



Diocese of Toronto

Anglican Church of Canada

Submission to the Standing Committee on Social Policy

On Bill 184, “Protecting Tenants and Strengthening Community Housing Act, 2020”

Elin Goulden,

Social Justice & Advocacy Consultant

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Introduction

The Anglican Diocese of Toronto extends over 26,000 square kilometres of south-central Ontario, from Mississauga to Brighton in the south, and from Collingwood to Haliburton in the north. This area includes not only the City of Toronto but the regions of Peel, York, and Durham as well as the cities of Barrie, Orillia, Peterborough and a multitude of smaller communities. Within the Diocese, nearly 200 parishes serve the spiritual and physical needs of hundreds of thousands of Ontarians. Our congregations are regularly engaged in reaching out to our communities through food and clothing banks, meal programs, Out of the Cold shelters, drop-in programs and funding of over a dozen non-profit ministry partners who provide food, shelter and other essential supports to people in need. During the COVID-19 pandemic, while our church buildings have been closed for worship, parishes across the Diocese continue to meet the increased needs of our neighbours through emergency food and outreach programs, rightly designated by this government as essential services. We believe our faith calls us not only to do what we can to help meet the needs of those who are vulnerable in our communities, but to use our voice and influence in solidarity with them for the common good.

Background - The Housing Crisis

Ontario's renters faced a housing crisis long before the pandemic hit. Census data shows that more than one third of Canada's renters live in Ontario.¹ Half of all renter households have annual incomes below \$41,750. Nearly half pay more than 30% of their income on rent and utilities; over 20% spend more than half their income on housing costs.² Vacancy rates across Ontario have been below 3% for over a decade, with many communities in our Diocese experiencing even lower rates, driving up rents and making any rental housing, much less an affordable unit, harder to find.³

The housing crisis affects communities large and small, urban, suburban, rural, and Indigenous. Those who spend the most on housing are at the greatest risk of becoming homeless. Tens of thousands of Ontarians are homeless each night, leading to overcrowded shelters, couch-surfing, and homeless encampments.

All of this has been exacerbated by the COVID-19 pandemic. Over one million Ontario jobs were lost in the months of March, April, and May.⁴ Other workers may have kept their jobs, but have lost hours and income. These losses have been heaviest among lower-paid workers, especially those in the retail, hospitality and restaurant industries.⁵ Meanwhile, other lower-paid workers have been designated essential, but face a greater risk of infection by the virus.

¹ <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=PR&Code1=35&Geo2=PR&Code2=01&Data=Count&SearchText=Ontario&SearchType=Begins&SearchPR=01&B1=Housing&TABID=1>

² http://www.rentalhousingindex.ca/en/#comp_prov

³ <https://www.statista.com/statistics/198812/rental-vacancy-rates-in-ontario-since-2000/#:~:text=Canadian%20housing%3A%20rental%20vacancy%20rates%20in%20Ontario%202000%2D2019&text=This%20statistic%20presents%20the%20rental,to%20two%20percent%20in%202019.>

⁴ <https://toronto.ctvnews.ca/more-than-one-million-jobs-lost-in-ontario-since-pandemic-was-declared-1.4970777>

⁵ <https://www.cbc.ca/news/business/canada-jobs-april-1.5561001>

We are grateful for the Ontario government's declaration of a moratorium on evictions during the pandemic. Together with the Canada Emergency Relief Benefit, this has cushioned the effect of the pandemic for many lower-income Ontarians.

However, the underlying housing and homelessness crisis has not gone away. Despite its name, Bill 184 does not do nearly enough to protect tenants' rights, but actually undermines them in several key respects. This was true even when it was drafted, before the pandemic hit. To push this Bill to second reading and Committee hearings while the pandemic is still ongoing, without further consultation of stakeholders, suggests that this government is more interested in streamlining evictions processes than in protecting Ontario tenants during this time of great uncertainty.

Key concerns of Bill 184, Schedule 4 (Amendments to the Residential Tenancies Act, 2006)

We would like to highlight the following key concerns regarding Bill 184.

