
NEWS RELEASE

For Immediate Release
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Sept. 7, 2022

Office of the Premier
Ministry of Finance
Ministry of Attorney General and Responsible for Housing

More support to help people with rising cost of living

LANGFORD – Millions of British Columbians will benefit from new measures to help people with the high cost of living caused by global inflation.

“Everyone is feeling the squeeze of global inflation, which is driving up the cost of groceries, gas, and other goods and services,” said Premier John Horgan. “Our next support measures will help bring down costs for renters, put money back into people’s pockets and offer families a cushion during challenging times.”

The Province is increasing the next Climate Action Tax Credit payment, boosting the BC Family Benefit and capping rent increases below inflation, a package estimated to be worth up to \$1,500 for a family of four.

“People with lower incomes and people raising children are the most affected by the cost increases we’re seeing around the world,” said Selina Robinson, Minister of Finance. “These measures are our next steps in helping to support those who need it most.”

Affordability measures include:

- In October 2022, the maximum amount for the Climate Action Tax Credit for low- and moderate-income British Columbians will be enhanced by up to an additional \$164 per adult and \$41 per child. This means a family with two children can receive up to an additional \$410.
- In January, February and March 2023, the BC Family Benefit will rise by as much as \$58.33 per child, for each month. A family with two children will receive up to \$350 from this top-up.
- Instead of allowing rent increases equivalent to inflation, government is placing a 2% cap on rent increases for 2023. For a renter paying \$2,000 in rent, this will mean saving up to \$816 next year.

“Our government has saved families thousands of dollars by capping rent increases to inflation by eliminating the old government’s automatic 2% rent increase on top of inflation,” said Murray Rankin, Attorney General and Minister Responsible for Housing. “But right now, Canada is seeing the highest levels of inflation in decades – especially when it comes to housing costs. By setting the maximum annual allowable rent increase for 2023 at 2%, we’re helping renters keep more money in their pocket. We also recognize that landlords are facing the same inflationary pressure, and we are committed to ensuring that landlords can make the necessary repairs and upgrades to their rental units so they can provide housing for years to come.”

Government is also working with BC Hydro on an additional cost-of-living measure to help B.C.

residents reduce expenses during this period of high global inflation.

Quick Facts:

- No one needs to apply for the enhanced Climate Action Tax Credit and BC Family Benefit.
- The temporary increases will be automatically received if income tax filing is up to date.
- These measures build on actions taken to reduce costs, save people money and build a stronger B.C.
- Since 2017, the B.C. government has worked to significantly reduce child care and car insurance rates, help families with the cost of school meals and supplies, deliver free transit for children, increase the minimum wage and income and disability assistance rates, and eliminated people's medical services premiums.

Learn More:

For information on new and existing support measures for B.C. residents, visit:
www.gov.bc.ca/savemoney

A backgrounder follows.

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BACKGROUND

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New supports to help British Columbians with costs

Enhanced Climate Action Tax Credit in October

While the Province works toward a net-zero emissions-free future, the B.C. government uses revenue raised by the carbon tax to reduce costs for people with lower incomes through the Climate Action Tax Credit.

- About 85% of people in B.C. will benefit from the increase.
- The tax-free credit is delivered four times a year, and the amount will depend on family size and income.
- The October 2022 payment is increased by up to \$164 for an individual and up to \$41 for each child in a family. A single parent will receive \$164 for their first child.
- Enhancements are fully phased out at an income of around \$148,000 for a family of four.
- The estimated cost of delivering the temporary increase is \$500 million.

Bigger BC Family Benefit in January, February, March

The BC Family Benefit provides a tax-free monthly payment to families with children under the age of 18. Formerly known as the Child Opportunity Benefit, the tax credit was launched in 2020 to help combat child poverty and help low- and moderate-income parents provide opportunities for their children.

- About 75% of families with children receive the BC Family Benefit and will receive the enhanced payments in January through March 2023.
- A single parent with one child can receive up to an additional \$58 per month from January to March, or \$175 total.
 - The benefit is fully phased out at an income of \$115,000 for a single parent with one child.
- The increase will provide a family of four up to an additional \$116 per month from January to March, or up to \$350 total.
 - A family of four earning less than \$117,000 will receive at least \$300 more in benefits from January to March.
- The estimated cost of delivering the temporary increase is \$100 million.

Helping renters with the cost of living in 2023

To support renters amid exceptionally high global inflation rates on housing, the Province is capping allowable rent increases below inflation for 2023.

- The maximum allowable rent increase for 2023 is set at 2%, to help keep more money in

- the pockets of tenants faced with rising cost pressures.
- Capping the annual allowable rent increase at 2% instead of the rate of inflation will provide renters with significant savings.
 - For example, a renter paying \$2,000 in rent will save up to \$816 next year. Savings will be higher for people with higher existing rent.
 - If landlords choose to increase rent, they must provide a full three months' notice to tenants using the correct notice-of-rent increase form. This means the earliest tenants could see an increase in rent is Jan. 1, 2023.
 - The 2023 maximum increase for manufactured home park tenancies will be 2%, plus a proportional amount for the change in local government levies and regulated utility fees.
 - In 2018, the Province capped annual rent increases to inflation, saving renters hundreds of dollars a year. Prior to that, rent increased at inflation, plus an additional 2%.
 - The annual allowable rent increase supports repairs and upgrades to maintain safe housing, while ensuring renters do not face excessive or unpredictable rent increases.

Additional supports are available to help renters with the cost of living, including:

- interest-free loans through the BC Rent Bank.
 - Renters with low to moderate incomes facing a temporary financial crisis and at risk of eviction or essential-utility disconnection, may be eligible for an interest-free loan to help them maintain their housing.
 - A recent survey of loan recipients found that 94% of people had maintained or improved their housing situation six months after receiving assistance.
 - According to Canada Mortgage and Housing Corporation, preventing a single eviction saves a tenant \$2,932 and a landlord \$8,663.
 - In December 2021, B.C. became the first province in Canada with provincewide rent-bank coverage.
 - Renters can start the application process online: <https://bcrentbank.ca/apply/>
- Rent supplements for low-income families and seniors renting in the private market:
 - BC Housing's Rental Assistance Program (RAP) and Shelter Aid for Elderly Renters Program (SAFER) cover part of the difference between a household's rent and 30% of that household's income.
 - The programs operate on a sliding scale providing the most funding to those with the least income.
 - Applications are available online:
 - RAP: <https://www.bchousing.org/housing-assistance/rental-assistance-programs/RAP>
 - SAFER: <https://www.bchousing.org/housing-assistance/rental-assistance-programs/SAFER>
- BC Hydro Customer Crisis Fund grant:
 - Residential customers experiencing a temporary financial crisis may be eligible for a grant to avoid disconnection of BC Hydro service.
 - Apply online through BC Hydro: <https://app.bchydro.com/accounts-billing/bill-payment/ways-to-pay/customer-crisis-fund.html>

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