

"Sorry, it's rented."

Measuring Discrimination Against Newcomers
in Toronto's Rental Housing Market



About us

The Canadian Centre for Housing Rights (CCHR) is Canada’s leading non-profit organization working to advance the right to housing across Canada. Founded in 1987 and formerly known as the Centre for Equality Rights in Accommodation (CERA), for 35 years CCHR has worked tirelessly at the intersection of human rights and housing. CCHR has a long history of working both domestically and internationally to advance the right to housing. Our model for change-making involves serving renters to help them stay housed, providing education and training about housing rights, and advancing rights-based housing policy including through research, policy development, advocacy, and law reform. We are committed to prioritizing populations in greatest housing need in the work we do and promoting systemic change to ensure that everyone living in Canada has an adequate, accessible and affordable home.

About our research program

One key element of CCHR’s mandate is to undertake innovative research to inform the development and implementation of evidence-based policies that promote housing security for everyone living in Canada. Our research, along with all work undertaken across the organization, is guided and shaped by the seven right to housing elements: accessibility, affordability, adequacy, habitability, security of tenure, location (near services and infrastructure), and cultural adequacy.

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Executive Summary

Every year, the Canadian Centre for Housing Rights (CCHR) receives hundreds of calls from newcomers who report experiencing discrimination and other barriers to accessing rental housing. Often, newcomers tell us they can find an apartment to rent, but all too often their applications are denied based on their immigration status, racial or ethnic background, the composition of their family, or because they receive social assistance. Sometimes, housing providers do not say why they are refusing to rent to them, even when they can afford the unit and can provide all the information landlords are legally permitted to request.

CCHR’s 2009 report entitled, *“Sorry, it’s rented.” Measuring Discrimination in Toronto’s Rental Housing Market* (“2009 discrimination audit”), has been and continues to be widely cited. In recent years, as CCHR continued to hear about the challenges that newcomers face during their settlement journeys, the need to employ a similar research model to examine the experiences of newcomers in the rental housing market today became evident.

In early 2022, a diverse team of CCHR staff, research assistants and volunteers undertook an audit which found discrimination is a barrier for racialized newcomers seeking rental housing in Toronto.¹ To gauge the scope of discriminatory practices taking place during housing searches, the team employed a popular research method often referred to as paired testing, also known as a discrimination audit. Paired testing is a method that matches two individuals for all relevant characteristics (e.g., income level, gender identity, marital status, etc.) with the exception of one characteristic or a combination of characteristics for which discrimination is to be assessed. The audit CCHR undertook involved conducting 1,370 paired tests in Toronto via telephone and email. As a result of carrying out the audit, we found that racialized newcomers to Toronto face a high degree of discrimination in the rental housing market. This was further confirmed by a survey and interviews in which newcomers shared the myriad challenges they experienced trying to access housing in Toronto’s rental sector.

Summary of Findings

In conducting this research, CCHR found that:

- For both men and women, disclosing newcomer status elicited some form of discrimination.
- When telephone auditors appeared to be (“presented” as) from a member of a racial minority group,² this compounded the discriminatory treatment they faced when disclosing their newcomer status.
- Female telephone auditors who disclosed a newcomer status faced a 62% increase in discrimination when they had accents that presented as racialized compared with female newcomer auditors who did not have racialized accents.
- Male telephone auditors who disclosed a newcomer status faced a 267% increase in discrimination when they had accents presented as racialized, compared with male newcomer auditors who did not have racialized accents.
- In the telephone audit, we found racialized newcomer women faced a 563% increase in discriminatory treatment when they disclosed that they were caring for a child, compared with when parental status was not disclosed.
- In the email audits, auditors who disclosed newcomer status with names that presented as female faced a 30% increase in discrimination when their name was also presented as racialized, compared with their non-racialized counterparts.
- In many interactions, after a telephone auditor or email auditor disclosed their newcomer status, housing providers outlined stringent criteria they had to meet to rent the unit in question. By outlining such stringent criteria, housing providers were able to deny housing to newcomers to Canada while not necessarily engaging in conduct the Ontario Human Rights Code would classify as discriminatory.

