

Submission to Law Amendments Committee – October 23, 2023**RE: Bill 339 – The Financial Measures (Fall 2023) Act**

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Mr. Chair and members of the Law Amendments Committee.

Thank you for the opportunity to speak today on Bill 339.

My name is Amanda Knight. Not only am I a small rental housing provider in rural Nova Scotia, I take existing vacant or underutilized housing and breathe new life into them; adding to the housing stock that is so desperately needed in small communities. I own and manage 9 properties consisting of 19 units in Colchester and Pictou Counties and Antigonish.

First, I would like to say that I support the federal and provincial governments agreeing to an HST rebate on new construction. This should increase housing stock in the future for the record number of new residents arriving in the province.

When I spoke at Law Amendments in November of 2021, when the government decided to legislate the first extension to the rent cap, I shared a personal story of how the 2% rent cap would negatively impact rural and small rental housing providers.

I was specifically concerned about the units in which I and many other small rental housing providers were well below market rent. Units that people had lived in for years without a rent increase and more importantly, units that include heat in the rent.

Rent that is capped at 2% while costs are free to increase exponentially. At that time, I saw my oil cost increase from \$0.85/litre to \$1.13/litre over \$225 per fill up. Today, oil is approximately \$1.42/litre or over \$450 per fill up and oil has been high as \$1.98/litre over \$900 per fill up to heat my units, while my rent continues to be capped.

When the Heating Assistance Rebate Program – better known as HARP – was introduced for the heating season of 2019/20, it was “up to \$200 to low-income Nova Scotians who pay their own heat.”¹

Rental housing providers were relieved to see some form of rebate to cover our skyrocketing heating costs, however; even though we pay the heat in some of our units, we don't qualify.

¹ <https://novascotia.ca/news/release/?id=20191021003>

In January 2023, HARP was expanded from \$200 to \$1000 and as Minister LeBlanc stated “We are taking action to ensure the heat stays on this winter.”² And again, rental housing providers looked to see if they qualified for this round of rebates, but again, we did not.

Let me clarify, it is NOT the provincial government or HARP that ensure the heat stays on during the winter.

It is rental housing providers who pay for the heat that have made sure it stays on.

We have paid for this out of our pockets, by working more hours at another job, or as one rental housing provider shared, keeping their heat turned down and an extra sweater on, so they could afford to fill up the oil tank at their rental unit.

To add insult to injury, tenants, who don't pay for heat, were able to claim the full \$1000 rebate.

Initially, I couldn't believe there was not a mechanism in place to prevent this, but then more and more stories cropped up that tenants were applying and receiving the rebate. Tenants who are not paying for the heat.

In fact, one of my tenants proceeded to tell me that they had applied for the \$1000 and within a couple of weeks it was deposited in their account. They went to Montreal for a few days and I got to pay for the heat in their empty unit.

On the other side of the coin, I know of tenants who have written letters to their MLAs begging for this rebate to be forwarded to the owner of the property, because it is the property owner – not the tenant – who was paying the heat.

I asked the owner why her tenants were writing these letters and she gave me two reasons:

1. That the purpose of the program is “to help Nova Scotians’ who pay their own heat”.³
2. The tenants are scared.
 - a. They're scared of what will happen when the current owner can't afford to pay for the heat.
 - b. They're scared that if she can't afford the heat, she may be forced to sell her property.
 - c. They're scared they will be evicted when the new owners move in.
 - d. And they're scared that they will end up on the streets like so many others.

Based on HARP's definition of low to moderate-income Nova Scotians, many, many rental housing providers should qualify for this heating assistance rebate on their rental properties.

Sadly, rental housing providers that include heat in their rent don't qualify.

² <https://novascotia.ca/news/release/?id=20230130001>

³ <https://novascotia.ca/news/release/?id=20191021003>

I have a fourplex, that has 4 families that can all claim this \$600 rebate for a total of \$2400 under HARP, but they don't pay the heating,

I do.

Is it really asking too much for that rebate to be paid to me, to cover the heating costs that I pay on this property? Heating that in the past year alone has gone up \$2800.

We have witnessed this government provide incentives for new rental housing development and rebates for home heating but we have yet to see any help for small rental housing providers.

Gardiner Pinfold released a report in March 2021 where they said "as of June 2020, most (91%) of the 6,289 landlords in Nova Scotia are individuals renting few units, while the other 9% are businesses with employees" "Smaller rental operators are particularly vulnerable, and policies that squeeze revenues such as rent control undermine their chances of success."⁴

Your most valuable housing stock is your existing housing stock. It costs less to renovate and refurbish.

Your most valuable allies are the people within the industry, big and small, urban and rural.

When you put pressure on an industry, people with options will leave – and are leaving – and this will leave more Nova Scotians out in the cold.

Remember at the beginning of my remarks, when I said I own and manage 9 properties with 19 units.

When I appeared before you two years ago, that number stood at 11 properties and 24 units.

When MLAs make life harder for small rental housing providers, you are making the affordable housing crisis worse. You are putting more Nova Scotians out on the street.

Please stop attacking our sector.

Please start helping us – starting with extending HARP to include all of those that pay the heat.

Thank you.

Amanda R. Knight

⁴ https://www.ipoans.ca/wp-content/uploads/2021/05/Rental_Housing_Affordability_In_NS_Gardner_Pinfold_Report_IPOANS.pdf