

SHUT OUT - Discrimination in the Rental Housing Market

CAEH Conference 2023 : Halifax

Institute of
Urban Studies



THE UNIVERSITY OF
WINNIPEG

Introduction

“SHUT OUT - Discrimination in the Rental Housing Market”

- CMHC funded research on rental discrimination in private housing market
 - Institute of Urban Studies: Dr. Gina Sylvestre, Scott McCullough, Michael Dudley, Dr. Marc Vachon
 - CMHC Project Managers: Julia Markovich, Mary-Kay Bachour, Kathleen Worton
- Examines discrimination in the rental housing markets of Ontario and Québec (2022).
- Review the state of knowledge, and how discrimination affects different marginalized individuals and groups.
- **GOAL:** to advance discussions about discrimination and the development of strategies to prevent inequitable treatment.

Research Design

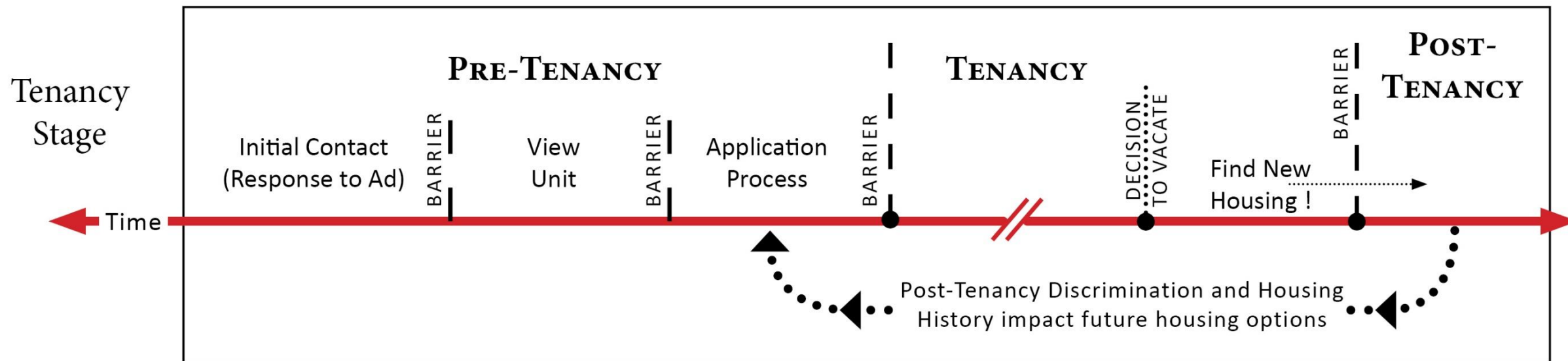
- Literature Review – international
- Interviews with professionals working in housing and legal housing services (n=30).
- Interviews with people who have lived experience of rental discrimination (n=8).
- Most interviews in GTA and Montreal Region, but also small municipalities in ON & QC.
- Broader scope than most discrimination work in Canada: multiple geographies, two languages, urban and rural areas included, GBA+, multiple demographics.
- Developed **NEW FRAMEWORK** for understanding discrimination.

Key Findings

- **Stages of Tenancy** when discrimination happens is important.
- **Who** is impacted varies by **Stage of Tenancy**, and vulnerability.
- **Landlord Types** and differences amongst landlords is important.
- **Economic Discrimination** emerges as the most prevalent form of discrimination.
- **Reasons for Discrimination** also impact how it happens and potential solutions:
 - **Statistical Discrimination** (lack of knowledge) vs. **Animus Discrimination** (personal hostile attitudes)
- **Little recourse** under current system. Not enough tools. Tools not strong enough.

