## Legislate fair rents for tenants NOW

MARCH 6, 2025 Written by: Amanda Emms



Renters in Manitoba are experiencing astronomical rent hikes above the provincial allowable rent increase guidelines – and it's completely legal. In 2022, the average rent increase was 9.8%, but documented increases have been as high as 30%, 50% and 126% during the affordability crisis. Renters, meanwhile, will tell you that, yes, water is wet. And landlords have been allowed to work this system for years.

Renters need stronger rent regulations to stop landlords from using AGIs as a loophole to hike rents. We need fairness for tenants.

The annual rent increase guideline sets the maximum amount by which landlords can increase rents. The guideline is set each year by the government and is tied to inflation. This year it is set at 1.7 percent. The Residential Tenancies Act permits a landlord to request an above-guideline rent increase (AGI) by applying to the Residential Tenancies Branch.

Regardless of the quality or necessity of these renovations, the Act allows for AGIs when landlords have incurred capital or operating expenses above the small set annual rate of increase. There is no limit on the percentage rent increase a landlord can be granted as long as their claimed expenses are properly documented and fit within the allowable increases. Renters have no say in the upgrades to their homes, yet are being forced to pay for these changes—in perpetuity.

For example, a landlord can add new vinyl flooring on top of perfectly good hardwood floors, apply for an AGI for increased capital expenses, and jack up the rent for good. Landlords recoup these

expenses on the backs of renters within a limited period, yet can continue charging inflated rents.

Last week, the Canadian Centre for Policy Alternatives Manitoba published my study *From Repairs to Rent Hikes* with Sarah Cooper and Indira Cowkur, looking at tenants' experiences with AGIs in West Broadway. Tenants shared their negative experiences with the current Residential Tenancies Act (RTA) and challenges with the appeal process. Ninety-three percent of West Broadway residents are renters, and many have seen steep rent increases due to AGIs.

These increases blur the line between a landlord's responsibility to maintain their buildings and what expenses they can foist onto tenants.

One tenant from this study was displaced from a neighbourhood they love, while others have calculated how many more increases it will take to push them out. Another tenant says their financial and emotional stress were disregarded during their many appeals with the RTB. The verdict of their AGIs solely came down to their landlord's balanced receipts. Another called for anonymity to report their landlord's shoddy repairs and building neglect because they feared becoming a target.

Between 2008 and 2024, the 14 tenants in this study experienced 27 above-guideline rent increases ranging from three to 43 percent. Over half the interviewees experienced more than one AGI in their rental history. In the year since our interviews, three of them reached out after being hit with another above-guideline rent increase.

While writing the report in my rented West Broadway apartment, I watched window washers ascend on my building. Next came fresh paint for the window trims and new lights above our apartment doors. Over the holidays, our hallways were splashed with high-gloss paint and the wood flooring was ripped out for vinyl. These should be considered regular upgrades to maintain the building, but I worry and wait for the letter that offloads these costs on tenants like me.

The Manitoba government is scheduled to introduce a new bill to amend the Residential Tenancies Act this Spring. This law must be sufficient to protect tenants against unfair rent increases to ensure housing security and affordable rents.

Aligning with findings in the study, the Right to Housing Coalition is advocating for a new, stronger bill to be introduced in the spring session to strengthen rent controls in Manitoba. The Coalition is calling for an amendment that limits AGIs to no more than 9 percent above the rent increase guideline, and that calculates rent increases for capital expenses over 10-25 years compared to the current three to eight years. This would bring Manitoba in line with Ontario. The Coalition also calls for rent regulations to be applied to new buildings after five years compared to the current 20 and to units renting at more than \$1640 monthly, which are currently exempt.

Above-guideline rent increases are a glaring contribution to the increasingly unaffordable rent throughout Manitoba. The government needs to strengthen regulations to ensure that renters are not unfairly shouldering the burden of building maintenance during this affordability crisis and in perpetuity.

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