

Reviewing Alberta's Residential Tenancies Act

ALBERTA LAW REFORM INSTITUTE





This publication is intended as a brief summary of our preliminary research into Alberta's Residential Tenancies Act. It outlines some of the issues people are having with the law.

The full detailed report can be accessed by scanning the QR code above or at bit.ly/issuespaper6

INTRODUCTION

The Alberta Law Reform Institute (ALRI) is working on a project to look at the rules for landlords and tenants in Alberta. This includes reviewing a law called the Residential Tenancies Act.

The Residential Tenancies Act explains the basic rights and responsibilities of landlords and tenants. It says what each side must do or not do. It also gives ways to solve problems between landlords and tenants.

This law does not apply to businesses renting space, people renting mobile home sites, or homes on reserve land. These are covered by different rules.

The Residential Tenancies Act is the main law for renting homes, but there are other important rules too. These are found in laws like the Public Health Act, the Alberta Human Rights Act, and privacy laws, as well as in decisions made by courts over time.

This law affects a lot of people. Over one-quarter of homes in Alberta are rented. Many people will be tenants at some point. There are also many landlords. Some landlords rent out homes on their own, while others work for companies.

This summary document highlights some of the issues raised in ALRI's first report in its Residential Tenancies Act project. ALRI's first report does not suggest any changes to the law. It lists issues that arise before a tenancy is created that might need fixing. However, some of the issues may be outside the scope of what ALRI can recommend for change.



WHAT INFORMED THIS REPORT

The findings in this report are based on the following:

Literature Review

ALRI lawyers reviewed the Residential Tenancies Act, its rules, and other related laws. They read case law, policy documents, and reviewed debates from the Legislature. They also looked at books, articles, reports, and blog posts, mainly from Canada. These came from lawyers, researchers, advocates, politicians, and others.

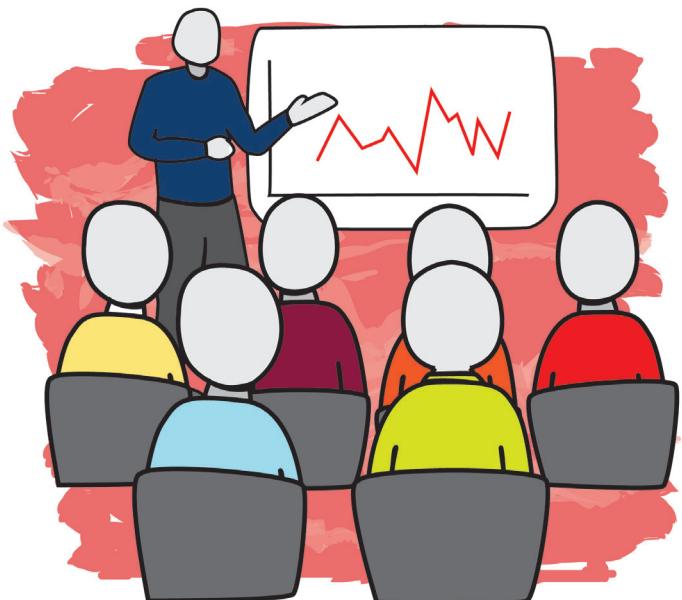


Consultation

To understand how the law works in real life, ALRI lawyers talked to people with direct experience. ALRI is finding that written sources do not always show the full picture, since most rental problems are handled privately. Even formal hearings are usually not public and few decisions are shared. ALRI lawyers found that talking to people helped them better understand the issues.

ALRI lawyers read many news articles that shared people's personal experiences with residential tenancies. They also used a new tool to learn about people's experiences, reviewing data from the Justice Data and Design Lab at the University of Victoria. The Justice Data and Design Lab uses machine learning to study posts people make on social media. The posts often describe legal problems and ask questions about how to solve them.

It's hard to know if one person's story shows a bigger problem with residential tenancies. However, all of these stories can help highlight possible issues in the law. In some cases, these stories supported problems ALRI heard about from other sources.



