

The Tenant



*Federation of Metro Tenants' Associations
- Fighting for Tenants' Rights since 1974 -*

Winter/Spring 2009

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New Legislation

By Dan McIntyre

Smart Meters – Victory for Tenants

Landlords can not install sub meters until further notice. Tenants can not be billed based on a smart meter. This is based on a compliance bulletin issued by the Ontario Energy Board on March 24.

There are no provisions for installing sub meters in rental buildings. This stops all unlicensed activity. The insufficient rent reductions being offered led many tenants to fight along with us. It was a back

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Rent & Recession

By Howard Tessler

Chrysler knows it. Obama knows it. And you know it too. The economic system seems to have gone (or is going) through a fairly severe collapse since the last 10 months. Daily announcements of job cuts, bankruptcies, and governments giving billions to financial institutions and banks have become common place.

How does this 'downturn' affect tenants in Toronto?

At first blush affordable rent has always been an issue in this city because of supply. In addition to supply factors, Statistics Canada shows the median household income in Toronto went from \$66,757 to \$64,128 between 2000 and 2005. In the same period, the cost of living increased by 12 per cent. In other words we earn less but we pay more.

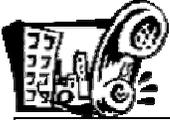
The Wellesley Institute, a

Toronto-based think tank, issued a report in 2008 bringing the problem into clearer view by focusing in on what this means to Toronto tenants. In 2000 to rent a 2 bedroom home you needed a household income of \$39,160 per year. By 2005 you needed an income of \$42,080. The number of households who didn't have that type of income went from 29% to 35% of tenants between 2000 and 2005.

If this was during "good times", what about now?

The Tenant Hotline started to get calls about Non-Payment of Rent Eviction applications (N-4's) from people that had recently been fired or had their hours reduced a couple of months ago. Last month we decided to start tracking these numbers. Hotline callers are telling us that they are starting to feel the recession in not being able to pay the rent.

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Ask the Hotline

By Dale Whitmore

Q: My landlord has fallen behind on their mortgage payments and the bank may foreclose on my building. What will happen?

A: If your building is repossessed, the bank will become your landlord. The bank is bound by any tenancy agreement or lease, written or unwritten, you had with your landlord.

The bank is legally required to give you notice that it has become your landlord. However, the bank may not know that you're living there. If you suspect that a bank has taken over your building, be sure to contact them to let them know you're a tenant there.

Q: Can the bank evict me?

A: Due to the recession the Hotline is receiving ongoing training on this issue. The *Mortgages Act* has eviction provisions when tenants are renting a single family home. However, in recent decisions, the *Residential Tenancies Act* has been found to prevail over the *Mortgages Act*. Under the *Residential Tenancies Act*, if you do not have a lease, the bank may be able to evict you if they have found someone to buy the building. They will have to give you 60 days' written notice, but the notice doesn't have to be for the end of the month. Because the situation is not crystal clear, if you do get a notice, call the Tenant Hotline right away.

Of course, the bank or the new owner can still evict you if you don't pay your rent, you commit an illegal act in the unit, or there are other legal grounds for eviction. The bank and the new owner have all the rights that your old landlord had before the foreclosure. If anyone takes steps to try to evict you, again call the Tenant Hotline right away.

Myths & Facts

By Pauline Hwang

MYTH: I have to give 60 days notice to break my lease.

FACT: No. Tenants cannot break a lease by simply giving notice. If you do so, you may be found to owe more rent for the time it takes the landlord to find a new tenant. If you need to move out before your lease terminates, and don't want to risk owing more rent, you can terminate legally. Ways to do that include signing a written agreement with your landlord, assigning your unit to another

tenant, or getting an order from the Landlord Tenant Board to terminate early for a reason such as serious lack of repairs, harassment, etc.

MYTH: I'm not on a lease, so I need to give 30 days notice to move out.

FACT: No. When you are a month-to-month tenant (i.e. no lease, or your lease ended), you still have to give at least 60 days written notice to move out. Your end date must be on the last day of a rental period, and you must give notice by midnight on the first day of a rental period. For example, if

you give notice February 2nd, you could have a termination date of no earlier than April 30th. If you had given the notice by midnight on February 1st, you could move out March 31st instead.

MYTH: My lease is up, so I have to renew for another year if I want to stay.

FACT: No. You don't need to sign for another year, and you don't need to move out. If you don't sign for another year, you automatically become a month-to-month tenant. All the terms of your original lease continue to apply.

Legislation Continued from Front Page

door way to increase profit for the landlord (by freezing the cost).

