

# STATE OF RENTERS DURING COVID-19



## SURVEY REPORT



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# INTRODUCTION

COVID-19 has changed our lives like never before by bringing a unique set of issues. However, these challenges get even more complex and compounded for people who are already living at the margins. Low-income Canadians and those most vulnerable struggling to make both ends meet find themselves in even more desperate situations with the pandemic which is not just a health crisis but an economic crisis as well.

Statistics continue to paint a grim picture when it comes to access to affordable and healthy housing and with the COVID-19 pandemic, the situation will only worsen especially for renters and those on low-income or those who belong to the most vulnerable sections of the population.

ACORN Canada, a national independent community organization, reached out to 1082 people across Canada to understand the issues people are facing during the pandemic, especially those relating to their ability to pay rent as it falls due again on May 1st and the problems they are encountering in their buildings/apartments as lack of maintenance and repair poses a major public health risk especially during a pandemic. The survey contained mostly multiple choice questions with few open-ended questions. It went out to ACORN members across Canada on 20th April 2020, in both French and English. While most responses were gathered online, some phone calls were also made to reach out to those who don't have access to the internet.

This report provides the main findings of this survey and calls for urgent measures that governments - Federal, Provincial and Municipal - need to take to ensure that people at the margins get the support they need in times of this crisis.

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# CONTEXT

## THE AFFORDABILITY & LIVEABILITY QUESTION

According to the latest **Canadian Rental Housing Index 2019**, 40% of Canadians spend more than 30% of their income on rent. The Canada Mortgage and Housing Corporation defines housing as affordable if 30% or less of an individual's income goes toward rent. Twenty ridings across the country face toughest affordability challenges where more than 25% of the renters spend at least 50% of their income on rent and utilities. And all this, when as per the annual Affordability Index survey, 53% of Canadians who live paycheque to paycheque with 27% of people don't have enough for their needs and 58% having too little money to spend on their wants.

A recent report by the Canadian Centre for Policy Alternatives also throws insight into the lives of Canadians, especially renters. Across Canada, 3.4 million households whose primary source of income is either wages and salaries or self-employment don't own a home: they rent. Based on 2016 data, 46% of working tenant households have less than one month of employment income in savings. Digging deeper, 24% of working tenant households don't have a week's worth of savings, and 42% can't weather more than two weeks. Loss in one pay cheque immediately puts people at a huge risk of homelessness.

However, not only is the housing unaffordable, in many cases, it is also not liveable! Over the past few years, ACORN Canada has reached out to thousands of low-income and vulnerable people to understand the challenges tenants face in relation to maintenance and repairs in their buildings. Surveys conducted in Hamilton, Ottawa, Toronto and Nova Scotia - all have highlighted the substandard conditions renters continue to struggle with. However, during the COVID-19 pandemic, maintenance and repair issues assume greater significance as lack of attention on these pose a huge public health risk.

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# KEY FINDINGS

## *Renters vs. Owners*

- An overwhelming 97% of people who responded to the survey are renters.
- Vast majority i.e. 73% of respondents reported paying less than \$1500 per month in rent followed by a small proportion of people who reported paying between \$1500-2000 in rent. A negligible proportion of people reported paying more than \$2000.

# 60%

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## EARN LESS THAN 25,000 IN A YEAR

- One-third people have yearly income less than \$15,000. Almost equal number of people reported having yearly income below \$25,000. So, almost 60% of people earn less than 25,000 in a year.
  - Roughly, slightly less than a quarter have income between \$25000 to 40,000. Very few people have income above \$40,000.
  - 56% of people reported employment as their source of income, followed by 25% of people who are on some kind of social assistance such as disability or income assistance.
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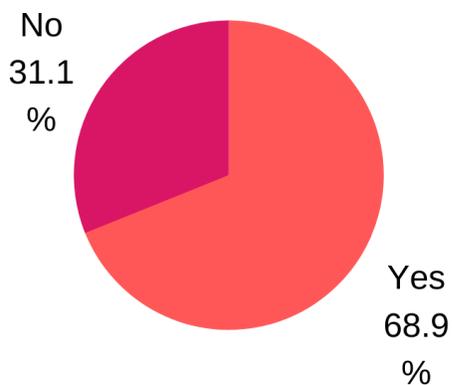
# Despite government support, people falling through the cracks

Around 70% of people said that COVID-19 had an impact on their financial situation.

