

Massive Favouritism of Homeowners over Renters Exposed Tenants Deserve Fairer Treatment from Governments

September 9, 2010 - A new report undertaken for FRPO and the CFAA by economist Dr. Frank Clayton shows that the federal government, the Ontario government and municipalities in Ontario discriminate against tenants. Nationally, the federal government provides an average of \$1,823 in subsidies per homeowner household, versus \$308 per renter household. Within Ontario, all together the three levels of government provide \$2,629 in subsidies per homeowner household, versus \$395 per renter household. This is done in spite of the fact that renters on average have less than half the incomes of homeowners.

Within Ontario, each level of government discriminates against renters with subsidies that favour owners. These subsidies include direct grants, tax expenditures and tax credits. The subsidy breakdown by level of government in Ontario is as follows:

	Tenure	Federal	Provincial	Municipal	Total
Total Subsidies	Owners	\$6,104,000,000	\$1,569,000,000	\$697,000,000	\$8,370,000,000
	Renters	\$479,000,000	\$83,000,000	\$0	\$562,000,000
Average Subsidy per Household	Owners	\$1,917	\$493	\$219	\$2,629
	Renters	\$337	\$58	\$0	\$395

A full copy of the report can be found at www.frpo.org or at www.cfaa-fcapi.org.

“Homeowners receive a truly staggering array of subsidies and tax breaks compared to tenants”, said Vince Brescia, President and CEO of FRPO. “It is appalling that this regressive discrimination occurs despite homeowners having double the incomes of tenants on average. The net effect is that renters are forced to subsidize homeowners.”

“It is outrageous that the federal government gives homeowners five times the benefits they give to tenants, especially when tenants have only half the income of homeowners” said John Dickie, President of the CFAA. “There is no reasonable justification for such massive favoritism of higher-income homeowners over lower-income renters.”

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