

Nearly half of Ontario renters can't afford their rent

Rents continue to rise due to governments' failure to invest in affordable rental housing

Toronto, ON – May 22, 2018 – A [new report](#) released by the Advocacy Centre for Tenants Ontario (ACTO) highlights the growing lack of affordable rental housing choices for low- and moderate-income households in Ontario. The report, titled *Where Will We Live? Ontario's Affordable Rental Housing Crisis*, calls for stronger tenant protections and long-term commitments to housing policies and investments in social, non-profit, and co-op housing. The report also highlights the need to tackle income inequality, by outlining how much a person needs to earn to afford rents in different Ontario cities.

Stronger tenant protections

Over 700,000 renter households in Ontario are paying unaffordable rents. Almost half of Ontario renters make less than \$40,000 a year, with three out of four of these households paying unaffordable rents. This significantly limits their spending on other life necessities such as food, medicine and transportation. In Peterborough, Barrie, Oshawa, St. Catharines-Niagara, Kingston and Toronto, approximately half of renters have unaffordable shelter costs.

Between 1991 and 2016, the average income of renter households has lagged behind mounting rental housing costs. In this period, income disparity has grown between renters and homeowners - Ontario renters' income is less than half of homeowners' income.

"To afford soaring rents, people who rent are forced to work longer hours, take on more than one job, or commute longer just to keep a roof over their head," says Kenneth Hale, the Director of Advocacy and Legal Services at ACTO. "If a person faces a health challenge or loses their job, they are at a great risk of becoming homeless."

Investing in a range of rental housing options

The majority of tenants in Ontario pay rent to private landlords. Since 1990, less than nine per cent of all new housing units built in Ontario were purpose-built rentals. Homeownership and condominiums have dominated the housing market. However, for the growing renter population, condominiums fail to replace the affordable rents of purpose-built rentals. "For decades our governments offloaded the responsibility of building affordable rental housing to private developers and landlords, whose end goal is to make profits," says Kenneth Hale. "Relying on the good will of these businesses to create rental housing that is deeply affordable for low- and moderate-income people has proven to be a failed policy."

Developers and landlords have invested very little in building new rentals, despite government policies that encourage higher rents. These policies include the current vacancy decontrol rules, the recently scrapped post-1991 exemption to rent regulation and generous rules for approval of rent increases above the annual rent guideline. "Government regulation of profit-driven markets is not causing our affordable rental housing crisis," says Kenneth Hale. "This crisis is a direct result of governments' failure to invest in affordable rental housing that provides a range of housing options such as non-profit rental, co-op and social housing that truly meet the needs of low- and moderate-income households."

[ACTO's report](#) highlights five main solutions to end Ontario's rental housing crisis. One of the key solutions is maintaining the provincial government's commitment to cost-matching the federal funds made available by Canada's National Housing Strategy.

About Advocacy Centre for Tenants Ontario

The Advocacy Centre for Tenants Ontario (ACTO) is a specialty community legal clinic, funded by Legal Aid Ontario, with a province-wide mandate. ACTO works for the advancement of human rights and social justice in housing for low-income Ontarians through legal advice and representation, law reform, community organizing, and education and training. The clinic also coordinates the Tenant Duty Counsel Program (TDCP) across Ontario, which provides legal information and assistance to self-represented tenants appearing at the Landlord and Tenant Board.

For more information including interviews with ACTO representatives:

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