As tenants, we continue work towards reasonable and balanced measures to conserve energy. Special thanks to those tenant leaders who made this victory possible including people like Jung, Ildi, Sandi, Ekoa, Ivy, Michael and John and so many others who wrote letters and took action! Together we are strong.

Harmonized Sales Tax

Landlords are predicting that the HST will lead to more large rent increases. The HST will be a concern, but should not lead to panic. The HST will be added to some operating costs, including heat and hydro. A landlord could apply for an above inflation increase if heat, hydro and water increase by more than 50% above inflation. However, the HST factor can not hit until 2011 or later.

The HST is obviously a controversial issue, and all tenants are encouraged to take an interest and voice their opinion. We will do what we can to avoid landlords exploiting the issue for higher rents.

Building Audit Blitz

To date, the City has inspected 69 buildings under their special investigation plan. They have issued 428 orders and found about 2000 deficiencies! The work has lead to much being done, but also proves that tenants are not getting what they paid for.

The Outreach Team is now following up on a number of these buildings. Our question is this: why they are not getting automatic rent reductions or at least a rent freeze?

Tough Times For Tenants

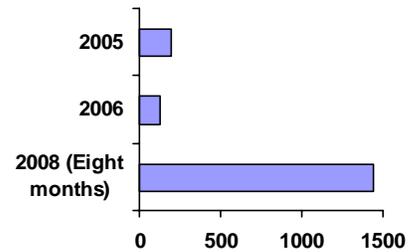
The Residential Tenancies Act has failed to make rents affordable and failed to ensure good maintenance. In 2008, 69,000 tenant households faced eviction in Ontario. A new record and that was *before* the recession has fully hit.

Now, the world is in an economic crisis and we are not immune. It is time for us to step up the fight to get the real rent control that was promised to us. The 2010 guideline should be zero – but don't hold your breath for that.

Landlords are virtually immune as tenants have a choice of paying the rent or being evicted.

We need to be stronger and more united to help us through these tough times.

Explosion in Bed Bug calls to Toronto Public Health !



The Bed Bug Problem is growing in Toronto. For the latest on the City of Toronto's Bed Bug information, go to:

www.toronto.ca/health/bedbugs

New at the FMTA !!!

By Geordie Dent

New Website

Recently the FMTA received a grant from the City of Toronto to redesign our website. After a long period of editing, conceptualization and work, our new website is up! New language areas have been added for better access our material in 12 languages. Also if you would like to post a tenant event on our website, e-mail fmta@torontotenants.org. Check out www.torontotenants.org today!

FMTA in the Media!

The FMTA has recently been making headway in the media on a number of important

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Federation of Metro Tenants' Associations

27 Carlton St.
Suite 500
Toronto, Ontario
M5B 1L2

TENANT HOTLINE
(416) 921-9494

OUTREACH &
ORGANIZING
(416) 413-9442

OFFICE
(416) 646-1772

FAX
(416) 921-4177

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tenant issues.

In March, the FMTA was quoted in the Toronto Star regarding unlicensed Smart Meter activity. That same month we broke a story on an on-line database of tenant information which was accessible on the internet. Both unlicensed Smart Metering and the database have been shut down thanks in part to FMTA efforts and we continue to work on other important issues.

Recession, Continued from front page

Last year 69,000 N-4 applications were issued in Ontario. We don't have, unfortunately, the statistics on how many of these were for Toronto as the Landlord and Tenant Board is not releasing the information.

In March Toronto had the highest unemployment rate (8.8 per cent) of the major cities in Canada. Some economists say that the unemployment rate will reach 10 per cent by next year.

The City of Toronto has made some plans to try to help. There are new funds being made available to those facing eviction through its Rent Bank programs, the Emergency Rental Deposit Loan Program and the Social Housing In-Situ Allowance. Those wanting to apply should contact the Hotline for more info.

Times for tenants have never been rosy. But the current crisis may turn into a housing disaster without aid for tenants.

Visit our website! www.torontotenants.org

Become a member of the FMTA!

I will pay my membership dues by:

Cheque or money order
(made out to FMTA)

Cash

Name: _____
Address: _____ Apt. #: _____
City: _____ Postal Code: _____
Telephone: (h) _____ (w) _____
Fax: _____ e-mail: _____

Yes! I would like to donate \$ _____ to the FMTA!

Type of membership:

New Member Renewal

- Individual: \$15/year
- Senior, student or unemployed: \$5/year
- Sustaining Member: \$50/year
- Homeowner (non-voting): \$25/year
- Organization (non-voting): \$25/year
- Tenants' Association: _____ units, \$10/year/unit (minimum 3 units)