

IN THE MATTER between **H.N.W.T.**, Applicant, and **T.V.**, Respondent.

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 a rental premises located within the **city of Yellowknife in the Northwest Territories**.

BETWEEN:

**H.N.W.T.**

Applicant/Landlord

-and-

**T.V.**

Respondent/Tenant

**REASONS FOR DECISION**

<b><u>Date of the Hearing:</u></b>	<b>April 5, 2023</b>
<b><u>Place of the Hearing:</u></b>	<b>Yellowknife, NT via teleconference</b>
<b><u>Appearances at Hearing:</u></b>	<b>P.S., representing the Applicant</b>
<b><u>Date of Decision:</u></b>	<b>April 5, 2023</b>

### **REASONS FOR DECISION**

The Respondent was sent a Notice of Attendance by registered mail on March 10, 2023. Although a notice was left advising the Respondent of the item, it was not picked up. The Notice of Attendance was also sent to the Respondent by email on March 9, 2023. The Respondent failed to appear at the hearing. In my opinion, it is not unreasonable to deem the notice delivered. The hearing was held in the absence of the Respondent.

The parties entered into a monthly tenancy agreement on April 1, 2012. The premises are subsidized public housing. The Applicant alleged that the Respondent had breached the tenancy agreement by failing to pay rent and by failing to report the household income in accordance with article 6 of the tenancy agreement. The Applicant sought an order requiring the Respondent to pay the rent arrears, comply with the obligation to report the household income, terminating the tenancy agreement, and evicting the Respondent.

#### **Rent**

The Applicant provided a lease balance statement in evidence which indicated a balance of rent owing as at February 6, 2023 of \$9,265. The Applicant testified that since that date the March rent (\$1,625) and the April rent (\$1,625) had come due and a payment of \$700 had been received on March 21, 2023 bringing the balance owing to \$11,815.

#### **Household Income**

Article 6 of the tenancy agreement obligates the tenant to report the household income at such times and in such forms as the landlord specifies. Public housing tenants are required to submit annually *Canada Revenue Agency Notices of Assessment* for household members in order to calculate a rent assessment. If the income information is not provided by the tenant, the rent is set at the monthly market rent set out in Schedule A of the tenancy agreement.

The Applicant stated that the Respondent had failed to provide *Notices of Assessment* and the monthly market rent of \$1,625 was applied in July 2022 and in every month afterward. The Applicant stated that the Respondent had provided some information apparently prepared by a tax preparer but had not filed a tax return.

#### **Conclusion**

Before the market rent was applied, the Respondent was not in serious arrears, owing only \$35 in June 2022. Prior to the application of the market rent, the monthly rent was assessed at \$610. The Respondent has continued to pay rent since the market rent was applied, paying a total of \$4,470 to date. It is unlikely the Respondent would be liable for \$11,815 if the rent was reassessed based on the household income.

Rent based on income is a basic principle of subsidized public housing. Timely and accurate income reporting by tenants is essential to ensure tenants are charged an affordable rent and to ensure the most efficient use of public funds. Income reporting is an important obligation and a tenant's failure to comply is, in my opinion, a serious breach of the tenancy agreement.

I find the Respondent in breach of their obligation to report the household income in accordance with article 6 of the tenancy agreement. Rather than make an order for rent arrears, which may change significantly if the household income is reported and the assessments adjusted, in my opinion, it is reasonable to order the Respondent to comply with their obligation to report income and terminate the tenancy agreement if they fail to comply with the order.

An order shall issue requiring the Respondent to comply with their obligation to report the household income in accordance with article 6 of the tenancy agreement and terminating the tenancy agreement on May 15, 2023 unless the income has been reported. An eviction order will become effective on May 16, 2023 unless the income has been reported on before May 15, 2023.

---

Hal Logsdon  
Rental Officer