insurance. This retreat from the rental market gave way to the growth of the secondary rental market and a greater presence of private financial actors in today’s housing market.<sup>26</sup>

### Uniacke Square Redevelopment Project

The City of Halifax underwent a “modernization effort” in the post-World War II era, funded in large part through Canada Mortgage and Housing Corporation. The City demolished a large swath of low-rent housing that was home for many working-class citizens — referred to by Imogene Broberg-Hull (2019) as “slum clearance” — to make way for a new public housing neighborhood called Uniacke Square. Residents were promised space in the new development, with conditions. Individuals and couples without children were not eligible. Only families who exhibited “moral character” were offered a space, and the rent costs at Uniacke were higher than many working-class families could afford. As a result, thousands of people were displaced from downtown Halifax.



**Image 1:** Rental housing can be affordable whether it is built or owned by a non-market or a market entity.<sup>27</sup> “Affordable” rental housing can exist across the housing spectrum: as a below-market or non-market rental, a purpose-built market rental, or a secondary market rental (Adapted from the City of Victoria, 2022).

# PROFILES OF LOW-TO-MODERATE INCOME URBAN RENTERS IN CANADA

Urban low-to-moderate income renters are a diverse group of people, many of whom may be facing structural challenges in their access to housing.<sup>28</sup>

## Post-secondary Students

The majority of young adults in Canada are completing or have completed some form of post-secondary education and 1.5 million of them are renting.<sup>29,30</sup> A recent study by a Quebec student housing non-profit found that students are paying 25% higher than the median cost of rent and 70% were paying more than 30% of their income on rent.<sup>31</sup> International student enrollment across the country has doubled in the last five years and now represents a significant and growing proportion of non-permanent residents in populous provinces like Ontario.<sup>32,33</sup> (Note that student-led households are excluded from the Core Housing Need measure as attending school is considered a transitional phase.<sup>34</sup>)

## Seniors

Seniors aged 65 years and older represented 18.8% of the Canadian population in 2022 as one of the fastest growing population groups, and more are opting to rent as they age.<sup>35,36,37</sup> An increasing number of seniors living in urban areas are in core housing need.<sup>38</sup> Seniors often live on fixed incomes such as pensions, disability support payments, or government transfers like the Guaranteed Income Supplement or Old Age Security, making it hard for them to manage cost of living fluctuations. As a result, older adults are one of the fastest growing groups of people falling into homelessness.<sup>39,40</sup>

## Newcomers

As of 2021, 23% of the population in Canada were or had been landed immigrants or permanent residents. The majority of newcomers rent for several years after they arrive in Canada and many are doing so on low-incomes.<sup>41,42</sup> Racialized newcomers may experience an added burden of experiencing racism or discrimination when trying to access housing.<sup>43</sup> A recent audit of newcomers searching for rental housing in Toronto found that they experienced 11 times the level of discrimination from landlords compared to Canadian citizens.<sup>44</sup> The proportion of newcomers looking to rent will likely grow with recent federal commitments to increase immigration and refugee targets.<sup>45</sup>

## Black People

Anti-Black racism shows up in individual prejudices and structural inequities that marginalize Black people and result in higher rates of poverty and greater challenges accessing housing.<sup>46,47</sup> About half of Black people in Canada are renting compared to the general population (52% versus 27% respectively).<sup>48</sup> As of 2021, 33% of Black Canadians were facing financial challenges — approximately twice the rate of non-Black Canadians — and had an unemployment rate of 13.1%, compared to 7.7% among the non-Black population.<sup>49,50</sup> One study from the Wellesley Institute found that census tracts in Toronto with higher proportions of Black renters faced twice the number of evictions of census tracts with fewer Black residents; the primary reason for evictions being rent arrears, or unpaid rent.<sup>51</sup>

## Indigenous People

While on-reserve housing is out of the scope of this report, many Indigenous Peoples are renting in urban areas; as of 2016, about 730,000 (44%) of status First Nation, Inuit and Métis people were living in urban areas and 355,400 were renting.<sup>52</sup> Indigenous Peoples face greater levels of housing inadequacy compared to non-Indigenous populations and Indigenous renters were more likely to live in a dwelling in need of repairs compared to those who owned their dwelling as of 2016.<sup>53,54</sup>

## People with Disabilities

About two million people with disabilities are renting in Canada and are more likely to be renting than the general population.<sup>55</sup> Some people with disabilities have particular housing needs; for example, those with physical disabilities may require assistive devices and aids in their homes, such as ramps, walk-in showers, and lift devices.<sup>56</sup> These aids represent an added cost for people with disabilities and are not easily accommodated within rental units.

“ We have a responsibility to do what is in our power to eliminate barriers that people face to access to housing. ”

— Cheryl Case, CP Planning





# METHODOLOGY

With the aim of increasing access to affordable rental housing for urban low-to-moderate income renters, this report outlines:



Causes exacerbating the rental affordability crisis in urban areas across Canada;



Ways in which low-to-moderate income renters across several urban areas are being affected by the lack of affordable rental housing; and



Actions governments can take to ensure renting is a more sustainable and secure housing option in Canada.

This report used three methods of data collection over six months between August and December 2022. They are: 1) desk reviews, 2) qualitative (informal) interviews, and 3) non-participant observation.

## Desk reviews

The source of primary and secondary data collected for this policy research includes regulatory housing laws and policies, scholarly journal articles, books, reports, conference proceedings, newspaper articles, blogs, seminar recordings, and other grey literature.

## Informal interviews

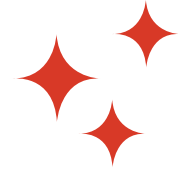
Using a one-page questionnaire instrument, a total of 46 one-hour interviews were conducted with renters, tenants, public servants, policymakers, tenant rights activists/advocacy groups, real estate brokers, managers, and developers. Interviews were held with stakeholders associated with urban areas across Canada and during study tours organized by Action Canada in the Magdalen Islands, Yellowknife, Hamilton, Brampton, Mississauga, Vancouver and Burnaby.

## Non-participant observation

At the above study tours organized by Action Canada, non-participant observation was also employed by our task force team members during workshops, seminars, presentations and ceremonies to help inform the outcome of the study.

## Urban areas

Urban areas were selected across the country, (from Western Canada to Eastern Canada): Victoria, BC; Canmore, AB; Hamilton, ON; Toronto, ON; Montreal, QC; and Halifax, NS. The selected regions are distinct in demographic composition, population size, and proximity to a census metropolitan area, and despite their geographic differences, serve to highlight a common challenge for Canadians: the difficulty that low-to-moderate income renters experience in accessing affordable rental accommodation, and the challenge that policymakers, governments, and developers face in responding to this crisis.