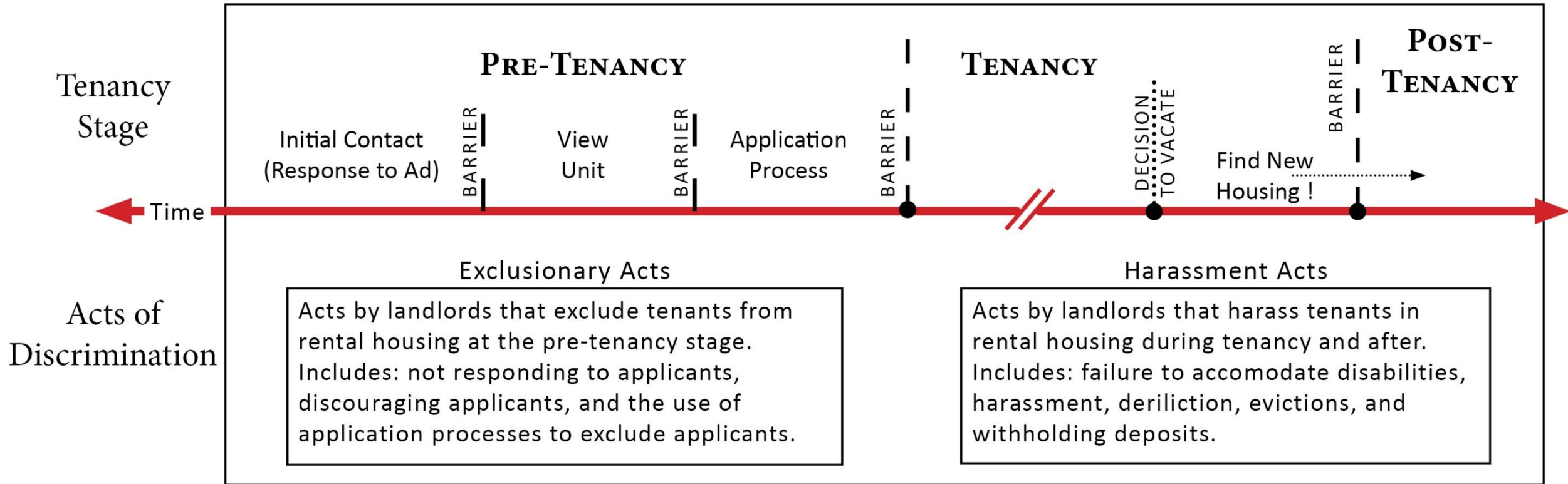
BUT, nuanced understanding leads to strong findings, with actionable recommendations for governments and service providers.

Stages of Tenancy



- Different groups of people affected at each stage.
- Importance of discrimination at later stages affecting future housing options.
- Almost all other research only looks at Pre-Tenancy.

Stages of Tenancy



Landlord Types

Interview participants drew sharp distinctions amongst **Landlord Types**:

- large corporate landlords
- small-scale unincorporated landlords
- condominium boards, and cooperative housing boards.

- **Discrimination** occurs amongst all landlord types – but is enacted differently.
- **Type of landlord determines the most prominent form of discrimination.**

Landlord Types

Corporate Landlords:

- Awareness of legal responsibilities and the law, use of legal council.
- *** Standardization of application forms and processes.
- Uncommon to see animus discrimination.
- Use of tenant screening process that often has discriminatory practices embedded within it (Institutionalized Economic Discrimination).
- As long as an applicant can meet the requirements, landlords will rent.
- Housing Workers argued the application process can be inherently discriminatory against those with lower income, bad credit, or disabilities.



Landlord Types

Small-Scale Landlords:

- Also discriminate but can be:
 - Statistical Discrimination (Lack of Knowledge)
 - Economic Discrimination
 - Personal bias (animus)
- More likely to commit overt discrimination compared to corporate landlords.
- But also more flexible and accommodating – especially within known communities.
- ***Tend to have less knowledge and resources.
- Discrimination during tenancy and post-tenancy are also more common.

Economic Discrimination

“...you’re on social assistance and we don’t want to deal with people like you.”

(Statement by landlord to tenant, reported by Housing Advocate)

- Discrimination based on amount of income OR source of income.
- Landlords use economic indicators to select “the best” tenants (highest income & credit).
- The **most prevalent** manifestation of discrimination.

TWO critical points:

- So prevalent and ubiquitous that it **obscures** intersecting social forms of discrimination.
- Economic Discrimination intersects with the tight housing market:
enabling discrimination, and intensifying discriminatory practices.

Who is Impacted

“The way it plays out, at least among the folks that I work with, is that they’re interested in a unit, and over and over again, are not able to get it. They’re not necessarily given the overt reason: “I’m not renting to someone with ODSP”. More often, **its such an intensely structural phenomenon** of never being able to rise to the top of a very competitive pile of applicants.”
(Housing Advocate #3)

Pre-tenancy:

- Economic Discrimination - those with lower-income, on social assistance, or who have poor credit histories.
- Racialized people: discrimination still commonplace.
 - Acts include the ‘way owners act’, intrusive questions, non-response to inquiries.
 - But usually subtle and difficult to prove. Easily dis-avowed by a landlord.

Who is Impacted

Pre-tenancy:

“...landlord said there was a student coming from overseas that paid a whole year in advance... If I was the landlord, I would have given the apartment [to them too].

