



## Temporary Rent Regulation

*Question asked during Oral Question Period, 26<sup>th</sup> Legislature of Alberta, 3<sup>rd</sup> Session from Dr. Kevin Taft, Hon. Member from Edmonton-Riverview, Leader of the Official Opposition*

May 10, 2007

**Dr. Taft:** Thank you, Mr. Speaker. The Premier and his government want to claim that the affordable housing crisis is, quote, the price of prosperity. Well, it's not. It's the price of the failure to plan, and the price is too high for too many Albertans. Angela Grainer, for example, is a single parent making a moderate living, an average salary of over \$43,000 a year. On July 1 her rent will increase from about \$800 a month to \$1,200 a month. To the Premier. After Angela pays for just the basics, she'll be \$40 in the hole every month and in danger of losing her home. Can the Premier explain why this government refuses to put in place temporary rent regulations to help people like Angela?

**Mr. Stelmach:** Mr. Speaker, we debated the bill all night and to early this morning. The bill was lifted from committee and now is in third reading, and this bill will go a long way in protecting Albertans also with almost – well, more than a quarter of a billion dollars invested in affordable housing in this province. That's a substantial amount. We want to move forward to build more units so that we can accommodate more Albertans in decent accommodations.

**Dr. Taft:** Thank you, Mr. Speaker. But those efforts aren't going to help people like Angela and the thousands like her. The Premier should know that Angela and those others won't qualify for the assistance under this government's very flawed housing policy, and indeed the much more efficient thing to do is to bring in regulations. To the Premier. The Premier pledged that his government will help "anyone that requires some assistance in housing." Will the Premier now commit to revisiting his plan and finding a way to help people like Angela, people who are working hard but who are getting left behind?

**Mr. Stelmach:** Mr. Speaker, we have a number of programs in place to assist Albertans. One, of course, is the emergency shelter benefit program, the other is the rental supplement program, and the third the homelessness and eviction prevention fund. For specific details any minister can answer those in question period later.

**Dr. Taft:** Thank you, Mr. Speaker. The Premier and his government have attempted to dismiss this crisis as isolated incidents, something that can be fixed by the minister of housing having a chat with the landlords, and no doubt he's going to be having a lot of those chats.  
**Mr. Stelmach:** Might be having a chat with you, then.

**Dr. Taft:** Is that a threat, Mr. Premier?

**Dr. Taft:** To the Premier. Will the Premier finally admit that this housing crisis is a widespread problem, a genuine crisis affecting thousands of average Albertans that his government's policies will not help?

**Mr. Stelmach:** Mr. Speaker, I've mentioned this in the House numerous times. During the leadership campaign I recognized that this was a priority for government. It is a priority for government. We put money into affordable housing. We also have millions of dollars in protection for Albertans. We'll continue to work. We do have compassion and care for Albertans. And you know, Mr. Speaker, continually – continually – every month, new people come to Alberta from other provinces, other countries because there is some hope that they have a job here and they can continue with their life here in the greatest province there is to live in, Alberta. *Alberta Hansard, May 10, 2007*



Kevin Taft, Leader of the Alberta Liberal Caucus

## Rent Supplement Programs

*Question asked during Oral Question Period, 26<sup>th</sup> Legislature of Alberta, 3<sup>rd</sup> Session from Dr. Kevin Taft, Hon. Member from Edmonton-Riverview, Leader of the Official Opposition*

May 10, 2007

**Dr. Taft:** Thank you, Mr. Speaker. Well, the Premier and his cabinet have stumbled in trying to respond to the affordable housing crisis, and everybody in the province can see that. Programs have been announced without clear rules, and before they're ready to be implemented, phone numbers have been offered that provide no help. They admit that rent gouging is happening but offer no policy to stop it. I think Albertans would like to know who's in charge, that somebody – anybody – over there is in charge. To the minister of municipal affairs, and I want an answer from this minister, who is responsible, not someone assigned to come to his defence: can he tell us what the eligibility criteria area? What are the eligibility criteria for the rent supplement program administered by his ministry?