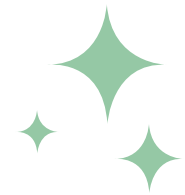
## DRIVERS INCREASING RENT

Our analysis revealed three key issues exacerbating the unaffordability of rental housing: the lack of accessible and affordable rental units, the impacts surrounding homeownership on the rental market, and the precarity experienced by renters.

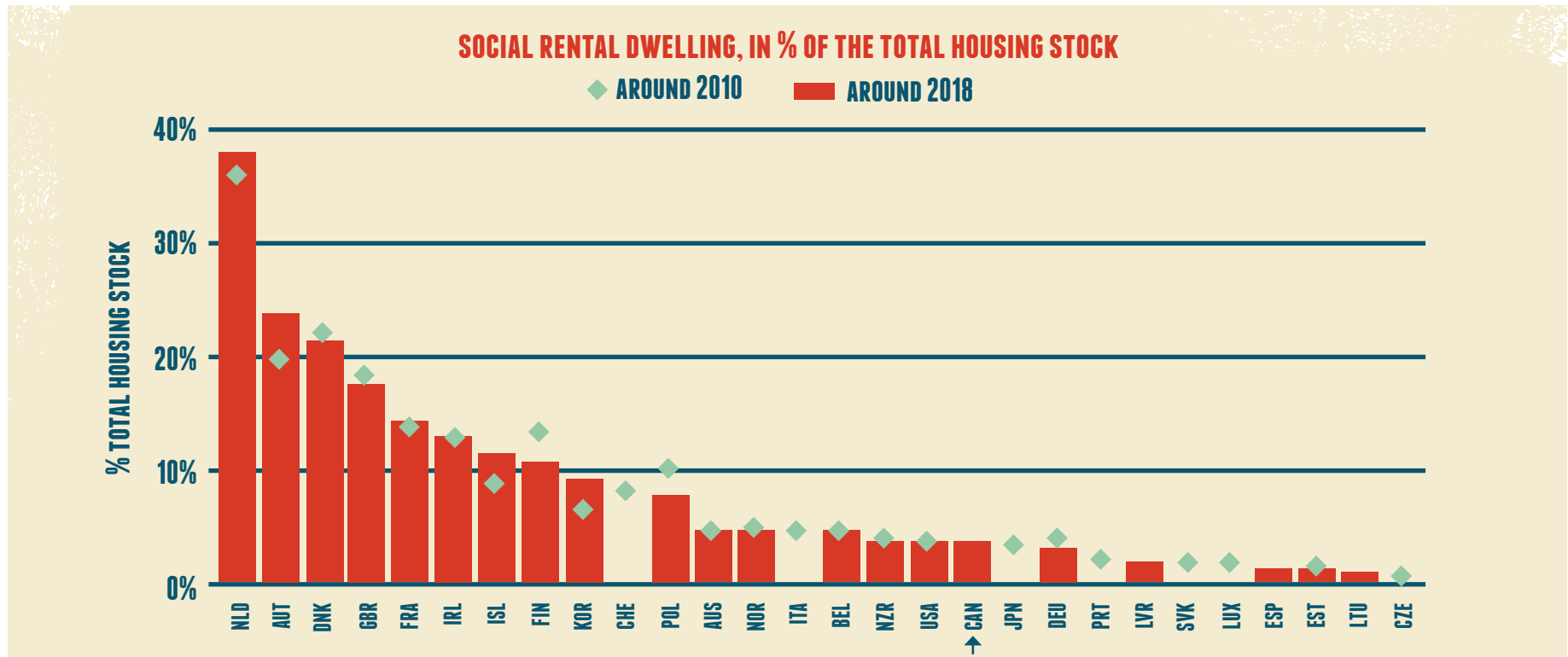
### Lack of Accessible and Affordable Rental Units

Basic economics provides an initial framework to analyze the unaffordability of rental housing. Through this lens, the crux of the issue is an imbalance between the supply and demand of affordable rental units. We begin with an analysis of supply-side drivers.

**CURRENT CONTEXT.** Interviewees from across Canada pointed towards the shortage of affordable rental supply as a key driver for the rental housing crisis. The shortage of affordable rentals is partly due to the costly, risky and slow construction and development process of rental units. The primary source of growth in the supply of affordable rental units between 2019 and 2021 has been in bachelor and one-bedroom units, rather than larger units that could more easily accommodate families.<sup>57</sup> Despite this growth in affordable housing, according to Statistics Canada's latest census, there are still more than 1.6 million renters in Canada who are spending more than 30% of their income on rent. Interviewees also pointed towards the low market share of non-market stock (government-owned and not-for-profit-owned) as a distinct feature of Canada compared to other areas with more affordable housing (e.g. Vienna and Singapore). Indeed, according to a 2020 Organization for Economic Co-operation and Development report, depicted in **Figure 1**, the proportion of social rental housing, a type of non-market housing, has declined in all but six OECD countries.<sup>58</sup>







**FIGURE 1: PROPORTION OF SOCIAL RENTAL DWELLINGS AMONG OECD COUNTRIES.**  
ADAPTED FROM OECD HOUSING POLICY TOOLKIT – SYNTHESIS REPORT, 2021.

**EXTERNALITIES: LABOUR SHORTAGE AND INFLATION.** The funding and delivery of purpose-built affordable rental projects is especially difficult during a labour shortage and an inflationary period. Interest rate increases have resulted in higher mortgage payments, which may be passed onto tenants, and have squeezed the supply of rental properties as would-be buyers are priced out of the housing market.

**LACK OF AND INADEQUATE FUNDING PROGRAMS.** Developers interviewed for this report highlighted the high risk and small profit margins associated with the development of purpose-built rentals, which deter the development of such projects. Interviewees noted that it is almost impossible for non-profit developers to develop affordable units without subsidies. The federal government's withdrawal from government housing in the 1990s put pressure on provincial and municipal governments to fill the gap. While some cities can afford to create their own funding programs, most municipalities are financially incapable of doing so.

“

At a provincial level, every municipality has debt service limits. It would be great, if affordable housing initiatives could fall outside of those. Housing is expensive, especially if we're talking about purpose-built rental; these are long term borrows. In a homeownership development, we build it, we sell it, and within 18 to 24 months we've got the money back. In a purpose-built rental building, it's a 25 to 30 year amortization, that's long term debt. Because the burden has been put on the municipalities in a lot of places to find answers to their purpose-built rental issues, that debt is often a concern.