CCHR also conducted a written survey to complement the research done through the paired audits. CCHR staff sent links to the survey through the

organization’s digital communications as well as through direct outreach with organizations serving newcomers in the city. We received responses from 74 people who generously shared their experiences searching and applying for housing as a newcomer in Toronto. In that survey:

- Respondents reported experiencing a high degree of discrimination by housing providers and many barriers to accessing housing in Toronto.
- 60% of respondents had been successful in securing housing since their arrival in Canada. This figure alludes to the steep and various barriers that newcomers face in securing housing upon arrival in Canada.
- Of the respondents who had been unable to secure housing on arrival in Canada, all reported a racial identity other than non-racialized, suggesting racialized identities faced heightened barriers to newcomers accessing housing in Toronto.
- Of the 40% of respondents who had been unable to secure housing since arriving in Toronto, 85% were earning less than \$2,000 per month (before tax), with 61% earning less than \$1,000 per month. A further 62% of respondents who had been unable to secure housing received social assistance.

In addition to the audit and the survey, CCHR’s research team conducted semi-structured interviews with 10 newcomers, to further contextualize the other data. The interviewees all reported challenges in accessing housing:

- The newcomers spoke to a range of different experiences and shared the profound difficulties they faced as they endeavored to secure housing upon first arriving in Toronto.
- The most significant barriers they cited included: affordability, race-based discrimination, gender-based discrimination, discrimination based on familial structure or the presence of a child (in particular being a single-parent family), discrimination based on the receipt of social assistance, and a lack of familiarity with Toronto and the norms associated with finding housing.

- Many interviewees noted that not having a credit history in Canada often precluded them from applying to housing units.
- Interviewees often outlined an initial sense of confusion about how and where to seek housing in Toronto, and cited this as a key impediment to securing housing upon arrival.
- All 10 interviewees disclosed that being unable to access housing created significant challenges in other areas of their lives.

Overall, our research indicates that newcomers to Toronto face a concerning degree of discrimination and that the experiences we were able to capture may only represent a fraction of the overall discrimination taking place. With the supply of affordable rental housing in Toronto already severely limited and quite costly relative to median newcomer incomes and financial resources,³ our research demonstrates that even where housing might be available, heightened barriers to accessing it are being created by discriminatory treatment toward racialized newcomers to Toronto. This leaves countless new residents unable to access adequate housing to start positive settlement journeys in Canada.

The experiences of discrimination described in this report are damaging and have negative impacts on the ability of individuals and families to thrive in Canada. It is important that discrimination in housing against newcomers and members of equity-deserving groups is foregrounded in public conversations and that action is taken on the individual as well as at the policy level to prevent and address it.

Recommendations

1. The Government of Canada should develop new funding streams for programs to support newcomers so that settlement organizations and other civil society groups can better address the specific challenges newcomers face in securing housing.
2. In many instances, a lack of Canadian credit history or guarantor are the basis upon which housing providers deny housing to newcomers. Knowing this, the Government of Ontario and the Government of Canada should establish no-fee guarantor services to support newcomers to access housing upon arrival in Canada.
3. Initiatives to investigate the nature, scope, and impact of discriminatory housing practices against newcomers and other equity-deserving groups should be funded and undertaken across Ontario.
4. The Government of Ontario should provide funding for studies, and the Ontario Human Rights Commission should work with housing organizations and advocates to further investigate these barriers and develop realistic and relevant solutions to ensure people have access to the housing they need.
5. The Government of Ontario should establish a system for monitoring, investigating, and meaningfully enforcing Human Rights Code protections related to housing.
6. The Government of Ontario should implement policies to preserve existing affordable housing stock that is at risk of being lost. These policies should include permitting localized rental replacement bylaws, and financing for municipal acquisition programs that convert at-risk privately owned affordable rental housing into non-profit housing.
7. The Government of Ontario should work collaboratively with municipalities to encourage the development of non-profit and co-operative housing in order to provide more affordable housing options for lower-income households.

8. The Government of Ontario and the City of Toronto should further develop, encourage, and promote education for tenants to learn about their legal rights and for housing providers to learn about their legal obligations.
9. Multi-tenant (rooming) houses provide a deeply affordable housing option for newcomers who live on lower incomes. The City of Toronto should adopt a regulatory framework for multi-tenant houses that allows for the legal operation of this type of housing across the city.

Introduction

Every year over several decades, CCHR has received hundreds of calls from tenants facing discrimination in the rental housing market. These callers tell us they can find an apartment to rent, but frequently their applications are denied based on their immigration status, gender identity or sexual orientation, racial or ethnic background, the composition of their family, or because they receive social assistance. This discriminatory behaviour on the part of housing providers takes different forms, from explicit discriminatory statements like “we don’t rent to newcomers,” to subtle discriminatory practices.

