



**Saskatoon
& Region**
Home Builders'
Association, Inc.

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NEWS RELEASE

FOR IMMEDIATE RELEASE

Rent Control is Disastrous Public Policy *...any kind of rent control kills development and stops growth in rental supply*

Saskatoon— As the provincial election nears, the subject of rent control continues to come up as a solution to the rising rents and low vacancy rates in our province. Rent control advocates insist that this policy is required to ensure that people can afford to live in the province. However, there is no evidence that rent control in any way helps out those who have trouble finding rental homes they can afford. In fact, the opposite is true: rent control is disastrous public policy in any form that cannot ensure anyone has access to safe, healthy, high quality and affordable rental housing.

All types of rent control are highly regressive policies that limit construction of new rental units and renovation of existing buildings. This situation might suit a community that has no interest in growing, but Saskatoon welcomes newcomers to its neighbourhoods at a rate higher than any other community in Canada. The city's population has grown to over 227,000 people, an increase of 25,000 people since 2006. This population increase requires matching growth of 10,000 new homes. With a strong economy and high demand for more workers, the population will continue to grow and Saskatoon needs to welcome new residents who are going to fill our labour demand. Rent control will reduce supply and quality until our rental market becomes a deterrent for potential new residents.

Bill Madder, Executive Vice-President of the Association of Saskatchewan Realtors stated in a recent article: "If renters need more and better choices, rent control will only make the problem worse. Adding apartments requires additional investments. Rent control chases investment away." Studies of the impact of rent control on cities in Manitoba and in Europe show that this policy effectively kills all investment and has a devastating impact on communities. In contrast, the City of Saskatoon has encouraged the growth in purpose-built rentals and the results are clear in our City's vacancy rate, which rose from under one percent at its lowest to 2.5 percent today.

Building Confidence and Communities



“It makes no difference what kind of rent control you put into place,” says Alan Thomarat, CEO of the Saskatoon & Region Home Builders’ Association. “Rent control stops construction on new rental units and takes away money available to put into renovations of existing stock. The safety and health of residents who live in deteriorating rental units is at risk.”

Putting incentives in place to increase development of purpose-built rentals and secondary suites to add to the stock of high quality rental homes will ensure that rental rates moderate and availability rises. For those who continue to struggle to find homes they can afford, introducing a more effective rental supplement will help those who need assistance. Rent control is a policy that destroys cities by enforcing artificial affordability and discouraging growth. The Association supports efforts to find real, long term solutions to rising home prices in our City and across Saskatchewan.

As the voice of the residential construction industry, the Saskatoon & Region Home Builders’ Association is committed to a housing strategy that provides quality, affordability and choice in housing in all communities throughout the Saskatoon region and the Province overall.

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