”

— Dougal Forteach, Managing Director,  
Canmore Community Housing

Provinces can deliver their own programs, such as Quebec's Accès Logis, but their financing capacity is more limited than their federal counterpart. Even when funding programs are available, both for-profit and not-for-profit developers across the country noted the exhaustive and laborious procedures required to access these funding programs; this has led to longer development processes and thus higher risks and development costs. Crucially, interviewees say these funding envelopes do not always result in the production of affordable housing.

“

**There are a variety of inputs and different pressures, but a significant consideration is opportunity cost. Most developers are going to build what gives them the best return on their investment. And right now, that's not rental. [...] So how do we find a way to incentivise other housing types that would be tailored to workers in the Bow Valley and for people who live here on a full-time basis? This may include shared amenity accommodation**

”

— Ian O'Donnell, Executive Director, Bow Valley Builders and Developers Association

### AccèsLogis Québec

The Gouvernement du Québec created the AccèsLogis Québec program, which pools public, private, and community resources to produce social and affordable housing for low-to-moderate income households and for people with special housing needs.

Between 1997 and 2015, it produced 27,000 units across the province representing 94% of the province's non-market rentals. However, funding for the program has diminished in recent years, causing renter activist groups like *Le Front d'action populaire en réaménagement urbain* (FRAPRU) to advocate for reinvestments into the program.

### Inclusionary Zoning

The City of Montréal passed the Bylaw for a Diverse Metropolis in 2021, which requires developers to construct affordable, social and family housing for any projects larger than 4,843 square feet. It is considered one of the world's most aggressive inclusionary zoning bylaws.

**INEFFICIENT USE OF LAND.** Interviewees noted that renters are looking for housing options near certain services and specific locations (workplace, public transportation, etc.). However, zoning rules can hamper the availability and development of more units around those limited areas, leading to competitive growth in rent. Interviewees pointed towards the challenges of managing limited land. In particular, they highlighted the increasing cost of land and the corresponding inadequate zoning rules as key barriers to the development of affordable rental units. Activists from both British Columbia and Quebec highlighted low density and inefficient use of inclusionary zoning as two types of inadequate zoning rules. While zoning rules allow for builders to apply for amendments, often such approval processes are slow.

Although provincial planning acts stipulate that local municipal governments can only zone for land-use rather than “users of the land”, meaning zoning bylaws cannot discriminate based on personal characteristics, low-to-moderate income renters may be adversely impacted by the decisions to zone land in particular ways. Interviewees in Ontario pointed towards exclusionary municipal zoning and planning rules that restricted group homes or rooming houses, which have adversely impacted the affordable rental housing options of people with disabilities and those who cannot afford market housing.<sup>59</sup> Other interviewees pointed out that municipal zoning rules still prioritize the construction of single-family homes that reflect outdated norms of gender and family structure over other types of housing, including “missing middle” housing (mid-density development like duplexes or triplexes), that may be better suited to the needs of renters.<sup>60</sup>

**NIMBYISM.** Approval for new developments often requires municipal consultation processes. “Not in my backyard” (NIMBY) rhetoric often emerges in such processes, blocking the development of new projects. Given the mobility of renters, they are less likely to be able to participate in such processes, which biases decision-making power to homeowners. NIMBYism was identified by interviewees as a key hurdle in developing new projects aimed at supporting low-to-moderate income renters. In fact, such municipal consultation processes tend to disfavour marginalized and vulnerable populations.<sup>61</sup>

### The 412 Barton Project

The 412 Barton is a new affordable housing build geared to Black and Indigenous older adults in Hamilton. This housing project is being led by St. Matthew’s House, a non-profit social services agency, in partnership with Sacajawea Non-Profit Housing, the Hamilton Regional Indian Centre and the Afro Canadian Caribbean Association. The construction of this building is supported by the City of Hamilton and Canada Mortgage and Housing Corporation.

**SLOW BUREAUCRACY.** Interviewees highlighted two other types of bureaucratic processes that delay the development of rental units: slow permit approval processes, and stringent development requirements and fees. Non-profit developers also claim that such procedures are more laborious for them than for for-profit developers. Renters interviewed in British Columbia highlighted concerns about increasing environmental standards, which may increase development costs and time, with additional costs that may be passed on to the renter.

Interviewees report a substantial loss in affordable rental units as a result of rental stock being demolished and replaced by unaffordable rentals. According to Dr. Joseph Daniels (Acquisitions Strategy Coordinator, Housing Assessment Resource Tools), “we have lost over 600,000 affordable units over the past 20 years.” In Alberta and Ontario, many affordable and purpose-built rentals built in the 1980s and 1990s are being sold off or demolished as governments lack the funds needed to maintain them. The result is that Canada is losing affordable housing stock faster than we are building it.

**There’s a particular opposition to ‘those kinds of people’ (a.k.a. renters) moving into a neighbourhood [...] It’s starting to change, but the angst city councillors get over new purpose-built rental units is unbelievable.**

— Michelle Diplock, Manager of Planning and Government Relations, West End Homebuilders Association

**I know a developer that does purpose-built rentals — they are focused on developing a purpose-built apartment on land they already own, yet it can be a six-year process to get the approvals and permits from the City to get the building actually built.**

— Michelle Diplock, Manager of Planning and Government Relations, West End Homebuilders Association

# IMPACTS SURROUNDING HOMEOWNERSHIP

**RELATIONSHIP BETWEEN RENT AND HOUSING PRICES.** Housing price increases are associated with rent hikes. The exponential growth of housing prices are therefore exacerbating the unaffordability of rent witnessed today. With rising housing prices, potential homeowners stay in the rental market for longer, further exhausting the rental market.

**GAP IN ECONOMIC POLICY SUPPORTING RENTERS.** Societal biases favoring homeownership reduce support for renters, which can contribute to unaffordability in the rental market. Homeowners benefit from public policy tax incentives and subsidies. For example, the capital gains tax policy of 1972 exempts homeowners' primary residence's capital gains, thereby allowing homeowners to accrue more wealth than renters. Consistently low mortgage rates over the past decades have also facilitated access to homeownership, thereby reducing the value-proposition of renting. More recently, Budget 2022 exemplifies this point by introducing rent-to-own support and the creation of a tax-free first-home savings account. These economic incentives drive demand for homeownership and widen the wealth gap between renters and homeowners. According to TD's *Digging Beneath The Surface: Is Housing Perpetuating A Wealth Divide in Canada?*, the net worth growth gap between homeowners and renters grew from approximately \$500 million in 2005 to \$1.2 billion in 2019.<sup>62</sup> These policy biases create a gap in financial policy support for renters, which presents a missed opportunity to address rental unaffordability via financial levers. Providing economic incentives for renting might drive demand, but given that would-be homeowners are currently priced out of the housing market, the demand from individuals who can choose between renting and homeownership has likely reached saturation. Therefore, reducing economic homeownership bias could allow renters to compete more equitably with homeowners when trying to access homeownership. For those who continue to rent, better economic policies supporting renters could improve their financial outlook, thus addressing the income component of affordability.