These more subtle forms of discrimination include the imposition of more stringent rental requirements on some people but not others, which effectively precludes targeted individuals from being considered for apartments. The barriers to accessing rental housing are particularly acute for newcomers, who lack employment or credit history in Canada, and are effectively shut out of even applying for many apartments in Ontario’s tight rental market.

Despite the persistence of reported discrimination in the rental housing market in Toronto, CCHR’s now decade-old 2009 discrimination audit remains one of the most current resources on the topic. That audit showed, for instance, that 14% of lone-parents and 23% of South Asian men in Toronto experienced discrimination when accessing housing. Moreover, findings point to intersectionality, such that adding the variables of race, ethnicity and/or place of origin to lone-parent status dramatically increased the likelihood of discrimination. For instance, while the report estimated a rate of discrimination of 14% for lone parents overall, this figure jumps to 26% for Black lone parents specifically.⁴

In its 2019 National Housing Strategy Act (NHSA), the federal government took the historic step of committing to the progressive realization of the right to housing in Canada. Through the NHSA, the Government of Canada recognized that adequate housing is a fundamental human right, and is essential to one’s sense of dignity, safety, inclusion, and ability to contribute to the fabric of

community and society. However, despite this positive recent commitment, over the past decade the crisis in rental housing for low-income people in Ontario has only spread and deepened.

The Ontario Human Rights Code (the Code) came into force in 1962 and was in part enacted to protect people who rent their housing from discrimination. The Code currently protects people from discrimination on fourteen grounds:

1. Ancestry, Colour, Race
2. Place of Origin
3. Ethnic Origin
4. Marital Status
5. Creed (Religion)
6. Ancestry
7. Disability
8. Sex
9. Sexual Orientation
10. Citizenship
11. Age
12. Family Status
13. Being in Receipt of Public Assistance
14. Gender Identity and Gender Expression

Though this legislation is in place, discrimination on these grounds remains persistent in Ontario’s housing market, in part because there is little effective recourse for people who face housing discrimination. Evidence of the persistence of housing discrimination can be found in the number of pending cases before the Human Rights Tribunal of Ontario (HRTTO). The HRTTO typically hears 3,000 cases per year and is currently experiencing a backlog of nearly

9,000 cases,⁵ with an average of 8–9% of cases filed having to do with housing discrimination from 2017 to 2021.⁶

Given the barriers to reporting and receiving recourse for experiences of housing discrimination, it has been very difficult to measure the extent of discrimination taking place in Ontario’s rental housing market. Since CCHR continued to hear about this issue regularly in the 10 years since our last discrimination audit, we decided to re-examine the issue using the paired testing method. In paired testing studies, two applicants with the same essential identity profile, with the exception of one or two variables (e.g., racial, family status, or gender identities), respond to the same rental housing advertisement. The responses they receive are then recorded and analyzed by researchers to determine how housing providers responded to auditors presenting with the marginalized identity marker (i.e., the variable that was different between the two applicants). By comparing two interactions with the same housing provider within a particular time period, paired testing is able to illuminate variances in behaviour towards two individuals, and in doing this, sometimes reveal discriminatory conduct that might otherwise be difficult to capture. While this method has been employed extensively and routinely in the United States to measure discrimination in rental housing provision, to date it has not often been used in Canada.

Despite inadequate investigation of housing discrimination experiences in Canada, our previous audit and continued anecdotal reports of discriminatory experiences points to the persistence of widespread housing discrimination, including among racialized newcomers and refugees in Toronto. As of 2021, 46.6% of Toronto’s population were immigrants.⁷ Year after year, Toronto is the number one destination for newcomers and refugees arriving in Canada, with 29.5% of recent immigrants between 2016 and 2021 opting to settle in Toronto.⁸ This report builds on CCHR’s 2009 discrimination audit and endeavours to reveal the barriers that newcomers and refugees (and in particular racialized newcomers and refugees) face when trying to secure housing in Toronto.

Audit Methodology

In 2009, CCHR conducted a telephone audit that became the basis of the discrimination audit report. In that study, over the course of 10 weeks, CCHR mobilized 24 volunteers to inquire about upwards of 800 apartment listings by telephone. In creating the 2009 audit methodology, CCHR foregrounded developing a methodology that would be easily replicable to encourage its use by different organizations operating in different jurisdictions.

