



Landlord's Self-Help Centre

A specialty legal clinic funded by Legal Aid Ontario

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Delivered by email to: chrystia.freeland@parl.gc.ca and kevin.vuong@parl.gc.ca

April 11, 2024

The Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance
344 Bloor Street West, Suite 510
Toronto, Ontario M5S 3A7

cc: Mr. Kevin Vuong, Member of Parliament, Spadina-Fort York

Dear Minister Freeland:

Re: Budget 2024 and Canadian Renters' Bill of Rights

I am writing on behalf of the Landlord's Self-Help Centre (LSHC) to provide comments on the Budget 2024 and the Canadian Renters' Bill of Rights. LSHC is the only community specialty clinic funded by Legal Aid Ontario that operates with a mandate to provide support and education to the small landlord community in landlord and tenant relations. Our office is located at 55 University Avenue within the constituency office of Spadina-Fort York.

Established in 1975 and operating as a non-profit, LSHC has assisted thousands of small landlords across Ontario understand their rights and responsibilities as housing providers and learn how to navigate tenancy-related conflicts and disputes. We assist approximately 12,000 clients per year through the delivery of summary legal advice, public legal education, community development and law reform activities. The client community served by LSHC is comprised of the secondary rental market, which includes houses, duplexes, triplexes, and landlords who rent a portion of their home to generate the income needed to supplement the cost of ownership. These small landlords/homeowners provide an estimated 574,962 rental units, and are vital to Ontario's housing landscape and make a significant contribution to the affordable housing sector.

On behalf of the small client community, LSHC strongly encourages the Government of Canada to consider providing funding to small landlords' advocacy organizations in Ontario when tabling the Budget 2024 which will include a new \$15 million Tenant Protection Fund. Prime Minister Justin

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Trudeau stated that, “*This would provide funding to legal aid and tenants’ rights advocacy organizations to better protect tenants against unfairly rising rent payments, renoventions, or bad landlord.*” While LSHC understands the importance of protecting tenants, based on our extensive work within the small landlord community, we also know the importance of residential landlords being educated and understanding the provincial legislation to avoid contravening the law. On average, LSHC advises 70 landlords every day on their rights and vast responsibilities of being housing providers on the following: Arrears, Own Use, Interference, Termination of a Tenancy, Damages, Purchaser’s Own Use, Agreement to End the Tenancy and Renovations or Conversion. As such, LSHC is ensuring small landlords know what they are legally allowed to do when evicting a tenant which in turn protects tenants in Ontario.

LSHC also encourages the Government of Canada to consider the participation of residential landlords, in particular small landlords, when creating the new Canadian Renters’ Bill of Rights. LSHC understands the importance of maintaining lower rent prices; however, the federal government needs to consider that mortgage interest rates keep rising. Based on the Bank of Canada’s overnight rate history, the bank of Canada first raised interest rates in March 2022, the beginning of an aggressive plan to cool inflation, which resulted in 10 more rate hikes in less than two years. The overnight rate had been at 5% since July 2023, the highest in 22 years. This led to a significant increase in mortgage rates particularly affecting variable-rates. Mortgage rates hit a high of 7.04% in October 2023. This was and still is significantly problematic to small landlords trying to cover their mortgage payments and make ends meet. 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. As such, it is extremely important for the federal government to consider these types of vulnerable small landlords when creating the Canadian Renters’ Bill of Rights.

Lastly, LSHC encourages the Government of Canada to consider the significant costs and expenses that small landlords incur due to home ownership and housing provider responsibilities. We understand that renters should get credit for their on-time rent payments but we are concerned that this process would add an additional administrative burden on small landlords who are not professional landlords and often struggle to manage the cost of legal or financial services. Also, if landlords become responsible for reporting on-time rent payments to the credit bureau on behalf of their tenants, they should also be given the ability to report late payment or non-payment of rent.

Thank you for your consideration.

Sincerely,
Landlord’s Self-Help Centre

Diana Padierna

Diana Padierna
Executive Director