**Mr. Danyluk:** Well, thank you very much, Mr. Speaker. I would assure you that I don't need anybody to come to my defence, but I want to explain to you – and I think that has been tried many times – that if we do have individuals that are in emergency need, that is under the jurisdiction of Employment, Immigration and Industry. If individuals have concerns or challenges with the rent supplement, it is under the Ministry of Municipal Affairs and Housing. If you want to talk about the support that we are giving to municipalities, working with municipalities . . .

**Dr. Taft:** Well, thank you, Mr. Speaker. I'll repeat my question. I believe that the rent supplement program is under this minister. My question was this: can this minister tell the Assembly the eligibility criteria for the rent supplement program administered by his ministry? What are the criteria? Who qualifies?

**Mr. Danyluk:** Well, thank you very much, Mr. Speaker. The criteria for rent supplement and the policy of this government is that individuals should not pay over 30 per cent of their salary – 30 per cent of their salary – for housing.

**Dr. Taft:** Well, thank you, Mr. Speaker. Then, just in the spirit of making some progress here, does that mean that all Albertans who pay 30 per cent or more of their salary for housing should be contacting you for assistance?

**Mr. Danyluk:** Mr. Speaker, we are talking about affordable housing, and this affordable housing and rent supplement deals with individuals in need. If the hon. member of the opposition wants to rent a facility and he wants to rent and pay let us use an artificial figure of \$50,000 a year, we are not going to support him. This is affordable housing for people in need.

*Alberta Hansard, May 10, 2007*



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**Question asked during Oral Question Period, 26<sup>th</sup> Legislature of Alberta, 3<sup>rd</sup> Session from Mr. Mo Elsalhy, Hon. Member from Edmonton McClung**

May 10, 2007

**Mr. Elsalhy:** Thank you, Mr. Speaker. Before and during the debate on affordable housing this government maintained that they could not interfere in the market, that the market looks after itself. Well, not true, at least not all the time. When Alberta faced the BSE crisis, the government immediately stepped in with many programs and subsidies to protect farmers from losing their farms and homes. In July 2005 the six-point BSE recovery plan was brought in to rescue the struggling beef industry. They even set up a 1-800 stress line to counsel farmers in distress. Farmers were not left to fend for themselves. Can the Premier explain why his government acted so decisively to aid farmers in a crisis but refused to help Alberta renters living in big cities by bringing in temporary rent regulations? Why the double standard?

**Mr. Stelmach:** Mr. Speaker, obviously, the member isn't listening to the answers. I just listed a number of programs, including more than a quarter of a billion dollars for affordable housing, millions more in terms of protection for Albertans. And I'm going to make it very clear that what the hon. member is talking about was something as a result of a health issue in animals between trading partners. It was a major issue at that particular time. This issue in terms of housing, more people moving to Alberta: that's why we're putting, as I said, more than a quarter of a billion dollars into housing and protecting Albertans with a variety of programs.

**Mr. Elsalhy:** Mr. Speaker, I think some of the divide here is that many rural members of this Premier's cabinet aren't hearing these stories and cries for help in their constituencies, so I'm going to give them an example that they understand. In 2002 the government took over the function of regulating confined feeding operations. Now the NRCB controls and regulates livestock operations and feedlot sites. Isn't this an example where this government interferes in the market and private business? If you want to establish a new site or expand an existing one, you go to the NRCB. To the Premier: why not have the same approach for those few landlords wanting to jack rents over and above an allowed, accepted provincial average? They can appeal to exceed the cap if they can justify why. Tell me and the renters why this is any different.

**Mr. Stelmach:** This is another example of a member who sat here for some period of time, knows nothing about, obviously, the role of the NRCB. But you know, Mr. Speaker, the more I listened over the last few weeks, this must be the new Liberal way: pitting Albertans against Albertans. That's all they know. That's all they know.