## Multiple-property owners in Canada

According to Statistics Canada, new data from 2020 shows that multiple property owners own around 30% to 40% of the property stock in Nova Scotia, New Brunswick, Ontario, and British Columbia, while accounting for 15% and 22% of owners in British Columbia and Nova Scotia respectively.



# PRECARITY EXPERIENCED BY RENTERS

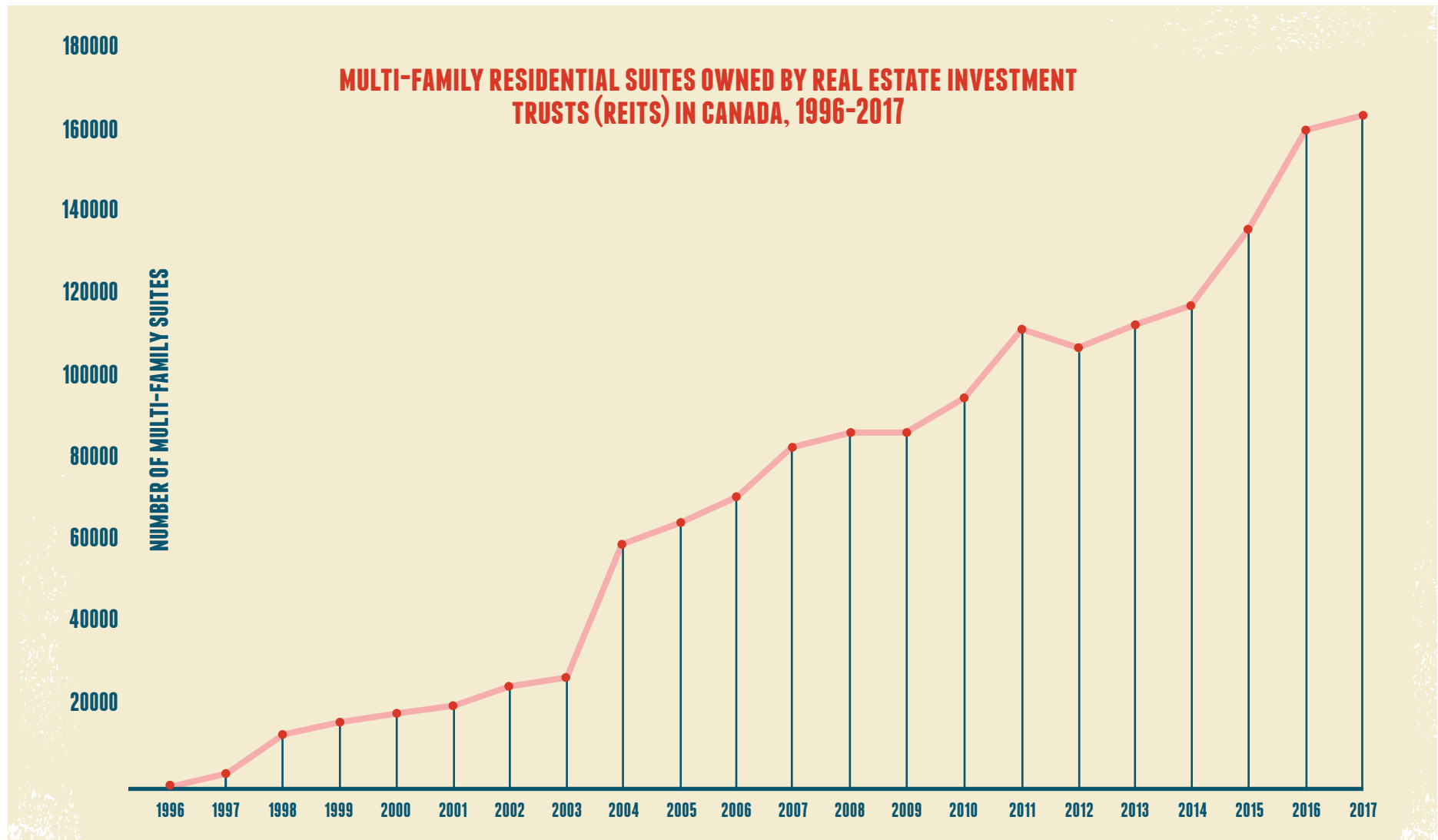
**FINANCIALIZATION OF RENTALS.** Many interviewees pointed towards the rise of financialization in the housing market as a concerning driver for unaffordability of rental housing. Financialization refers to the growing role of housing as a market commodity, which is prioritized over the property's use as a home, and the increasing involvement of financial institutions and elites. This takes place in two ways; (1) through home purchases by investors and (2) through large financialized landlords such as private equity firms, asset managers, and real estate investment trusts (REITs).<sup>63</sup>

Investor ownership of multi-family rental stock (more than six suites per complex) has increased year-over-year since 2017 and now accounts for one-fifth of home purchases in Canada. Financialized landlords like REITs have emerged in the last several decades and provide a return for shareholders by acquiring existing rental buildings. In the 1960s when most of the current purpose-built stock was

developed, the majority of the stock was managed by government and non-profit landlords;<sup>64</sup> REITs are a recent phenomenon emerging from the 1990s. More recently, the proportion of the Canadian rental stock owned by large financialized landlords increased 27.8% between 2011 and 2017 while the purpose-built rental stock only increased by 6.5%.<sup>65</sup> Twenty-five of these landlords now hold approximately 340,000 units or 20-30% of Canada's purpose-built rental housing stock in Canada; Figure 2 shows the growth of REITs in Canada over time. According to a 2022 survey by ACORN (Association of Community Organizations for Reform Now) Canada, nearly 80% of tenants with financialized landlords reported that their building or unit requires urgent repair, in contrast to 65% of tenants with private or family-owned companies as landlords.<sup>66</sup> The decline of purpose-built rentals and the growing barrier to access homeownership has created a gap for REITs and multiple property owners to fill. While REITs

may offer a solution to the rental stock shortage, a report presented by the Federation of Canadian Municipalities in 2019 found that these new purpose-built rentals tend to offer units at 170% the average market rents.<sup>67</sup> A report for the Office of the Federal Housing Advocate also found that REITs' core business strategy includes imposing new costs and fees, increasing rents on sitting tenants, increasing rents through above guideline increases, and increasing rent after unit turnover thanks to vacancy decontrol.<sup>68</sup>





