

Landlord's Self-Help Centre

A specialty legal clinic funded by Legal Aid Ontario 1500 - 55 University Avenue Toronto, Ontario M5J 2H7

Delivered by email to: csd.operationalsupportbranch@ontario.ca

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Vaia Pappas Director, Operational Support Branch Court Services Division Ministry of the Attorney General McMurtry-Scott Building 720 Bay Street, 2nd Floor Toronto ON M7A 2S9

c: Katie Wood, Assistant Deputy Attorney General, Court Services Division

Dear Vaia Pappas:

Re: Potential increase to the Small Claims Court monetary threshold

On behalf of Landlord's Self-Help Centre (LSHC), I am pleased to submit our recommendations for the potential increase to the monetary jurisdiction of the Small Claims Court from \$35,000 to \$50,000 and a complementary increase to the minimum appeal amount from \$3,500 to \$5,000.

LSHC is the only community legal clinic funded by Legal Aid Ontario with a mandate to provide general information, summary legal advice, support, and public legal education to small-scale landlords on residential landlord and tenant matters. We assist a unique and often underserved segment of the housing sector—landlords who typically rent a portion of their home to generate income needed to supplement the cost of ownership, and who lack the resources of large property management companies.

For the small landlord community, LSHC strongly supports an increase in the Small Claims Court's monetary jurisdiction from \$35,000 to \$50,000. We also support the complementary increase to the minimum appeal amount from \$3,500 to \$5,000. This adjustment is both necessary and timely. As it is now commonly known, delays at the Landlord and Tenant Board (LTB) began prior to the COVID-19 pandemic and worsened significantly afterward, resulting in substantial financial losses for many small landlords. Prolonged proceedings have often led to rent arrears accumulating to

amounts exceeding \$35,000, particularly in cases where hearings are adjourned due to overscheduling or when a tenant files a Request to Review an Order. In addition to non-payment of rent, the LTB has jurisdiction to determine a tenant's liability for damaging property. LSHC has assisted a number of small landlords who have incurred repair costs exceeding \$35,000 for damages they believe their tenant caused willfully.

For many small landlords, pursuing recovery in the Superior Court of Justice is not a viable option. They are often self-represented and simply cannot afford the high legal fees associated with litigation in higher courts. Raising the monetary threshold will allow more small landlords to access justice in a cost-effective and accessible forum.

As mentioned earlier, our client community includes small landlords who rent a portion of their homes to generate additional funds to supplement the cost of ownership. The majority of these small landlords are vulnerable people and include seniors, newcomers and persons with disabilities. We urge the Ministry of the Attorney General to consider the real-world implications of the current threshold and take action to modernize the civil justice system in a way that reflects today's economic realities and supports fair access to justice.

Thank you for considering our input on this important matter. We would welcome the opportunity to discuss this issue further or to provide additional information as needed.

Sincerely, Landlord's Self-Help Centre

Diana Padierna

Diana Padierna Executive Director