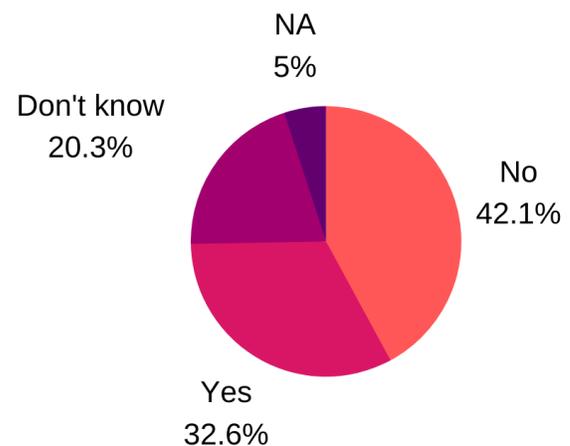
HOWEVER, when asked if they qualified for the new Canada Emergency Response Benefit (CERB) or Employment Insurance (EI), **42% of people said they still don't qualify for CERB or EI.**

This is critical as these and many more such people are falling through the cracks.

Change in Financial Situation due to COVID-19

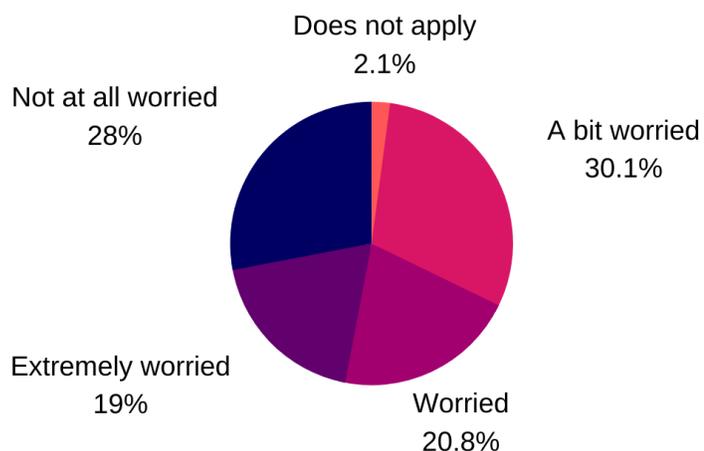


Whether qualify for CERB or EI

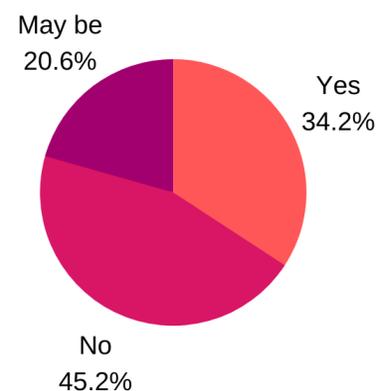


# How many people can afford to pay rent on May 1st?

## Worried about paying rent



## Short on money to pay rent on May 1st



Given that May 1st is approaching fast, we asked tenants if they were facing any issues paying their rent that falls due in a few days from now.

- **Almost 50% of people** said that either they are worried or slightly worried about paying rent on May 1st.
- **Twenty percent** reported that they are extremely worried about paying rent on May 1st.
- Several people i.e. **almost 35%** said that they don't have enough money to pay the rent that falls due on May 1st.
- When people were further asked if they will have to depend on someone to arrange the money for rent, around 15% of people would either have to rely on high interest loans such as payday or installment loans, borrow money from their family members or use their credit card.