**FIGURE 2: REIT OWNERSHIP AND FINANCIALIZATION OF MULTI-FAMILY RENTAL STOCK IN CANADA. FIGURE ADAPTED FROM (AUGUST, 2020).**

**EXPLOITATION BY BAD ACTORS.** The financialization of housing coupled with lax regulatory frameworks and insufficient enforcement capacity has paved the way for bad actors to exploit renters. Our interviews revealed fears about a perceived rise in renovations, a process by which renters are evicted to enable renovations. The 2021 Canadian Housing Survey showed that demolition, conversion and major repairs by landlords were the fourth most reported type of eviction respondents experienced.<sup>69</sup> Renovictions are restricted by municipal bylaws in some urban areas, yet stakeholders expressed concern that a lack of oversight or enforceability allows them to occur. Renovations increase the value of the property and with vacancy decontrol, landlords seeking to maximize their return on investment may raise their rents following unit turnover, leading to fewer affordable rental units.

# IMPACTS ON RENTERS

Common pressures emerged from our interviews with renters: desperation; difficulties navigating the housing system; suitability and access to services and places of work; mental health and psychological impacts; and precarity, substandard living conditions, and exploitation by landlords.

**DESPERATION.** Interviewees were quick to identify the lack of rental options to be a significant challenge, with one renter noting that there is a “take whatever you can get, and whatever rate” climate, and another sharing that “availability is seemingly approaching zero.”

**“It’s getting harder and harder to afford a place, and tenants are diminishing their needs as a selling point. You sell yourself as being the smallest problem for the biggest buck.”**

With prices “ramping up more and more”, the number of affordable options continues to be scarce. Another interviewee shared that they stayed in an Airbnb temporarily until they could find a unit, and the “right fit” cost them more than 50% of their monthly earnings. Another said Airbnb has had a negative impact on the availability of rentals for local tenants:

**“When you have to move out because they are switching the complex so they can rent it to AirBnbs, it is frustrating. I am here, I am a local, I am contributing to the local economy, but my basic need as a community member is not met.”**

**DIFFICULTIES NAVIGATING THE SYSTEM.** Several newcomers to Canada shared their challenges in understanding how the housing system works, attributing this to new terminology, unfamiliar rules and practices associated with acquiring a rental, and feelings of exploitation: “Someone struggling to find a safety net doesn’t have capacity for figuring it out, and are more likely to just deal with it.” Long waitlists for housing programs, some more than two years, also stifle immediate-term options for renters.

## **SUITABILITY AND ACCESS TO SERVICES/PLACES OF WORK.**

A number of renters noted that affordable housing options were not convenient, and did not meet essential criteria for safety, comfort, accessibility, location, and proximity to essential services, their place of work, or other amenities.

## **MENTAL HEALTH AND PSYCHOLOGICAL IMPACTS.**

Each interviewee spoke to the mental health challenges they have faced, or continue to face, with their housing situation. Interviewees spoke to the necessity of “partnering up”, or starting a relationship in order to decrease rent costs or qualify for different rental options. Others noted that they, or someone they know, were more likely to stay in a bad relationship because they could not afford to move or live on their own. Other psychological pressures included fears of having nowhere to go if displaced and the anxieties faced when running out of options:

**“When I started renting here, it was around \$800 per month, and that was extremely expensive. Now, over the course of a decade, my rent has not gone up that much because of rent control. I pay \$900 now and the other units in my building are going for \$2,000. There’s a real sense of anxiety because I know for a fact I’d never find another apartment for less than \$2,000 a month.”**

**“Part of my mental health is painting, singing. I couldn’t do that in a really tiny space.”**



Other renters shared their experiences of shame and demoralization in being unable to acquire rental accommodation: not hearing back, places being “gone right away”, there being “cash and under the table factors at play” with “30 to 40 people ready with cheques.” One interviewee also noted the rise of “social credit” and the demonstration of social prestige and value once one was successful in landing a unit.

Another common theme for renters was that homeownership would never be possible despite a societal view that renting is temporary:

**“I had a moment where I realized I could be a millennial that talks about their parents owning a home but I rent the bulk of my life. Unless something drastically changes about my future job prospects, there’s no way I’ll be able to afford to buy something, just me.”**

### **PRECARIETY, SUBSTANDARD LIVING CONDITIONS AND EXPLOITATION.**

Interviewees spoke to various levels of precarity in their relationships with their landlords and the need to self-advocate; it was also recognized that not every renter is in the position to do so. Tenants mentioned diminishing their own needs to please or impress their landlord, and many noted substandard or inadequate living conditions e.g. mould, bugs, and broken things. One interviewee felt that since they were in a rent-controlled unit, their unit was “being purposefully neglected”, requiring better building code enforcement. Due to fears of angering their landlord, tenants were also more likely to delay in raising breakages or inadequacies of the rental unit:

**“My apartment is in good shape, but has issues — the windows leak, the doorframe on the fire escape lets wind in. I don’t want to characterize my landlord as bad, I think he’s good and fair, but I have huge anxiety to ask for something to get fixed, because I don’t want to initiate a renoviction.”**

Other interviewees shared their fears of being renovicted or homeless, noting that “renovictions are very common.” There was also a lack of trust with landlords, and a fear of predatory landlords:

**“When you are apartment shopping as a young person, you’re told to look out for predatory landlords, [...] landlords that don’t charge as much rent as another place so seems like a good idea but they’re awful. Some of those landlords are actively mean; they never show up to help you if something breaks.”**





# RECOMMENDATIONS

To help close the growing affordability gap for renters in Canada stuck between non-market and market housing, policy actions are needed to address both sides of the spectrum. Though non-exhaustive, we believe this suite of ideas to be bold yet feasible, with the potential to positively address the drivers previously highlighted.

## INCREASE SUPPLY

Rental housing supply has been noted as the most pressing issue in the rental housing crisis. Canada needs to make up lost ground due to lack of investment in the construction of rental housing over the last several decades, which has resulted in a dearth of purpose-built rentals in Canada's urban centres. Purpose-built rentals are important because they contribute to long-term rental housing stock, do not remove stock from the homeownership market, and are higher-density than single-family homes. Both market and non-market options are needed, and different policy levers are suggested for both.



