

BCPRC Submission to the Rental Housing Task Force

July 2018

Introduction

The **BC Poverty Reduction Coalition (BCPRC)** is an alliance of organizations that have come together to raise awareness about poverty in BC and improve the health and well-being of all British Columbians. The Coalition was launched in 2009 and has now gained the support of over 400 organizations throughout the province in the call for a **strong, comprehensive poverty reduction strategy with legislated targets and timelines** to significantly reduce poverty, inequality, and homelessness in BC. Our work is grounded in the foundation of universal human rights.

We have a diverse membership of over 90 organizations throughout BC that bring their collective strength and support to this work, including community and non-profit groups, faith groups, health organizations, indigenous organizations, immigrant service agencies, businesses, labour organizations, and social policy groups. The full list is included as an Appendix. Our office is on the unceded and occupied territory of the mi ce:p kʷətʰiləm (Tsleil-Waututh), Skwxwú7mesh Úxwumixw (Squamish), and xʷməθkʷəy̓əm (Musqueam) Nations.

We congratulate the BC government for their commitment to implement a poverty reduction plan for BC. After almost a decade of calling for action to address the root causes of BC’s high poverty rates, it is good to see a government paying attention to the evidence. When the cost of poverty -- \$8-9 billion per year – far exceeds that of a comprehensive poverty reduction plan, it is smart policy to invest in eliminating and preventing poverty.

Along with our members, such as the Vancouver Tenants’ Union¹ and the Canadian Centre for Policy Alternatives², **we are calling for stronger tenant protections including, in particular, tying rent control to the unit as a central recommendation within an effective poverty reduction plan** because of the impact of sky-rocketing rents on low-income individuals and families.

The Rental Housing Task Force has been directed to offer advice to the BC government on how it can “ensure safe, secure and affordable rental housing in BC” so we appreciate the opportunity to make our recommendations for that purpose to the Task Force and thank you for considering them.

¹ The BCPRC endorses the Vancouver Tenant’s Union submission, which can be found here:

https://d3n8a8pro7vhmx.cloudfront.net/vancouvertenantunion/pages/95/attachments/original/1527605759/2018-05-28_VTU_Recommendations_to_BC_Rental_Task_Force.pdf?1527605759

² We also support the Canadian Centre for Policy Alternatives submission, found here:

https://www.policyalternatives.ca/sites/default/files/uploads/publications/BC%20Office/2018/07/CCPA-BC%20submission_Rental%20Housing%20Task%20Force.pdf

Rent control tied to the unit is a critical measure to reduce poverty

As we highlighted in our submission to the government's poverty reduction consultation:

BC has a housing crisis throughout the province with thousands of homeless people and others facing housing insecurity struggling to survive in our communities, spending a huge share of their income on rent and/or living in sub-standard, over-crowded housing. According to the BC Non-Profit Housing Association, 45% of renters in BC are living in housing insecurity, spending more than 30 per cent of their income on rent; and 1 in 5 renters are spending more than half their income on rent leaving them with little left over to support themselves and their families.³

The impacts of this are felt throughout BC but the Downtown Eastside (DTES) of Vancouver is one of the worst hit communities. According to Carnegie Community Action Project's 2017 *Hotel Survey and Housing Report*, "with an estimated 1,200 homeless people living in the DTES, with over 500 DTES residents evicted from their homes through no fault of their own, with only 21 new units of housing at welfare rate, with average rents in privately owned and run hotels ramping up to \$687 a month, and with the fentanyl overdose tragedies killing people weekly, the community is in deep crisis."⁴ The increase in average rents is \$139 over last year's rate, the highest increase in 10 years. For those on welfare, this leaves only \$23 a month left over for food and other basic necessities.

The government has made a shift from a primary focus on supporting home ownership to providing housing for renters, but protections for renters must be enhanced. Clearly, the cost of housing is already too high for far too many people in BC, and with inadequate rent control, there's nothing to stop that increasing. When rent control is based on the renter not the unit, this means that when tenants move out, landlords can increase the rent as much as they like. This gives landlords an incentive to force tenants to move through harassment, neglect or any other means when they see an opportunity to charge higher rent, leaving all the power in the landlord's hands at the expense of the renter's long-term security in their home.