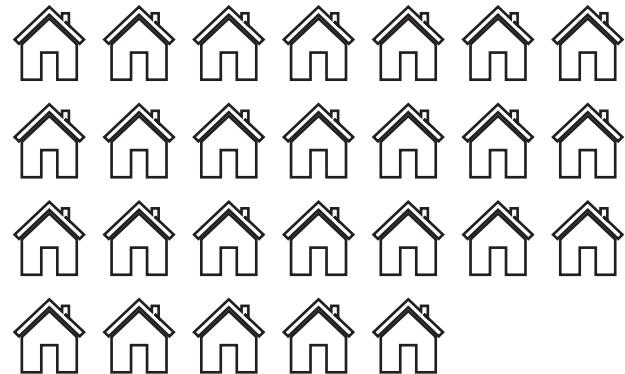
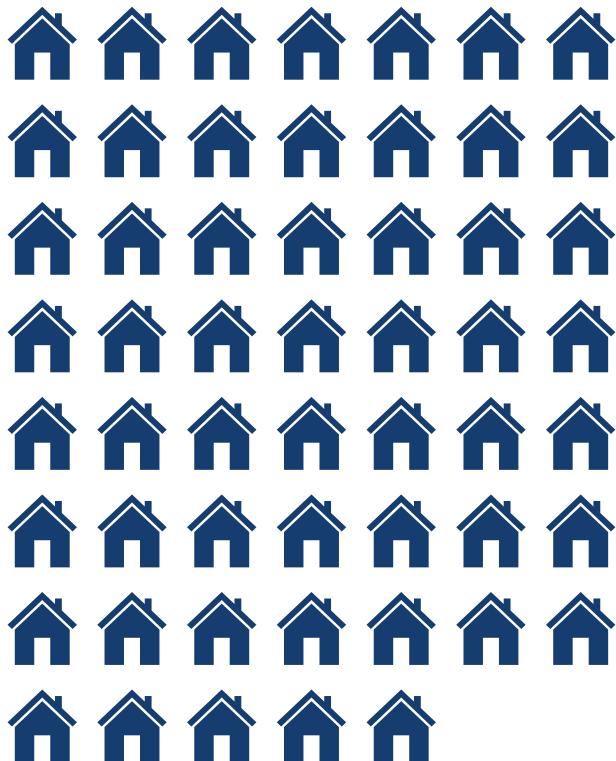
Considerations: Lack of Data

While working on this project, we quickly saw that there is a lot of missing information. It's hard to find clear and reliable facts, even for simple things.

Other researchers have also pointed out that there isn't much data about renting problems, especially when people lose their homes. Most of the data comes from the number of applications or hearings at places like the Residential Tenancy Dispute Resolution Service (RTDRS). But in other places, researchers have found that many problems don't lead to a hearing at all.



HOUSEHOLD OWNERSHIP VERSUS HOUSEHOLD RENTAL IN ALBERTA



According to the 2021 census, slightly more than one quarter of all **households in Alberta are rented.***

The Canadian Legal Problems Survey found that 9% of respondents had issues about "your house, rent, mortgage, or rent owed to you."**

Law reform to the *Residential Tenancies Act* has the potential to impact tens of thousands of households occupied by adult individuals, roommates, or families with young children.

* Statistics Canada, Dwelling condition by tenure, Canada, provinces and territories, on line: <www150.statcan.gc.ca/t1/tb11/en/tv.action?pid=9810023301>

**Laura Savage & Susan McDonald, "Experiences of serious problems or disputes in the Canadian provinces, 2021" Juristat (18 January 2022), on line: Statistics Canada <www150.statcan.gc.ca/nl/pub/85-002-x/2022001/article/00001-eng.htm>.

HOW COMMON ARE TENANCY PROBLEMS?