### INCENTIVIZE CONSTRUCTION AND MAINTENANCE OF PURPOSE-BUILT MARKET RENTAL HOUSING #FED

The construction of purpose-built rental housing is less lucrative and more risky for developers than the construction of condo buildings. This is in part because purpose-built rentals generate revenue over a much longer period. Canada Mortgage and Housing Corporation is already incentivizing the development of purpose-built rental housing by lowering down-payment requirements for loans, increasing the amortization period for loan repayment, and reducing premiums on loan insurance for developers investing in affordable housing through the Mortgage Loan Insurance Select program.<sup>70</sup> The Mortgage Loan Insurance Select program is a very recent example and so the impacts on rental affordability are yet to be seen. Another option would be for the Government of Canada to introduce tax incentives for developers and investors to deduct purpose-built rental construction and maintenance costs from their taxable income. Additional deductions could apply to purpose-built rental buildings that include affordable units.

This approach is similar to the Multi-Unit Residential Building (MURB) Tax incentive introduced by the Government of Canada in the 1970s, which contributed to the construction of hundreds of thousands of purpose-built units by allowing investors to deduct development costs and rental losses from their income.<sup>71</sup> Tax incentives specific to partnerships between universities or colleges and developers could promote investments to develop residences geared towards the needs of post-secondary students.

2

## FUND THE CONSTRUCTION OF PURPOSE-BUILT NON-MARKET RENTAL HOUSING #PROV #FED

Non-profit organizations and co-operatives do not have access to the capital needed to invest in developing purpose-built rental stock without significant partnerships and financial support. Canada Mortgage and Housing Corporation and provincial governments should partner with these organizations to fund 100% of the upfront capital costs of building non-market housing, through non-repayable grants or forgivable loans, and plan to recoup those costs through tenant rents over the lifespan of the building. Federal and provincial governments can achieve a lower break-even rate than developers on rentals, can borrow at cheaper interest rates than private developers, and can amortize those costs over a long period. This recommendation would allow more purpose-built rentals to be constructed and offered at below-market rental rates to low-to-moderate income renters.

There have been recent calls by the Canadian Centre for Policy Alternatives for a similar approach to be undertaken by the Government of British Columbia, and for Canada Mortgage and Housing Corporation to repurpose and refocus the Rental Construction Financing Initiative to offer more favorable financing to non-market development.<sup>72,73</sup>

3

## LAUNCH DEDICATED FUNDS FOR NON-PROFIT ACQUISITIONS TO PROTECT AFFORDABLE STOCK #PROV #FED

The acquisition of existing units can be faster and less expensive than building new units and can help to preserve affordable housing stock. Federal funding streams, including those provided by Canada Mortgage and Housing Corporation, do not currently support this approach. Such non-market acquisition strategies are a key component of housing strategies in Korea and Finland.<sup>74,75</sup> Dedicated federal and provincial funds should be established for acquisitions for non-profits, cooperatives and land trusts, with an emphasis on housing providers which serve the groups most impacted by unaffordable rental housing. The new fund should have a pre-approval mechanism for accessing down-payment funds so that organizations may bid quickly on potential acquisition opportunities. This funding could be implemented through the National Housing Co-Investment Fund.

This recommendation seeks to supplement existing acquisition funding which is provided in some provinces and municipalities; examples include the recent \$500-million Rental Protection Fund pledged by the Government of British Columbia and the \$20 million provided by the City of Toronto for the Multi-Unit Residential Acquisition (MURA) program in 2022.<sup>76</sup> While it is too early to comment on the efficacy of these policy efforts, they are a positive step towards encouraging non-market acquisition and the preservation of affordable units.



4

## INTRODUCE RIGHT OF FIRST REFUSAL BYLAWS

#MUNICIPAL #PROV

Properties are often sold privately without an opportunity for governments or non-profit organizations to compete in the process. A right of first refusal municipal bylaw or provincial legislation would provide governments and non-profits, including land trusts and co-operatives, a pre-emptive right to purchase multi-unit buildings at the market rate when they come up for sale. This recommendation seeks to both preserve and expand the supply of dedicated affordable rental housing.

In 2020, the City of Montréal adopted a bylaw to exercise a right of first refusal (pre-emptive right) to purchase properties to be used to build social housing.<sup>77,78</sup> An initial 196 lots were designated under the new bylaw. Once an owner accepts a purchase offer for a designated property, the affected owner must send the City of Montréal a notice of intent alongside applicable documents. The City then has 60 days to exercise the right of first refusal and match the original purchase offer on the same terms and conditions. Similarly, France has also adopted the right of first refusal, or le pacte de préférence.

## ACCELERATE DEVELOPMENT

Municipal public hearings on land use are an important part of the democratic process, as they encourage transparency and allow civil servants to hear community priorities. However, a recent report from Simon Fraser University states that public hearings are often a “performative battleground exercise” which can exacerbate racial and class differences and encourage NIMBY attitudes, particularly among homeowners, concerning the development of affordable or purpose-built rental housing.<sup>79</sup> There is an opportunity to reimagine how renters can be better informed of and engaged in housing processes while balancing the need for accelerated rental housing development.

5

## EXPEDITE PERMITS FOR DEVELOPMENTS THAT

MEET ZONING REQUIREMENTS #MUNICIPAL #PROV

Public hearings for projects that meet zoning requirements unnecessarily delay the permitting process and can overshadow the potential community benefit provided by rental housing. In addition, local councillors are vulnerable to the disproportionate interference of NIMBYism that can infringe on fair process. In situations where a project meets zoning requirements within the municipal housing plan, municipalities should expedite the permitting process and provinces could consider revising the requirement for public hearings. Such policies should not be overly rigid to restrict their potential scope or applicability, which could further limit or disincentivize “missing middle” developments.

An example can be seen with the City of Victoria’s new rapid permit policy which fast-tracks the approval of development permits for new affordable housing.<sup>80</sup> If a project is proposed by a non-profit, government or co-operative, meets design guidelines and aligns with the official community plan, the project does not need to go to public hearing or get council approval. While the plan has yet to be evaluated, the City of Victoria estimated that it could reduce the development process timeline by nearly a year.

## 6

## UPZONE TO ENCOURAGE RENTAL HOUSING DENSITY AND DIVERSITY **#MUNICIPAL** **#PROV**

Zoning that prioritizes the construction of single-family detached homes is impeding densification of urban spaces and the pain of public hearings is exacerbated by projects requiring rezoning on a case-by-case basis. “Upzoning” is a policy initiative through which municipalities or provinces could increase the number of allowable floors or units in rental buildings in urban areas, prioritize the construction of purpose-built rentals over condominiums, and zone for outright development rather than conditional development. These efforts could speed up construction and increase supply of primary or secondary rental housing. Upzoning efforts could focus on transit corridors and removing parking barriers as well as encourage mid- or high-density options. Requirements for inclusionary zoning for affordable rental units could also ensure that a portion of new housing units built in these areas are set aside for individuals and families living on low incomes.