# BUILDING MAINTENANCE/REPAIR ISSUES

## Harassment/Threat by landlords for not being able to pay rent

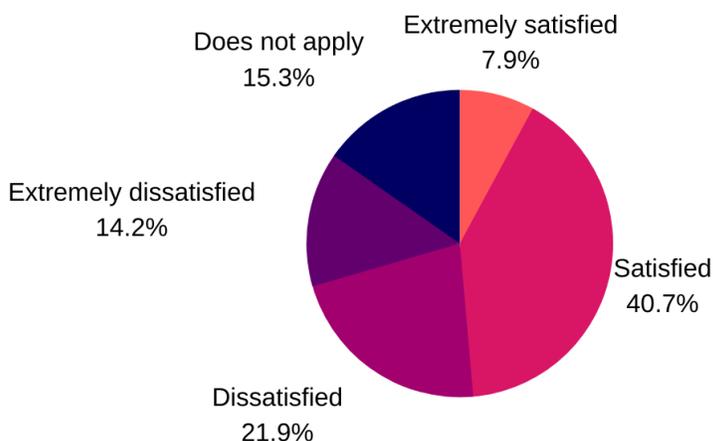
In light of the fact that many renters don't have enough money to pay rent and have been left to negotiate with their landlords for deferring rent payments, we asked if the attitude of the landlords was forthcoming given this crisis.

- **Fifteen percent or more than 160 people** said that either they already got notice of termination of tenancy or were being threatened for eviction by their landlords.

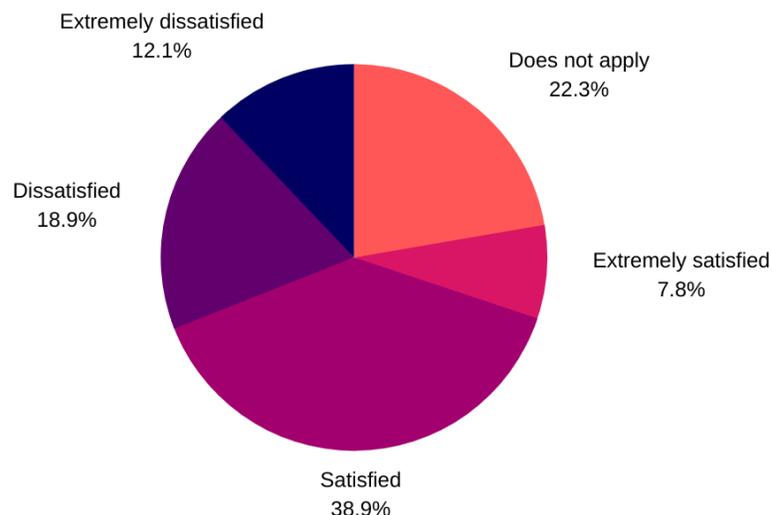
## Maintenance/Repair & Cleaning during the pandemic

- When asked if they were satisfied with the maintenance and repair related issues in their buildings during this pandemic, a negligible 8% people reported that they were extremely satisfied. Twenty one percent said they are dissatisfied and another 15% of people said they are extremely dissatisfied.
- Almost 30% of people said they are dissatisfied with the level of cleaning in their buildings during the pandemic. A mere 8% of people said that they are extremely satisfied with the level of cleaning in their buildings.
- Around 25% of people feel that the landlord is not taking adequate precautions to keep the staff and tenants safe during the pandemic.

### Upkeep/Maintenance of the buildin



### Cleaning of building during COVID-19



# WHAT DO WE WANT?



As May 1st is coming all too soon for thousands of renters across the country, this survey is an eye-opener to the real issues that renters are facing across the country. **The survey clearly shows that the support for renters is simply not enough and much more needs to be done.**

We need action from the federal and provincial government now. Federal government must step in where provincial governments don't and introduce the following measures for tenants and low income people in their jurisdictions.

- **RENT BREAK:** Federal Government and/or Provinces should offer adequate rent subsidies to renters ASAP. No tenant should be paying more than 30% of their income in rent.
- **RENT FREEZE:** Federal Government and/or Provinces should mandate rent freezes across the board. There should be no rent increases (automatic or otherwise) during the Coronavirus Crisis.
- **RENT CONTROL:** Federal Government and/or Provinces should mandate full Rent Control including Vacancy Control! Immediately and to continue after COVID-19
- **Ban Eviction Notices and Create Eviction Prevention:** Not only do we need a moratorium on evictions but also on notices of termination of tenancy due to non-payment of rent during the pandemic. We also need preventive action to protect tenants from getting evicted as soon as the pandemic is over.