Park Vista Tenants Association <parkvista.tenantsassociation@gmail.com>
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To: Standing Committee on Social Policy

Tonia Grannum:

Below is a written submission to the Standing Committee on Social Policy regarding Bill 184.

If someone was drowning, would you throw them a lifesaver or an anchor?

When it comes to safeguards for renters, the Ontario government seems poised to let renters risk being plunged into homelessness or stay afloat, depending on their legal savvy, their ability to navigate bureaucracy, their bank balance and the benevolence of landlords.

In the midst of an unprecedented crisis in our lifetime, the government is proposing eviction reforms that amount to an express lane for exploitation of vulnerable tenants.

The current process includes a key mandatory safeguard: A Landlord and Tenant Board (LTB) hearing process, which allows tenants to have access to duty counsel and a mediator. The government is proposing to allow landlords and tenants to reach “side deals” outside of the Landlord and Tenant Board process.

The onus would rest on each side to best protect their own interests, which often aren’t aligned. The landlord wants as much rent, as soon as possible and can often boost the existing rent significantly if a unit becomes vacant. A tenant behind in their rent needs a place to live, but may be struggling with job loss, reduced hours or a reduction in household income. They want flexibility, more time to pay and to stay in their unit. Under the current system, the LTB process can help the two sides reach a fair deal.

Eliminating the LTB hearing as a mandatory first step removes an important “referee” from the initial process, leaving both sides to defend their interests on their own. That would work if the playing field were level. But it’s not. To mix metaphors, in some cases it would be like pitting Muhammad Ali (in his prime) against someone who had never stepped into a boxing ring.

My landlord, Canadian Apartment Properties REIT (CAPREIT), had operating revenue of more than $777 million in 2019 and net operating Income of more than $508 million 2019. Their net operating income margin was 65.3%. So about one-third of total revenue went to operating expenses (including repairs and maintenance, wages, administration, insurance and legal costs), the rest was profit.

As I hope you can appreciate, an entity with more than $777 million in annual revenue has a bit more flexibility to cover legal advice and expenses than the average tenant struggling to pay their rent.

Perhaps persuaded by assurances by landlord lobby groups that tenants will be treated fairly, the province is now proposing to loosen the rules around evictions. I'd like to provide a cautionary tale.

On November 26, 2008, the parking garage structure in a CAPREIT building in St. Laurent, Quebec, collapsed, pinning a man in his vehicle and crushing him to death. In 2010, a coroner's report concluded that construction defects, improper repairs and inadequate oversight caused part of the garage to collapse.

The family of the man killed in the collapse tried to sue CAPREIT for damages, but the Quebec Superior Court ruled that the incident was a traffic accident, and therefore covered by Quebec's no-fault insurance program, which prevents people from suing for punitive or compensatory damages.

This situation is a reminder that what is legal sometimes comes down to rules – rather than fairness and decency.

Given the tight rental market in Toronto, tenants are often at the mercy of landlords. While there are some small landlords who are struggling to cover bills, there are also large landlords churning out massive profits and always looking for more ways to further boost the bottom line. This bill would add more tools to an already hefty toolbox. I urge the committee to NOT eliminate existing protections in the eviction process.

While there are some worthwhile measures being proposed in Bill 184, the changes to the eviction process are a gift to landlords and would be disastrous to the most vulnerable tenants, especially those whose normal lives have been disrupted by COVID-19.

Prior to his redemption in the movie *A Christmas Carol,* Ebenezer Scrooge brushes off a request for a holiday donation to the poor with the callous words: "Are there no prisons? Are there no work houses?"

We have prisons. We don't have work houses. People seeking affordable housing in Toronto can face a 10-year wait.

Prior to the COVID-19 crisis, there was already an affordability crisis, with nearly a quarter of renters in Toronto spending more than 50% of their household income on rent and utilities, and 47% of households spending more than 30% of their income on rent and utilities.

The shelter system is strained and conditions can be so challenging that some people would prefer to pitch a tent in a park, live under an expressway or sleep in the doorways of businesses or under bridges. Walk down Bay St. and you may see a Ferrari roar by a person sleeping in a bus shelter. It's wildly optimistic to expect people to pull themselves up by their own bootstraps if they can't afford boots.

In a March 20, 2020 *Toronto Star* news story, Premier Doug Ford was quoted saying: "No one should be able to be kicked out of their home or their rental apartments based on not being able to pay the rent.

"That's just not going to happen. We won't allow it to happen. We have to make sure that we take care of the people."

We applaud the province for stepping in and temporarily suspending eviction orders.

Going forward, we need to have a process in place so that people at risk of eviction have access to expert help and support. Please don't shred the safety net.

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