In 2019, Oregon eliminated single-family zoning in urban areas to encourage the construction of mid-density options. While still early, there are some indications that this approach has increased mid-density housing construction in cities like Bend. New Zealand has also strategically upzoned local bylaws, “which is showing very encouraging first results both in terms of increase in housing production as well as effects on rents.”<sup>84,85</sup>

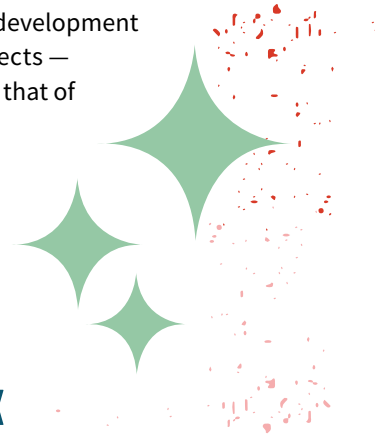
## REDISTRIBUTE TAXES

The proposed tax reforms below aim to reduce homeownership economic bias and financialization of the rental market. The income generated from these tax measures would equip different levels of governments with additional funds needed to support the development of housing projects — specifically below-market rental projects — thereby diversifying governmental funding sources beyond that of Canada Mortgage and Housing Corporation.

## 7

## REFORM PROPERTY AND LAND VALUE TAX **#MUNICIPAL** **#PROV**

Property tax is the only recurring tax on immovable property. Such taxation can disincentivize property improvements and lead to high rents as landlords pass on costs to renters. To encourage better use of land while collecting municipal income, provinces should pass legislation to allow municipalities to impose land value tax. This recurrent tax on landowners is based on the value of “unimproved” land, and therefore its value is afforded by its location and nearby public services.<sup>86</sup> Weighting land value tax more heavily would encourage landowners to optimize underutilized spaces, such as parking lots or vacant lots, and disincentivize developers from holding onto undeveloped land parcels. Municipal governments equipped with these two taxation levers, often referred to as split-rate property tax, could adjust taxation rates to the land and its structures and improvements separately. Studies have shown that this could result in a more favorable supply/demand condition in homeownership markets and by extension rental markets.<sup>87</sup> It could also be interesting to fine-tune the income taxes in co-ordination with split-rate property tax to reduce wealth inequality while increasing revenue for affordable housing projects.<sup>88</sup> The adoption of land value tax or split-rate property tax would require provincial legislation to be passed, and municipal bylaws to be drafted accordingly.



8

## COMMISSION A STUDY TO REFORM THE CAPITAL GAINS TAX #FED

Primary residences are exempt from capital gains tax, while 50% of the value of secondary residences are exempt from a capital gains tax. Such exemptions disproportionately benefit higher income and wealthier households and reinforce intergenerational and geographical wealth inequalities.<sup>89</sup> There is an opportunity for Canada to reform capital gains taxes on housing assets to reduce wealth inequality between renters and homeowners, reduce speculative homeownership incentives, and generate additional funds for affordable rental and housing projects. For instance, the exemption on secondary residences can be proportionately lowered with respect to the number of homes owned (e.g. 30% exemption for those with three residences, 10% exemption for four residences, etc.). Such a measure would reduce incentives for multi-homeowners to acquire housing stock for reselling purposes, thereby regulating the inflow of speculative capital. This could result in more stock for people's primary residences and it could grow the secondary rental market as multi-homeowners seek to maximize their return on investment by becoming landlords. Alternatively, the tax rates can also be adjusted to produce more equitable outcomes and to generate more income for governments. A better evaluation of tax rates can be obtained by distinguishing between real and nominal capital gains of housing assets (adjusted and unadjusted with respect to inflation respectively). This can be achieved by indexing home prices with respect to the Consumer Price Index and applying capital gains taxes on real capital gains instead. Fiscal policy reforms must be carefully drafted to avoid unexpected outcomes, and our current analysis is incapable of producing such results. Therefore, we recommend that the federal government commission a study to reform the capital gains tax on housing assets.

9

## ADOPT A TAXATION ON IMPUTED RENT #PROV #FED

In North America, landlords must pay tax on income received from rent, while homeowners living in their own houses are free from such taxation. This tax relief can be viewed as an exemption that encourages homeownership. Tax on imputed rent would make imputed rental value taxable for homeowners, thereby reducing the wealth gap between renters and homeowners.<sup>90</sup> Indeed, the removal of imputed rent tax in France during the 1960s was found to have contributed to increasing wealth inequality between renters and homeowners.<sup>91</sup> While alien to North America, this taxation practice currently occurs in Denmark, Greece, the Netherlands and Switzerland.<sup>92</sup> Careful consideration for taxation rates is required to avoid causing undesirable outcomes. The adoption of taxation on imputed rent would require amendments to both provincial and federal tax codes to recognize imputed rent as a taxable income. Such a change would build upon the current procedure to tax rental income from housing assets. As for the measurement of imputed rent values, the federal government already accounts for imputed rent in its economic analyses.





## EMPOWER RENTERS

Renters are valuable community members who struggle to have their voices heard and prioritized in housing policy decisions. The below recommendations seek to empower renters through opportunities to have their needs included in the neighbourhood planning process, greater transparency in the rental market, and stronger security of tenure.

10

### EMPOWER RENTERS IN THE COMMUNITY PLANNING PROCESS #MUNICIPAL

The development of municipal plans provides an opportunity to meet renters where they are and ensure they have a say in the housing priorities of their neighbourhoods. However, these engagement processes have yielded mixed results in the form of NIMBYism or by leaving constituents feeling disenfranchised. Innovative engagement processes are a proactive way to foster community planning that recognizes the needs of historically marginalized renters.

Of the three levels of government, local governments are well-placed to develop mechanisms through which renters can become involved in planning. The City of Burnaby's Housing and Homelessness (HOME) Strategy was built from a mayoral taskforce that engaged a diverse group of 2,600 people in a series of facilitated workshops called *Your Voice. Your Home* (as seen in **Figure 3**).<sup>93,94</sup> Another recent example is the Roadmap Project (Roadmap for Redevelopment Plans to Confront Systemic Racism), led by CP Planning in partnership with the City of Toronto's Confronting Anti-Black Racism Unit. The Roadmap Project is facilitating Neighbourhood Planning Hubs across several Ontario cities that aim to capture the views and priorities of racialized residents for affordable housing.



