
NEWS RELEASE

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Ministry of Housing

Province caps annual rent increase well below inflation

VICTORIA – For the second consecutive year, B.C.’s maximum allowable rent increase is being set below the inflation rate. The maximum increase for 2024 will be 3.5%.

“Across the country, costs have been increasing — especially for housing — at a rate that’s unsustainable for many people,” said Ravi Kahlon, Minister of Housing. “We know that’s the case for both landlords and renters, and that’s why we’ve found a balance to protect renters while helping to keep rental units on the market.”

The rent cap of 3.5% is well below the 12-month average inflation rate of 5.6% and applies to rent increases with an effective date on or after Jan. 1, 2024. If landlords choose to increase rent, they must provide a full three months’ notice to tenants using the correct Notice of Rent Increase form. B.C. landlords can increase rent only once every 12 months.

The Province has been taking steps to support renters throughout British Columbia. Before 2018, the annual allowable rent increase was based on the inflation rate plus 2%. Following a recommendation by the Rental Housing Task Force, the rent increase was reduced to just the inflation rate. A rent increase freeze was put in place in 2020 and 2021 to support renters during the COVID-19 pandemic. To protect renters from high inflation in 2023, the Province capped rent increases at 2%, well below the 5.4% inflation rate that would have otherwise applied.

“With renters facing a possible rent increase of almost 6%, the government listened to the voice of renters and acted, and I’m so glad they have,” said Spencer Chandra Herbert, Premier’s Special liaison for Renters, former chair of the Rental Housing Task Force and MLA for Vancouver-West End. “We also know people renting out homes are facing increased costs and want to make sure they continue to make places available for long-term renters.”

The 2024 maximum allowable rent increase is significantly less than what it would have been prior to changes made by the Province in 2018 that limited rent increases to inflation. As inflation returns to normal levels, the Province intends to return to an annual rent increase that is tied to B.C.’s Consumer Price Index in future years. Under the previous government, maximum rent increases could include an additional 2% on top of inflation. This change has saved families hundreds of dollars.

Since 2017, the Province has taken steps to better protect renters, including banning illegal renovations and strengthening the financial penalties for landlords who evict tenants in bad faith. A renovation is an eviction that is carried out to renovate or repair a rental unit.

In addition, government provided the Residential Tenancy Branch (RTB) with \$15.6 million in additional funding to improve services and reduce delays. The capacity of the RTB’s Compliance

and Enforcement Unit was also increased to allow for earlier interventions and to eliminate the need for hearings in the first place.

Quick Facts:

- If a landlord served a tenant with a Notice of Rent Increase that takes effect in 2023 using the 2024 annual allowable rent increase, it is null and void and the tenant does not have to pay it. They must follow the set rent increase for 2023.
- The maximum allowable rent increase is defined by the 12-month average per-cent change in the all-items Consumer Price Index for B.C. ending in July the year prior to the calendar year for which a rent increase takes effect.
- For example, if a rent increase takes effect in 2025, the maximum allowable rent increase is the 12-month average per-cent change in the all-items Consumer Price Index for B.C. ending in July 2024.
- The 2024 maximum increase for manufactured-home park tenancies will be 3.5%, plus a proportional amount for the change in local government levies and regulated utility fees.
- The rent increase does not apply to commercial tenancies, non-profit housing tenancies where rent is geared to income, co-operative housing and some assisted-living facilities.

Learn More:

For a history of rent increases in B.C., visit:

https://news.gov.bc.ca/files/History_RentIncreases_BC.pdf

For information about the annual allowable rent increase, visit:

<https://www2.gov.bc.ca/gov/content/housing-tenancy/residential-tenancies/during-a-tenancy/rent-increases>

To learn about government's new Homes for People action plan, visit:

<https://news.gov.bc.ca/releases/2023HOUS0019-000436>

To learn about the steps the Province is taking to tackle the housing crisis and deliver affordable homes for British Columbians, visit:

<https://strongerbc.gov.bc.ca/housing>

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