(Racialized New Immigrant, TO)

“...international students... are easy targets for unscrupulous landlords.”

(Legal Council, Southwestern Ontario Municipality)

Newcomers to Canada: limited income, lack of knowledge of housing and legal systems.

- Includes asylum seekers, new immigrants, and international students.
- Extra deposits, higher rents, and guarantors requested.

Who is Impacted

“...the worst I've seen was an owner who had a couple sign a paper saying that the day they were going to have a child they were going to have to move, so if the woman got pregnant, she had to leave. Even today, a female tenant who identifies as a single woman [can be] refused because she does not have a husband to pay with her, even when she has ample proof of income.”

(Coordonnatrice, Montréal)

- **Gender** plays a significant role in rental discrimination:
 - Key finding is the **strong association** between female identify, family status, and low income highlighting the **intersectionality of rental discrimination and gender**.
 - **Single mothers** were identified as **experiencing profound barriers**.
- **Older Adults:** economic discrimination, some landlords fear seniors aging into disability.

Who is Impacted

During Tenancy:

“[The Landlord] said “I’m sorry. You knew when you moved in here this building was not accessible”. He said he had “no obligation,” that “it wasn’t up to him to fix the apartment. That I knew [it wasn’t accessible] when I moved in, that’s the way it’s staying.”

(Person with a Disability, Lone Parent)

- Acts are predominantly ‘failures to accommodate disability’.
- Landlords' ability to **ignore requests for accommodation** points to severe failures in the systems meant to respond to discriminatory actions of landlords.
- Other groups affected experience harassment, including lack of repairs, harassment, evictions.

Post-Tenancy: mostly problems with deposit returns and recommendation letters.

Current Responses

- Little recourse for Tenants/Applicants under current system.
- **Limited tools** – primarily letter writing or bringing a case to Commission / Tribunal.
- **Lack of proactive enforcement** of the law.
- Human Rights Tribunals/Commissions action **takes years**, it does not help immediate **housing challenges**, nor does it result in **appropriate sanction** against landlords.
- Failures in the justice and housing systems.
- Legal Aid grossly insufficient. Legal Clinics don't have capacity.

Actions for Service Providers

Understanding how discrimination is enacted can aid your housing strategies:

- Understand landlords – and target them strategically.
- Economic Discrimination is primary – ensure applications are strong.
- Track incidences of animus and keep clients away from these landlords.
- The cyclical nature is important.
- Be clear with clients of costs of LTB or Human Rights complaints
- Advocate for stronger government intervention in discrimination.

Recommendations for Governments

Economic Discrimination:

- Build affordable housing, increase benefits, to reduce incentives to discriminate.
- “First come, first served” laws can also deter economic discrimination.

Justice/Legal System:

- Developing a proactive preventative legal measure (such as an investigative body).
- Allowing ‘public interest’ prosecutions (currently disallowed).
- Increasing fines could reduce discrimination at the system level. Deterrent function.
- Target ads, give power to Commissions/Tribunals to address pre-tenancy discrimination.
- Return to in-person tribunals, ensure access. Provide support for complainants.

Recommendations for Governments

Recommendations for Policy regarding Landlords:

- Legal measures most effective with large-scale corporate landlords.
- For small-scale landlords, targeted education and licensing.

Services:

- Provide sufficient resources for direct-service housing organizations, advocacy groups, and legal clinics.

Recommendations for Governments

Education:

- Broadly needed for Landlords, Tenants and Public.
- Enacted through existing Housing Service providers.

Rent Control:

“If there is one single measure the Ontario provincial government could take to tangibly address the worsening housing crisis in the province, it would be to eliminate vacancy decontrol.”

(ACTO, 2021)

Conclusion

- Current efforts to combat discrimination appear to be fragmented, underfunded, and stymied by judicial delays and burdens.
- There are measures that could be taken to reduce the levels of discrimination seen in the rental housing market. These measures would reduce Economic Discrimination and Statistical Discrimination (lack of knowledge).
- None of the recommendations brought forward by Housing Professionals suggest measures that could reduce animus discrimination.

The recommendations suggested provide direction for system-level change as well as measures to address individual acts of discrimination.

SHUT OUT – Discrimination in the Rental Housing Market

Full Report and CMHC Research Insight:
www.uwinnipeg.ca/ius

Primary Contact: Scott McCullough
s.mccullough@uwinnipeg.ca

Institute of
Urban Studies



THE UNIVERSITY OF
WINNIPEG

Rental Environment that Prospective Tenants Operate In

