IN THE MATTER between **INUVIK HOUSING AUTHORITY**, Applicant, and **MARY LOU LOREEN AND ERNIE DILLON**, Respondents;

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5 (the "Act");

AND IN THE MATTER of a Hearing before, **HAL LOGSDON**, Rental Officer, regarding the rental premises at **INUVIK**, **NT**.

BETWEEN:

INUVIK HOUSING AUTHORITY

Applicant/Landlord

- and -

MARY LOU LOREEN AND ERNIE DILLON

Respondents/Tenants

ORDER

IT IS HEREBY ORDERED:

- 1. Pursuant to section 41(4)(a) of the *Residential Tenancies Act*, the respondents shall pay the applicant rent arrears in the amount of eight hundred seventy eight dollars (\$878.00).
- Pursuant to sections 41(4)(c) and 45(4)(e) of the *Residential Tenancies Act*, the tenancy agreement between the parties for the premises known as RU162, 22A Raven Street, Inuvik, NT shall be terminated on November 30, 2004 and the respondents shall vacate the premises on that date.

DATED at the City of Yellowknife, in the Northwest Territories this 3rd day of November, 2004.

Hal Logsdon Rental Officer

IN THE MATTER between **INUVIK HOUSING AUTHORITY**, Applicant, and **MARY LOU LOREEN AND ERNIE DILLON**, Respondents.

AND IN THE MATTER of the **Residential Tenancies Act** R.S.N.W.T. 1988, Chapter R-5 (the "Act");

AND IN THE MATTER of a Hearing before Hal Logsdon, Rental Officer.

BETWEEN:

INUVIK HOUSING AUTHORITY

Applicant/Landlord

-and-

MARY LOU LOREEN AND ERNIE DILLON

Respondents/Tenants

REASONS FOR DECISION

Date of the Hearing:	October 25, 2004
Place of the Hearing:	Inuvik, NT
Appearances at Hearing:	Victoria Boudreau, representing the applicant Diana Tingmiak, representing the applicant Mary Lou Loreen, respondent Ernie Dillon, respondent
Date of Decision:	November 3, 2004

REASONS FOR DECISION

The applicant alleged that the respondents had breached the tenancy agreement by failing to pay the full amount of rent and by failing to accurately report the household income in accordance with the written tenancy agreement between the parties. The applicant sought an order requiring the respondents to pay the alleged rent arrears and terminating the tenancy agreement.

The applicant testified that the respondents' income tax information had been compared to the household income declarations and pay stubs submitted for 2003. The applicant testified that the comparison indicated that \$5253 had not been declared as income. The applicant reassessed the rent for the months of March, April and May, 2003 based on the actual household income resulting in an additional \$698 of rent being assessed. All of the alleged unreported income came from a single source; Mary Lou Loreen's employment with Arctic Oil and Gas.

The applicant provided a statement of the rent account which indicated rent arrears before the reassessment in the amount of \$180. Adding the reassessed amounts to the previous arrears results in a balance owing of \$878.

Mary Lou Loreen testified that she had misplaced or forgotten to submit some of the pay stubs from her employment. The respondents stated that they would pay the additional rent.

The premises are subsidized public housing and the rent is calculated based on the declared

- 2 -

household income. In accordance with article 6 of the tenancy agreement, the tenant is obligated to "provide the Landlord with an accurate report of the Tenant's income and the income of all of the residents of the premises..." Rent based on household income is a cornerstone of the social housing program. Charging rent in accordance with the ability to pay ensures that all tenants can afford the rent. The accurate reporting of household income is essential in ensuring fairness. In my opinion, the misrepresentation of household income is a serious breach of the public housing tenancy agreement. The evidence does not suggest that the unreported income was simply an oversight. For two months, the respondents filed declarations stating that no income was received when Ms. Loreen was actually employed. In another month Ms. Loreen declared only 35% of her actual income.

I find the respondents in breach of their obligation to pay rent and their obligation to accurately report the household income. In my opinion there are sufficient grounds to terminate the tenancy agreement. An order shall issue requiring the respondents to pay the applicant rent arrears in the amount of \$878 and terminating the tenancy agreement on November 30, 2004.

Hal Logsdon Rental Officer