Concerns for Landlords

Rental problems can affect a landlord's money, property, and sometimes their wellbeing or the wellbeing of others.

The most common issues are not paying rent and property damage. Landlords told us these are their biggest concerns.

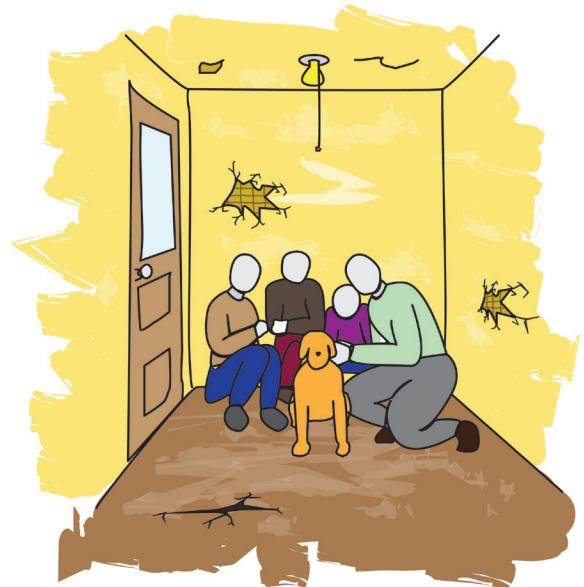
When tenants don't pay rent, landlords lose money. Even though tenants are supposed to pay, it's often hard or impossible to collect unpaid rent.

Damage to the property can lower its value and cost landlords money for repairs. Like with unpaid rent, it can be hard to recover those costs from tenants.

Concerns for Tenants

Tenants can have a difficult time finding a home that suits their family size, accommodates pets, or is accessible for their particular needs.

After finding a home, tenants' health, safety, and finances can be affected by maintenance problems with the home.





CONSEQUENCES FOR MISSED RENT

Rent costs are a big concern for many tenants and landlords. A change in someone's finances—like losing a job, a roommate moving out, or a breakup—can make it hard to pay rent.

Rent increases also cause problems. We heard from many tenants who faced big rent hikes. When there are few places to rent and prices are high, tenants may not be able to afford the new rent—but also can't find a cheaper place to move.

In a person's life, losing a home is a serious problem that can cause even more issues. Even the threat of losing a home can be stressful.

Landlords can also be suffer from missed rent payments, or rental changes. Some landlords, like large companies, can plan for these losses as part of doing business. For people who own just one or a few properties, the loss of rent can be very serious. It might mean they can't pay their mortgage or other bills, and in some cases it could lead to foreclosure or bankruptcy.

CONCERNS FOR THE COMMUNITY AND GOVERNMENT

When tenants and landlords can't solve their issues, they may end up in disputes that need outside help. Disputes often go to court or the Residential Tenancy Dispute Resolution Service (RTDRS). Other issues might go to groups like the Consumer Investigations Unit, the Alberta Human Rights Commission, or Alberta Health Services Environmental Public Health.

There are also indirect costs when people lose their homes. Unstable housing can make it hard to work, parent, and stay healthy. People who lose their homes may need shelters, social assistance, and health care. They might also get involved in family law or child protection cases.

The provincial government pays for most of these services. Some researchers think the government could save money by helping people keep their homes instead of dealing with the costs of homelessness.



CLARITY OF THE LAW

All laws should be clear. This is especially true for residential tenancy laws. Landlords and tenants need to know their rights and responsibilities. Knowing the law helps them follow it and fix problems.

Unfortunately, the Residential Tenancies Act is hard to understand. Many people in our early meetings said this was a problem. Even experienced lawyers can struggle with it. A volunteer lawyer said they often misread the law when giving legal advice at clinics. Sometimes, it's hard to find or understand important parts.