1. **Making it harder for tenants to bring up mitigating factors at an eviction hearing.** Section 16 changes section 82 of the Act so that a tenant facing eviction for non-payment of rent who wishes to raise pertinent issues, such as disrepair, harassment, etc., cannot simply raise these issues at the hearing. Rather, tenants now must give advance notice, in writing, within a limited time frame and in accordance with regulation, of their intention to raise such issues. This puts an additional procedural burden on tenants and makes the process less fair.
2. **Allowing landlords to use the Landlord & Tenant Board to pursue claims for rent arrears and other costs from former tenants.** Sections 18-21 of Bill 184 amend the Act to allow landlords to use the Landlord and Tenant Board to pursue claims against former tenants, rather than going through the Ontario Small Claims Court. This will add to the backlog of cases before the Board. Further, sections 28 and 29 amend the Act to provide that the landlord bringing the application has the responsibility of serving the former tenant with the application, rather than having the Board (or Small Claims Court) be responsible for making sure former tenants have notice of the application. This undermines the former tenants' right to due process.
3. **Putting the onus on tenants to object to illegal rent increases.** Section 24 of Bill 184 provides that an illegal rent increase becomes legal if a tenant pays the increased rent for a period of 12 months. This puts the onus on the tenant to make an application about an illegal rent increase within one year. It provides an incentive for landlords to avoid proper notice of rent increases, and allows them to take advantage of tenants who are unaware of their rights or otherwise vulnerable.
4. **Keeping tenants in the dark about utility costs.** Section 25 of the Bill removes landlords' obligation to provide prospective tenants with information about utility costs where there is a suite-meter system. This leaves prospective tenants without the information they need to determine whether they can afford the costs associated with a particular unit.
5. **Weakening tenants' protections in the resolution of disputes.** Section 30 amends section 194 of the Act to allow the settlement of disputes through mediation *or another dispute resolution process* (my emphasis). While alternative dispute resolution can be a positive thing, the amendment does not set out what such a dispute resolution process would look like, nor how the rights of vulnerable tenants would be protected under that process. These protections need to be put in place so that tenants and landlords can participate equitably in the process.

6. **Streamlining the evictions process.** Section 31 allows for a “no-notice” or *ex parte* eviction under section 78 of the Act, if a tenant fails to meet conditions of an agreement reached under section 194. This means tenants can be evicted without a further hearing, if, for instance, they miss one payment under a repayment agreement. This is especially problematic when many tenants are still in a financially precarious position due to the pandemic.

These measures do not contribute to the protection of tenants, nor to creating a dispute resolution process that is easy or fair for tenants. Moreover, they will contribute to further backlogs at the Landlord and Tenant Board. **We urge this Committee to remove these provisions.**

To be fair, Bill 184 does contain some new protections for tenants around “no-fault” evictions:

1. Section 5 adds the obligation of a landlord to offer one month’s rent as compensation to tenants whose tenancy is terminated due to the purchaser personally requiring the unit.
2. Sections 6 and 7 add the obligation of a landlord to offer one month’s rent as compensation tenants of residential complexes with fewer than five units, whose tenancy is terminated for demolition or conversion, or substantial repair or renovation. Tenants in residential complexes of five or more units were already entitled to three months’ rent in compensation.
3. Section 9 increases the amount of compensation the Board may order where a landlord terminated the tenancy in bad faith, up to 12 months’ rent, and section 10 extends the amount of time a former tenant may apply for such an order, from 1 to 2 years.
4. Section 11 requires a landlord applying to terminate a tenancy on the ground of personal use, renovation or repair to indicate whether they have applied for similar orders in respect of that or a similar unit within the last two years.

While we are glad to see these tenant protections extended in the Bill, they do not go far enough. These provisions do not begin to address the enormous financial incentive of vacancy decontrol which leads landlords to terminate tenancies in bad faith. Nor do they adequately compensate tenants who are displaced as a result of such bad-faith evictions, who now have to find new housing elsewhere at a higher rent. Lack of vacancy controls have led to soaring rents and reduced the supply of affordable housing not only in metro Toronto but all across our Diocese.

For years we have been arguing, in our pre-budget submissions and other communications with this government, for the **re-institution of rent control on all units** and the **introduction of vacancy controls**, in order to prevent renoventions. We reiterate the call for these measure in the new legislation.

A call for true tenant protection

Together with other housing advocates in Ontario, we believe that housing legislation should recognize housing as a human right and a key social determinant of health, and that legislation and policy should be directed toward progressively realizing that right. This not only reflects similar language enshrined in federal legislation but sets out a clear principle for the evaluation of legislation and social policy

Bill 184, as it currently stands, does not adequately protect the rights of tenants, whether their right to housing or their right to due process. In several ways, as we have pointed out, it actively undermines these rights, tipping the scales in favour of landlords who already benefit from the inequities of the rental housing market. This is exacerbated by the current pandemic, which has created still greater financial and health insecurity for so many low and medium-income households. In these

circumstances, tenants are at even greater risk of eviction and the severe health risks (including much higher rates of COVID-19 transmission) associated with homelessness.

We join with the Advocacy Centre for Tenants Ontario (ACTO) in urging the government to extend the moratorium on evictions through the pandemic and well into the post-pandemic recovery period, as well as extending relief from eviction for those most directly affected by illness and loss of income during the pandemic.

Beyond pandemic relief, however, we urge the government to delay passage of this Bill until the province can fully engage with all stakeholders, including low-income tenants, to examine and address the affordable housing crisis in our province. The rights of tenants, the health of our communities, and our commitment to the common good demand no less.