**Mr. Elsalhy:** Thank you, Mr. Speaker. In October of 2003 former Premier Klein told Albertans he was frustrated with the auto insurance situation and the skyrocketing premiums, and for that he implemented a one-year freeze on premiums. He said to reporters, quote, it doesn't lower or higher insurance rates. It just says everything is on hold until we sort this thing out. End quote. To the Premier: your former boss reacted to a public outcry over auto insurance gouging and sided with the people. He was also admired for backing down when found wrong. Will you be as decisive as he was in those instances and ensure fairness in the marketplace? This time we're asking for a cap on rent hikes, a temporary cap, not a freeze, and it is not too late for an about-face. Will you or will you not?

**Mr. Stelmach:** Well, first of all, not everyone across the way there is asking for rent controls because, obviously, there were noticeable absences when it came to the final vote. The issue is completely different. However, we are being decisive. We are being decisive, because . . . [interjections] Oh, boy. What a reaction. That really gets them going. I guess you must have had a little bit of a lack of sleep last night. A little bit of lack of sleep, and you sure get irritated.



Mo Elsalhy  
Alberta Liberal MLA  
Edmonton McClung

Mr. Speaker, I can tell you that we are decisive as a government. That's why we put over a quarter of a billion dollars into affordable housing and millions more into supportive programs to support Albertans in need. We are caring, and we're compassionate. We'll continue to be so.

Alberta Hansard, May 10, 2007

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May 14, 2007

**Dr. Taft:** Well, thank you, Mr. Speaker. This government doesn't want to be seen to be flip-flopping on the need for temporary rent regulations, so they're tying themselves in knots, creating among other things a new landlord/tenant body that will attempt, rather feebly I am sure, to do what rent regulations could have done simply and effectively.

To the Premier: can the Premier explain specifically how the mandate of the new landlord/tenant body announced by the President of the Treasury Board is supposed to mesh with the existing residential tenancies advisory committee and with the existing tenancy dispute resolution mechanism? It's quite a dog's breakfast, isn't it?

**Mr. Stelmach:** Mr. Speaker, I think that the only person that was in knots last Thursday was the Leader of the Opposition. Quite frankly, the ministers are being proactive, looking at different ways of bringing in landlords and seeing how we can work through this particular situation. For the second question the minister responsible will respond.

**Dr. Taft:** Which minister would that be? Instead of establishing temporary rent regulations for existing buildings, this government is proposing to shame landlords through a public website. Responsible, competent governments set policy and enforce it. They don't attempt to punish behaviour that they continue on the other hand to defend as perfectly legal. To the Premier: can the Premier tell us what legislative authority the rent fairness standards will have and whether it's appropriate to publicly expose or shame landlords for doing what this government maintains is perfectly legal?

**Mr. Snelgrove:** Mr. Speaker, the advisory board was created back in 2003, so unless there are ministerial powers that I didn't know about, that they could think that's right, they've been there offering positive suggestions to the government for years. They are actually proactive in trying to come up with solutions that work, rather than simply hiding behind the fact that unless we have rent control, nothing will work. These are a group of dedicated Albertans who have asked to sit down and talk about how they can best work together to solve the problem we're facing, not into grandstanding with different individuals here.

**Dr. Taft:** Well, thank you, Mr. Speaker. Among those dedicated Albertans are a number of housing experts in particular communities, including, for example, places like Red Deer, who have already commented that the government's new scheme would not be effective in their communities. To the Premier: what is the Premier prepared to do to prevent rent gouging in the communities where the proposed mechanisms clearly won't work even as admitted by the members the Treasury president just referred to?

**Mr. Snelgrove:** Mr. Speaker, to suggest that this new body or that we have come up with new schemes is simply irresponsible. We have asked to sit down with them, and they have asked to sit with us and look at if collectively we can come up with some solutions to these problems. So to prejudice or presuppose what they might suggest to us is simply reading their own press releases and coming to the conclusion of what might happen. I think it's laudable that this group is willing to come forward and actually work to help some of these people who need our help in the difficult times that we all face, not this kind of help that they're offering.