Rent control attached to the unit instead has the potential to rebalance the power and protect renters from unscrupulous landlords. In BC, the situation is especially critical. So-called "renovictions" take place throughout BC and leave evicted families scrambling to find other affordable, adequate accommodation in a shrinking rental market. **Without stronger rent control, any increases to incomes implemented by the government (either minimum wage or income assistance) may (and often do) lead directly to higher rents so the extra money aimed at reducing the poverty of tenants goes to landlords instead.**

This point is worth reiterating. Without rent control tied to the unit, many of the government's policy changes will not have the beneficial impact expected or hoped for. Last September, income and disability assistance rates were increased by \$100 but, as noted above, the average rent of a Single-Room-Occupancy (SRO) unit in the Downtown Eastside went up by \$139; and the living wage also went up despite decreases to childcare and MSP costs because rents increased so much.

³ <http://rentalhousingindex.ca>

⁴ <http://www.carnegieaction.org/wp-content/uploads/2018/03/CCAP-2017-Hotel-Report-1.pdf>

This form of rent control is not new to BC. Part of the *1974 Landlord and Tenant Act* limited rent increases to once every twelve months, regardless of whether a change in tenant or landlord had occurred. In place from 1974 to 1984 with cross-party political support in response to a 0.5% vacancy rate, there was no discernible impact on new rental housing or increased neglect of buildings.

Rent control has the potential to maintain the diversity of our neighbourhoods rather than making a growing number only available to those that can afford them, displacing everyone else and leaving our communities lacking.

We need an Accountable, Bold and Comprehensive poverty reduction plan that includes rent control tied to the unit as a central measure to tackle the depth and breadth of poverty in BC.

Further stronger tenant protections are necessary

In a housing economy where increasing numbers of people are renters, now is the time for stronger protection for tenants. The BC government's elimination of fixed-term leases fixed a major loophole but further changes to the *Residential Tenancy Act* (RTA) are necessary to address other fundamental issues, including:

- The current RTA allowance of annual increases of CPI plus 2% means, compounded, rents have been far out-stripping inflation in recent years;
- The grace period for late rent payment is only 5 days in BC, much shorter than other provinces;
- Access to service through the Residential Tenancy Branch, particularly in rural areas, is limited because of closure of regional offices and long phone wait times;
- Fraudulent evictions (e.g. using the provision that the landlord is planning to house a family member) are common and the burden of proof is on the tenant rather than the landlord.

We recommend the provincial government introduce stronger tenant protections including tighter limits on annual rent increases, tying rent control to the unit (not the tenant), adequately enforcing the *Residential Tenancy Act* (RTA) and the *Manufactured Home Park Tenancy Act*, and extending tenant rights to include all non-profit social housing currently exempt from the RTA.

We further endorse the recommendations included in the Vancouver Tenants' Union submission.

Building affordable social and rental housing

There are concerns that rent control decreases housing supply as rent caps might dissuade some from fixing up their basement suite for rent or building rental property. Landlords may also have little incentive to repair or renovate when needed as competition to attract higher-paying tenants is limited. But studies of other jurisdictions with this form of rent control have not found it to have that impact and, further, the issue could be easily fixed by the provincial government re-investing in building and maintaining more affordable social housing to ensure a healthy supply.

As we said in our submission to the poverty reduction consultation:

We congratulate the government in restoring significant investments in housing in BC in Budget 2018. The total invested will be \$6.5 billion over 10 years for a promise of 114,000 homes, including \$1.6 billion over the first 3 years...

While this is a significant move in the right direction, more is needed. 2,500 new units of housing for the homeless over 3 years, in addition to the 2,000 modular units announced in September 2017, will not meet the need. We look forward to seeing the results of the first provincial homelessness count but estimates set the current level at over 10,000. Further, while modular units provide much more security and stability than shelters, they are not designed to be long-term homes. They are quicker to build but many have limited bathroom and kitchen facilities, and are not well-insulated from weather, noise and other environmental contexts. Long-term housing must be built at the same time as the government provides these modular shelter units. In addition, while extra support is needed for some, many homeless do not want or need the surveillance and lack of privacy built in to the supportive housing model. **Ensuring the right to housing for all requires grounding the government's approach in respect and dignity for homeless and under-housed people.**

The housing provided also needs to go further in focusing on specific populations and their needs. A set percentage of the housing to be built should be at welfare shelter rates and another set target should be tied to the senior shelter level. The government also needs to include specific units for accessible, adaptable housing options. Overall there is a growing aging population which is increasing within the homeless population, and there are many more who rely on wheelchairs, mobility devices and require accessible housing, washroom and kitchen facilities.