During the winter of 2022, CCHR coordinated a study in which a diverse group of CCHR research assistants, staff members, and volunteers conducted email- and telephone-based paired testing audits of 1,370 apartments for rent across Toronto. To do this, we matched two individuals on all relevant characteristics (e.g., income level, gender identity, marital status, etc.) except for one or a combination of a small number of variables for which the rate of discrimination was to be assessed. When using paired testing in the housing sector, paired testers apply for an apartment, and then the experience of the testers is monitored by the study’s researchers. Over the course of six weeks, five research assistants, five CCHR staff members, and two volunteers undertook this outreach in pairs.

As we did in 2009, CCHR again placed emphasis on developing a methodology that could be easily replicable by other organizations, community groups, and scholars with the hope that this would help facilitate further paired testing studies in the Canadian context. A number of organizations and researchers in the United States conduct in-person paired testing audits. However, in-person paired testing studies are resource intensive, and the ongoing COVID-19 pandemic in the first quarter of 2022 presented extreme challenges for conducting in-person research. CCHR also recognized the need to adjust the methodology to account for the fact that the ways people commonly communicate when seeking apartments have shifted, in particular with the advent of mass usage of smartphones.

Therefore, informed by the methodology of the 2009 discrimination audit, consultation with CCHR staff and partner organizations, and an analysis of

apartment listings in Toronto, CCHR elected to conduct the 2022 paired testing audit by both telephone and web-based correspondence. By employing two modes of communication, we would be able to access a wider range of apartment listings. Additionally, email communication provided the added benefit of lowering the barrier for replicability, since it does not require that volunteer testers physically reflect the attributes and characteristics of the profiles being tested. Also, by undertaking telephone calls in conjunction with email inquiries, new information could be gleaned about how and whether different modes of communication produce different reactions and outcomes. What follows is a detailed discussion of the various components of CCHR’s 2022 paired testing methodology.

Profiles

Unlike the 2009 discrimination audit which tested for the presence of discrimination against a wider range of identities, the 2022 study focused on the experiences of racialized newcomers and refugees in Toronto. In the 2009 study, CCHR developed testing profiles with overlapping or intersecting axes upon which individuals seeking housing could potentially experience discrimination. This approach provided valuable information regarding the lived experiences of those facing multiple forms of marginalization, but could not capture the magnitude of discrimination against each facet of one’s identity individually. By contrast, in the 2022 study we sought to isolate single characteristics upon which an individual could experience discrimination so that we could reliably determine the extent to which each facet of the identity profile elicited discrimination from housing providers. To test a single facet at a time, yet also ensure a variety of the identity grounds upon which housing seekers could face discrimination were reflected, our research team created 10 test profiles for the telephone and email audits.⁹

Equity, diversity, and centering the experiences of the communities we serve is a foundational principle of CCHR’s work. A key component of our approach to developing the audit identity profiles was ensuring the identities represented in the profiles authentically aligned with some characteristics shared by the

researchers and volunteers reading the scripts on the telephone audits. For example, we ensured that team members who speak English with accents that could be perceived as racialized conducted the telephone calls for corresponding profiles, and the research team developed the profiles with this in mind. The project team itself included individuals with diverse identities with respect to gender, age, race, citizenship, and country of origin, and the work was undertaken collaboratively and thoughtfully. The audit methodology underwent a review of its ethics by external experts, while team members who participated in the audit received training, were provided with a detailed explanation of what the work entailed, and were offered supports in the event that they experienced any troubling incidents (e.g., such as racism, sexism and ablism) during the course of this work.

The following tables outline the test and control profiles for the telephone and correspondence audits.

Table 1: Audit Profiles

This table offers a list of the different profile types and the characteristics we were testing for discrimination by housing providers in the study’s paired audits.