WHAT WE CANNOT ADDRESS

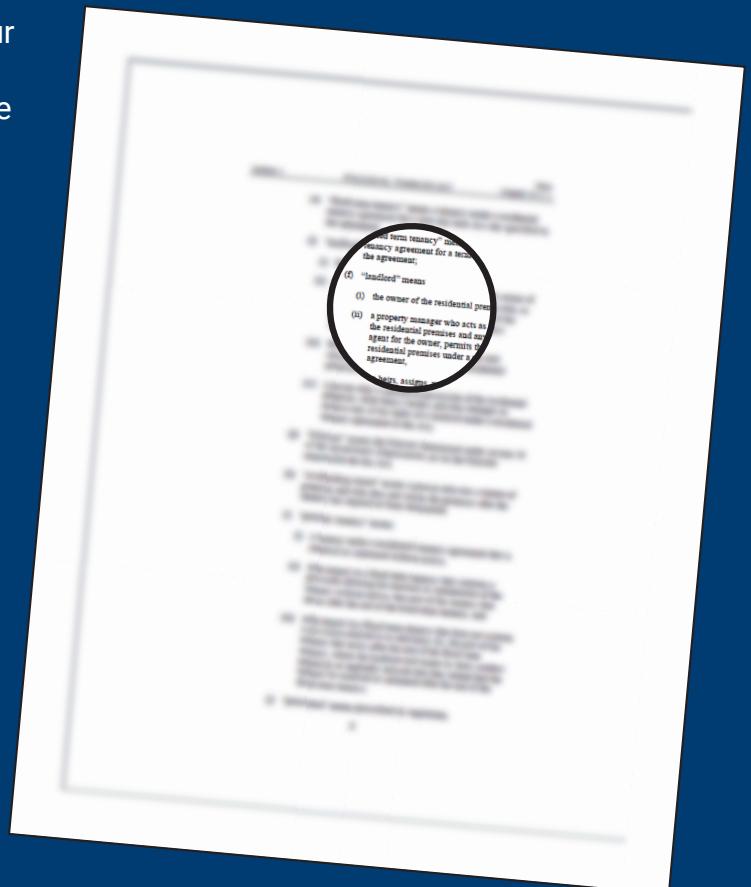
Our full report will show that the Residential Tenancies Act has many problems. Fixing these issues could make it easier for people to solve problems and avoid disputes. This could help landlords and tenants avoid losing money and make housing more stable.

But some issues can't be solved by new laws. In our early meetings, people talked about many issues that aren't the focus of this report. These issues are outside the scope of ALRI's project and are better handled by others.

Issues outside the scope of ALRI's project include:

- Right to housing
- Affordability, rent and rent control
- Supply of housing
- Financialization and consolidation of rental housing

Laws may never be perfectly clear for everyone, but they should be as clear as possible.



RULES OUTSIDE THE RESIDENTIAL TENACIES ACT

The Residential Tenancies Act may look complete, but it doesn't include all the rules for renters and landlords. Some rules are found in other laws, and others come from court decisions (called common law) or government policies. These extra rules can affect how the Residential Tenancies Act is used.

Landlords and tenants should be able to find the rules that apply to them. But having to search through different sources makes it hard—especially when some rules are only in court cases or policies. Most people without legal training won't know where to look. Others have raised this concern too.

In theory, public legal education could help fill these gaps. But most resources for landlords and tenants just explain the Residential Tenancies Act. They rarely mention case law or policies. This makes sense—those rules change often and explaining them can risk crossing into giving legal advice.

Some have suggested putting all the rules into one law (called “codifying”) to make things easier for everyone.





CONTACT US



Our full report, Residential Tenancies Act: General Issues covers many more concerns that landlords and tenants had.

The full paper can be downloaded at bit.ly/issuespaper6.

All of our reports are freely available electronically on our website. We encourage you to contact us. The Your Views section on our website was designed to let you choose to be added to our electronic mailing list or provide comments on the current projects we are working on. You can also use this option to suggest an area for review that we are not currently addressing.

You can also follow us on social media for the latest on our projects and developments in Alberta law.

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