Alberta Hansard, May 14, 2007



## Affordable Housing

*Question asked during Oral Question Period, 26<sup>th</sup> Legislature of Alberta, 3<sup>rd</sup> Session from Dr. Kevin Taft, Hon. Member from Edmonton-Riverview, Leader of the Official Opposition*

May 15, 2007

**Dr. Taft:** Well, thank you, Mr. Speaker. This government's response to the affordable housing crisis raises serious questions about its competence. At a time when Albertans desperately need clear direction and a solid plan, we get confusion and disarray. The Premier has lost control of this file. Questions posed to one minister get answered by another. At least three different ministers have programs, funds, websites, or committees at various stages of development.

My question is to the Premier. Can the Premier tell Albertans why the government's response to the affordable housing crisis is so confused?

**Mr. Stelmach:** Mr. Speaker, our response to the housing issue in the province of Alberta is very clear. It starts with a huge capital investment: \$285 million for affordable housing. It's followed up with legislation that was passed in the House. There are also rent supplement programs in place and also a safety net in place for those families that cannot find accommodation. That safety net, quite frankly, accommodates families of different sizes to ensure that we can find appropriate accommodation for them in the location of their choice.

**Dr. Taft:** Well, despite the Premier's assurances the confusion continues to grow. First, the Minister of Service Alberta announces a rent review panel, chaired by the Member for Calgary-Foothills, to establish a code of conduct and a public website to shame landlords who gouge tenants. Now it appears that he's backtracking and just looking to sit down with an existing committee to discuss solutions. To the Premier: is his government proceeding or is it backtracking on these flawed plans?

**Mr. Stelmach:** Mr. Speaker, the government is moving forward on any initiatives with respect to housing. This issue came up during the leadership campaign in the province of Alberta, and it's multifold. It's not only homelessness but also low-income rental units and families wanting to buy single dwellings. There are, of course, issues in all those categories. We're meeting with various authorities to make sure that we continue in our plan and build the number of units that we require to house all Albertans.

**Dr. Taft:** Well, this government's actions show that it's completely out of touch with the will of Albertans. A poll released just this morning indicates that a huge majority of Edmontonians and Calgaryans, including 78 per cent of homeowners, not renters but homeowners, support government limits on rent increases, something this government has opposed. To the Premier: how does this government so blatantly ignore



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the wishes of an overwhelming majority of Albertans on so fundamental an issue?

**Mr. Stelmach:** Mr. Speaker, clearly, affordable housing is an issue for all Albertans. As I said earlier, we have a four-point plan. We're proceeding on that plan, and of course most important is to provide as many housing units as possible in the province of Alberta. We've discussed this a number of times in this House. We are proceeding with a plan, and we will see more construction, more starts in the province of Alberta to help accommodate Alberta families.

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May 15, 2007

**Dr. Taft:** Thank you, Mr. Speaker. Well, of course, this government is out of touch with the public on all kinds of issues. A public opinion poll on managing growth in the Edmonton region revealed that 89 per cent of people across the whole region believe there should be more regional co-operation in the capital region. However, this government once again is not providing leadership on this issue.

To the Premier: why is the Premier so out of touch on another important issue affecting so many Albertans?

**Mr. Stelmach:** Actually, Mr. Speaker, we are working with all municipalities in the province of Alberta towards better co-ordination of planning. There is a focus, of course, in the capital region because of the huge growth. Many of the plans that are announced or will be announced shortly are in Sturgeon and the county of Strathcona, but they will impact all the municipalities in the area. That's why we're meeting to find out exactly the kind of infrastructure that's required, also the kind of follow-up on various social issues that may result from more people moving into the area and the various impacts on individual municipalities. That's the path we're taking, and we're going to keep those discussions going and build a plan for the capital region.

**Dr. Taft:** Well, thanks, Mr. Speaker. Keeping the discussions going is not working. Yesterday in this Assembly the Premier said he was, quote, confident that municipalities in the capital region are working effectively together, but I know from going to ACRA meetings and from talking to Edmonton city council that they're barely talking to each other. Clearly the municipalities are in chronic conflict.

To the Premier: how does the Premier justify his confidence that mandatory regional planning is not needed for the Edmonton region?

