

IN THE MATTER between **N.W.T. COMMUNITY SERVICES CORPORATION**,
Applicant, and **MONIQUE QUITTE**, Respondent;

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

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

BETWEEN:

N.W.T. COMMUNITY SERVICES CORPORATION

Applicant/Landlord

- and -

MONIQUE QUITTE

Respondent/Tenant

ORDER

IT IS HEREBY ORDERED:

1. Pursuant to section 45(4)(a) of the *Residential Tenancies Act*, the respondent shall comply with her obligation to obtain liability insurance in accordance with the tenancy agreement between the parties.

DATED at the City of Yellowknife, in the Northwest Territories this 28th day of October,
2010.

Hal Logsdon
Rental Officer

IN THE MATTER between **N.W.T. COMMUNITY SERVICES CORPORATION**,
Applicant, and **MONIQUE QUITTE**, 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.

BETWEEN:

N.W.T. COMMUNITY SERVICES CORPORATION

Applicant/Landlord

-and-

MONIQUE QUITTE

Respondent/Tenant

REASONS FOR DECISION

Date of the Hearing: **October 20, 2010**

Place of the Hearing: **Yellowknife, NT**

Appearances at Hearing: **Gail Leonardis, representing the applicant**
 Monique Quitte, respondent
 Berna Martin, interpreter

Date of Decision: **October 20, 2010**

REASONS FOR DECISION

The applicant alleged that the respondent had breached the tenancy agreement by failing to obtain liability insurance in accordance with the tenancy agreement. The applicant sought an order requiring the respondent to comply with the obligation.

Article 13(l) of the written tenancy agreement between the parties sets out the tenant's obligation to obtain liability insurance.

13(l) The Tenant agrees that he/she shall obtain Tenant Liability Insurance and keep it current and in force during your tenancy.

The applicant stated that in their opinion, this was a reasonable obligation of the tenant and that they had provided notice to the respondent on six occasions seeking compliance with the obligation. The applicant stated that, to date, the respondent had failed to comply with the obligation.

The *Residential Tenancies Act* does not set out any obligation for a tenant to carry insurance but section 12 of the Act permits a landlord and tenant to agree to obligations not specifically contained in the Act and deems those obligations enforceable provided they are not inconsistent with the Act and are reasonable in all circumstances.

12. (1) A landlord and tenant may include in a written tenancy agreement additional rights and obligations that are not inconsistent with this Act and the regulations.

(2) Where an additional obligation concerns the tenant's use, occupancy or

maintenance of the rental premises or residential complex, the obligation cannot be enforced unless it is reasonable in all circumstances.

- (3) A landlord shall not establish, modify or enforce rules concerning the tenant's use, occupancy or maintenance of the rental premises or residential complex, unless the rules are reasonable in all circumstances, in writing and made known to the tenant.**

For article 13(1) of the tenancy agreement to be enforceable, it must be found not to be inconsistent with the Act and reasonable in all circumstances.

Clearly, the provision is not inconsistent with the Act as the Act is silent on the matter of insurance. Is it reasonable in all circumstances? The cost of the insurance is reasonable and the coverage is easily obtainable. To some extent, the insurance protects the landlord but it also protects the tenant from damages caused by the negligence of other tenants, accidents or Acts of God.

In *Lisom Tam-Eveleigh v. Antonio (Tony) C. Sousa and Brenda Sousa* Manitoba Residential Tenancy Branch, order B2008-013599, October 24, 2008, the landlord's rule that the tenant must purchase liability insurance was not reasonable in all circumstances and therefore not enforceable. The Residential Tenancies Officer notes in his reasons for decision that while the obligation to carry insurance may be reasonable in some circumstances (e.g. if a tenant has a waterbed, large aquarium or portable washer), it is not reasonable under all circumstances. With due respect for the Manitoba decision, I believe the liability issue extends beyond just waterbeds and aquariums and includes fire, water escape and other losses. Liability insurance protects not

just the landlord but the tenant and other tenants as well. It ensures that the holder of the insurance policy has the means to pay the losses of other tenants should his/her negligence cause damage. It also ensures that the holder of the policy is protected against accidental loss.

The applicant is a provider of subsidized housing for low income households. The annual premium for this type of insurance is only about \$200 which is within the means of their tenants.

For the above reasons, I find that the obligation contained in the tenancy agreement is reasonable in all circumstances and therefore enforceable.

The respondent did not object to the requirement to obtain insurance and stated that she intended to purchase a policy in the coming week.

I find the respondent in breach of her obligation to obtain the required insurance. An order shall issue requiring the respondent to comply with her obligation to obtain the insurance as outlined in the tenancy agreement.

Hal Logsdon
Rental Officer