We recommend that the BC government recommit to building thousands of new social and co-op housing units per year. BC should be bringing on stream 10,000 such units per year.

We further support the Canadian Centre for Policy Alternatives (CCPA) recommendation to implement a rental credit similar to Manitoba's Rent Assist housing allowance to replace the shelter support of social assistance, the Rental Assistance Program and the SAFER program for seniors. As the CCPA highlights:

It would much more cleanly provide housing support to all lower-income renters regardless of their age, family composition or source of income. This could be a great boost to poverty reduction, provided, as mentioned above, that it is accompanied by stronger rent controls. Indeed, because this program is linked to the median market rent, it prevents inflation from eroding the real value of the benefit to renters and creates an incentive for the government to

further control rental costs. The benefit amount is based on family income and size, not on actual rent (which simplifies program delivery), and is portable as people move between apartments, and as they move from social assistance to the labour market.

Taken as a whole and not in isolation, rent control tied to the unit, further stronger tenant protections, and building affordable social and rental housing provide a strong housing package to include in an effective poverty reduction plan.

The BC Poverty Reduction Coalition appreciates the opportunity to make its recommendations to the Rental Housing Task Force on how the BC government can ensure safe, secure and affordable rental housing in BC. We thank you again for considering our policy recommendations.

Appendix A: Current Members of BCPRC

Africa Great Lakes Networking Foundation
Association of Neighbourhood Houses BC
Basic Income Vancouver
ACORN BC
BC Alliance on Mental Health/Illness & Addiction
BC Disability Caucus
BC Federation of Labour
BC Federation of Students
BC Ferry and Marine Workers Union
BC Food Systems Network
BC Government and Service Employees' Union
BC Health Coalition
BC Healthy Communities
BC Healthy Living Alliance
BC Non-Profit Housing Association
BC Public Interest Advocacy Centre
BC Teachers' Federation
Burnaby Community Services Society
Canada Without Poverty
Canadian Cancer Society, BC & Yukon Division
Canadian Centre for Policy Alternatives - BC
Canadian Federation of University Women BC
Council
Canadian Mental Health Association - BC Division
Cedar Cottage Neighbourhood House
Check Your Head: The Youth Global Education
Network
Citizens for Accessible Neighbourhoods
Coalition of Child Care Advocates of BC
Community Legal Assistance Society
Community Social Planning Council, Victoria
Council of Senior Citizens' Organizations of BC
Cranbrook Social Planning Society
Disability Alliance BC
Downtown Eastside Neighbourhood House
Early Childhood Educators of BC
Faith in Action
Federation of Community Social Services of BC
Federation of Post-Secondary Educators of BC
First Call: BC Child and Youth Advocacy Coalition
Gordon Neighbourhood House
Grandview Woodland Food Connection
Greater Trail Community Skills Centre
Greater Vancouver Food Bank
Health Officer's Council of BC
Health Sciences Association of BC
Hospital Employees' Union
Interspiritual Centre of Vancouver Society
Jewish Seniors Alliance of Greater Vancouver
Living Wage for Families Campaign
Megaphone Magazine
MOSAIC
MoveUP
New Westminster & District Labour Council
North Shore Disability Resource Centre
North Shore Homelessness Task Force
Pacific Community Resource Centre
Parent Advocacy Network for Public Education
PIVOT Legal Society
Positive Living BC
Protein for People
Public Health Association of BC
Raise the Rates Coalition
Revelstoke Poverty Reduction Working Group
Richmond Poverty Response Committee
Single Mothers' Alliance of BC
Society for Children and Youth of BC
SPARC BC
Streams of Justice
Surrey Poverty Reduction Coalition
Together Against Poverty Society
UFCW 1518
Unifor
Union Gospel Mission
United Way of Greater Victoria
United Way of the Lower Mainland
Vancity Community Foundation
Vancity Credit Union
Vancouver & District Labour Council
Vancouver Foundation
Vancouver Neighbourhood Food Networks
Vancouver Rape Relief and Women's Shelter
Vancouver Tenants' Union
Vibrant Abbotsford
Weekend FuelBag
West Coast Domestic Workers' Association
West Coast Women's LEAF
Women Against Violence Against Women
YWCA Metro Vancouver