**Mr. Stelmach:** Mr. Speaker, I mentioned in the Edmonton Chamber of Commerce speech I delivered a few weeks ago that we are going to work with municipalities to build a consensus on a plan that will roll out well into the future a lot of the major questions with respect to infrastructure, with respect to some of the social needs of the various municipalities. I did indicate at that



time that it's not my wish to use a big stick because I have tremendous confidence in the elected municipal officials, but if after a period of time we cannot reach agreement, then we will have to step in. There is a huge risk here of a significant loss of investment if we don't have a very predictable, stable regulatory planning regime in place.

**Dr. Taft:** Thank you, Mr. Speaker. The Premier is right, at least, in saying that there is a huge risk here if there isn't strong regional planning. The Member for Sherwood Park is known, in fact, to oppose the interests of Edmonton in having strong regional planning. My question is to the Premier. Given that so much of the proposed development in the capital region is in his own backyard, is he also opposed to mandatory regional planning?

**Mr. Stelmach:** Mr. Speaker, obviously the hon. leader doesn't know where I live. I live south of Andrew and not in the north-east industrial heartland. Anyway, with respect to this whole issue of further development, we are privileged in the province of Alberta because through very good planning on behalf of the province in previous years most of the synergy of all of the plants that will be built, especially petrochemical plants, will be built in one industrial area, which will reduce the amount of footprint across the province of Alberta environmentally. Here's a conveyance of pipeline. We'll have additional transportation lines, rail lines built in that area. Now we have to take the next step and see how having so many workers in one area affects neighbouring municipalities, and we are doing that.

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**May 16, 2007**

Dr. Taft: Thank you, Mr. Speaker. The lack of affordable housing in Alberta is a big problem, and obviously every indication is that it's going to get worse. The CMHC predicts that vacancy rates, which are already dangerously low, will continue to fall and rents will continue to rise through this year and through next year as well. It predicts that few – few – of those new housing starts will be for renters. My question is to the Premier. The Premier has boasted in here repeatedly about the number of new housing starts, implying that somehow supply is already catching up to demand. Could the Premier tell us how many of the new housing starts he describes are likely to be rental units?

**Mr. Stelmach:** Mr. Speaker, this question that the hon. leader is asking today came up in a scrum yesterday with one of the reporters. Again, I repeated our four-point plan: \$285 million going into affordable housing. It's followed up with legislation. There are also two safety nets there, for both rental subsidies .

and also for families, those that may not have a place to live. We're there to support those families to find appropriate accommodation, and we'll continue to do so.

**Dr. Taft:** The Premier is missing the point here. It's about rental units. That's where the crisis is. The government appoints a housing task force in February in a big rush. They hear from it in March. They ignore it in April. They stumble and fumble in May. Now they've assigned yet another committee to give them some more ideas in June. Who knows when actual decisions will be made on those ideas? My question again is to the Premier. Can the Premier tell us when this government's plan for affordable housing will be finalized, and when will it begin to reduce the pressures at that most intense point on the rental market?

**Mr. Stelmach:** Mr. Speaker, last week and again this week, quoting from Statistics Canada: of the 210,000 housing starts more than 25 per cent of those housing starts were in Alberta, with a population of 3.4 million. That is an unbelievable accomplishment for the province of Alberta. That's the kind of direction we have to keep going: building more housing units to take the pressure off those that are renting. Move into individual; free up space. That's the way it's done.

**Dr. Taft:** Sometimes it's like talking to a brick wall, Mr. Speaker. The latest idea to be floated by the Premier, incentives to encourage developers to bring on new rental – rental – units, was proposed in the Alberta Liberal policy months ago, and I'm glad he's finally got around to reading it. He is certainly welcome to borrow more ideas, if he likes, from our policy.

**Dr. Taft:** My question is to the Premier. Can the Premier tell us: when will this decision be made, and when will the new tax measures be implemented?

**Mr. Stelmach:** All I can say is that we're taking a new leadership role as a government. We're looking at different issues, and in fact during the campaign I talked about looking at some incentives because time and time again mayors and city councilors and those in the building construction industry came forward in terms of issues tied to taxes. Some of that has come forward. We're going to look at it, and maybe there's an opportunity to work here with the federal government to change some of those policies.

*Alberta Hansard, May 16, 2007*



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