The complex features of housing make it difficult to create a comprehensive description of people's lived experiences; metrics such as income-to-rent ratio and core housing need fail to capture the holistic relationship that residents have with their homes and communities. The available data, e.g. as a result of the census, is not collected frequently enough and originates from multiple sources (municipal, provincial, federal and private), which makes it difficult to paint an accurate picture of the present-day realities faced by renters. As recommended by the OECD, rental data for all types of dwellings should assess price, size, age and quality, and be available down to the municipal level.<sup>97</sup> Therefore, this recommendation seeks to better support the usability of data by increasing the frequency at which rental data is collected and advocates for rental data that is open, accessible, comparable across municipalities, and analyzable according to national (and/or international) standards. Specific data for vulnerable populations and evictions could serve to better inform future policy actions.

While there are significant gaps in the availability of housing data and data to support evidence-based housing policy and programs, governments have already funded some initial projects which aim to develop tools such as the first two stages of the University of British Columbia's Housing

Assessment Resource Tools (HART) project.<sup>98</sup> The HART project assesses income group, household size and housing inadequacy, and uses other population-based projections to measure and address equitable housing needs across Canada. HART also offers land assessment and acquisition tools for governments to "identify well-located land and buildings that can be used to meet housing need." Other sponsored projects by Canada Mortgage and Housing Corporation also aim to support greater transparency for the housing and rental market going forward.<sup>99</sup> This recommendation seeks further government and non-governmental support for similar and ongoing projects.

Canada's Rental Housing Index, which is "a comprehensive database that compiles rental housing statistics for cities, regions, and provinces across Canada" is a helpful start towards capturing renter data on the secondary market, although it relies on census data of landlords.<sup>100</sup> This recommendation also seeks to consolidate sources of data, by establishing e.g. a rental registry, which would capture data from renters themselves. This would improve data and protect renters by increasing transparency in rental costs and information about landlords. To finance the registry, a portion of the annual grant provided to homeowners to pay taxes, which is common today, could instead incentivize

renters to voluntarily provide data about rental costs and patterns of abuse or neglect by landlords (such as short-term rentals, illegal boarding practices, renovations, etc.), thus also increasing landlord accountability. By collecting demographic data about renters themselves, researchers could pinpoint the impact of discrimination and structural racism on housing outcomes among different groups of renters, including post-secondary students, newcomers, and Black and Indigenous Peoples.

From our interviews, we found the definition of housing affordability to be insufficient based on the current rental market and what is feasible for low-to-moderate income earners in urban centres in Canada. This recommendation urges governments to re-evaluate the definition of housing affordability given the current economic landscape and the drivers of unaffordability listed in this report. Canada Mortgage and Housing Corporation's Housing Hardship Indicator could supplement the current definition of affordability as it accounts for other costs of living.<sup>101</sup> Households who do not have sufficient income to pay for basic necessities like food or clothing after paying for shelter are considered to be experiencing "housing-induced hardship." The Housing Hardship Indicator relies on census data and would need to be produced more regularly to complement existing affordability metrics.



## 12

## PROTECT SECURITY OF TENURE WITH STRONGER LANDLORD REQUIREMENTS FOR RENOVATIONS #MUNICIPAL #PROV

Policy efforts in this area should carefully balance the need for landlords to maintain rental units while respecting the stability and security of tenure for renters. Municipal bylaws and/or provincial legislation could be strengthened by requiring landlords in the primary or secondary rental market to submit applications for repairs to rental units and approve or deny tenant eviction notices based on the rationale provided. These policy efforts could also ensure a tenant's first right to return at the same rent price (accounting for annual increases permitted by provincial guidelines), require ample eviction notice, or introduce penalties for repairs or renovations that are not completed.

In 2021, the Government of British Columbia introduced **reno-viction** legislation that requires landlords to submit an application to the Residential Tenancies Board that includes rationale for the proposed repairs along with all necessary approvals. An arbitrator reviews the application to determine whether the repair will require the tenant to be evicted. In addition, landlords must provide tenants four months' notice to vacate the unit and compensate them equivalent to one month's rent in addition to their existing right of first refusal to return to the unit once the work is complete.





# A Call for CHANGE

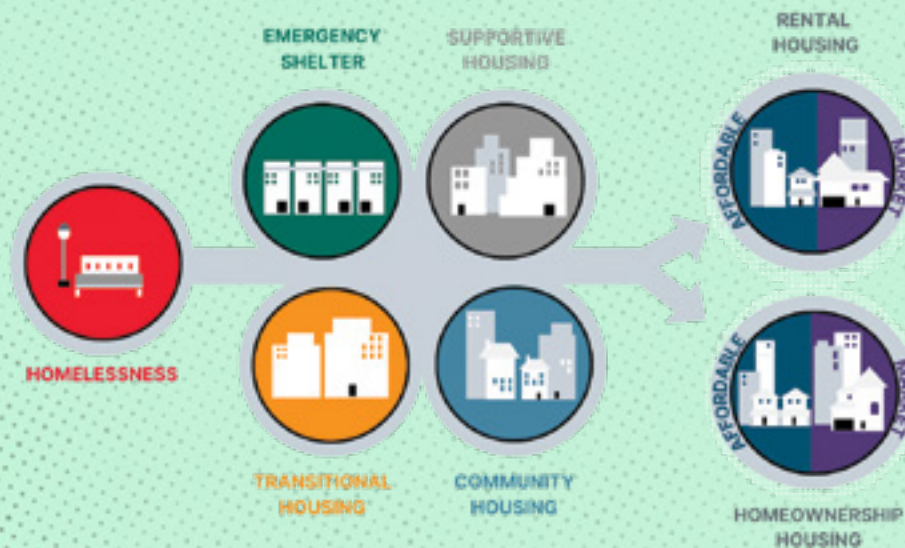
In recent years, the media spotlight in Canada has focused on rental affordability challenges in Toronto, Vancouver and Montreal. However, urban renters across the country are struggling to access affordable housing. Those on the edge of affordability are losing the places they call home and need urgent support. Governments at all levels must respond with concrete actions driven by a shared vision for stable, secure and affordable rental housing integrated within our local communities.

This report hopes to challenge the ingrained cultural norm that homeownership is the natural and inevitable end of the housing continuum. Canada has an opportunity to disrupt our preconceived notions of housing, to create a haven for renters, and to live up to our ambitions of securing housing as a right for all those who call this country home.

*Now: Homeownership as the end of the housing continuum*



*What It Could Be: Renting as a long-term and secure option for all Canadians*





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