Testing for	Test	Control
Newcomer status	Non-racialized newcomer, female	Non-racialized non-newcomer, female
	Non-racialized newcomer, male	Non-racialized non-newcomer, male
Race and newcomer status (women)	Racialized newcomer, female	Non-racialized newcomer, female
	Racialized non-newcomer, female	Non-racialized non-newcomer, female
Race and newcomer status (men)	Racialized newcomer, male	Non-racialized newcomer, male
	Racialized non-newcomer, male	Non-racialized non-newcomer, male

Testing for	Test	Control
Race, newcomer status, and single parent family	Racialized newcomer, female, indicates child	Racialized newcomer, female, does not indicate child
	Non-racialized non-newcomer, female, indicates child	Non-racialized non-newcomer, female, does not indicate child
Newcomer status and race (combined)	Racialized newcomer, male	Non-racialized non-newcomer, male
Race, newcomer status and single parent family (combined)	Racialized newcomer, female, indicates child	Non-racialized non-newcomer, female, does not indicate child

Scripts

For each profile, the research team created standardized telephone and email scripts. The scripts included plausible standard introductions that disclosed the relevant characteristics listed in Table 1, before the auditor asked other questions about the rental unit such as cost, move-in date, or application requirements. Nearly all audits in the United States that examine racial-ethnic discrimination use names to convey race and ethnicity,¹⁰ and outreach for test profiles in the 2022 audit included names that presented as racialized.

Sample telephone and email scripts follow:

Figure 1: Sample Telephone Script – Single Parent Newcomer Household (Test Condition)

Hello, I am calling about the apartment you have advertised for rent on [street]. Is it still available? I am looking for an apartment for myself and my child.

[Yes] or [no]

[If yes]:

I am new to Canada, so I don’t have a Canadian credit history – will this be an issue?

[If conversation continues]:

What is the monthly rent? And when is the apartment available?

Figure 2: Sample Telephone Script – Single Parent Household (Control Condition)

Hello, I am calling to inquire about the apartment you have advertised on [street]. Is this unit still available? It looks like it would be a good fit for myself and my child.

[Yes] or [no]

[If yes]:

And what is the monthly rent?

When is the apartment available?

Figure 3: Sample Email Script – Newcomer (Test Condition)

Hello,

I came across your 1-bedroom apartment on [street] and I would like to rent it. Please let me know if this unit is still available or if there are any other one-person units.

Also, since I am new to Canada, I do not have a Canadian credit history – will this be an issue?

Best,

[Name]

Figure 4: Sample Email Script – Non-Newcomer (Control Condition)

Hi there,

I am contacting you regarding the one-bedroom apartment listed on [website] on [street]. Is the unit still available?

Regards,

[Name]

Sampling Methodology

CCHR developed a methodology for selecting apartment listings that would approximate a representative sample. In 2021, there were 483,538 units of rental housing, rental condominium apartments and private purpose-built rentals in

the City of Toronto.¹¹ In 2021, the vacancy rate was 4.4% for purpose-built rentals and 1.6% for condominium apartments.¹²

Rental housing units were selected from both the primary (i.e., purpose-built rentals) and secondary rental housing markets (i.e., condominium rentals, basement apartments, etc.). Based on analysis of data from the 2016 Canadian Census of Population by the Canadian Urban Institute, the primary market represented 49.2% of Toronto’s rental housing stock, and the secondary market 50.8% of Toronto’s rental housing stock.¹³ According to the Canadian Urban Institute, “approximately one third (33.4%) of renter households reside in non-condo secondary rental housing, while the remainder (17.4%) reside in condo rental units.”¹⁴ Given the low vacancy rate across the rental sector in Toronto, and the speed at which housing units are rented once posted, our team collected listings daily on an ongoing basis throughout the project concurrently with the paired testing. Rental housing ads were collected from a range of web-based platforms including viewit.ca, Kijiji, Craigslist, PadMapper and torontorentals.ca, as well as directly from the websites of large-scale housing providers.

Refugees and newcomers to Canada are over-represented in lower-income groups, and need access to rental housing that is affordable, meaning they are not forced to spend more than 30% of their income on housing. Thus, our research team endeavoured to focus on the most deeply affordable units that we could for this study. Here, it is important to note that rental housing in the city’s primary rental housing market is much more affordable than rental housing in the city’s secondary rental housing market. To reflect the economic realities faced by many newcomers, the research team determined that the rental rate for the housing units included in the audits should be affordable. Accordingly, since the primary rental market remains more affordable than the secondary rental market, our research team drew more postings from the primary rental market throughout the paired testing process.

It is challenging to find housing units in the private housing market that would be considered deeply affordable in Toronto’s current rental housing landscape. However, through the team’s initial scans of rental ads, we soon realized that

focusing solely on deeply affordable units would have seriously limited the number of units that could be tested within the project’s set time frame. Given the shortage of ads for affordable rental units, to balance the affordability goal with the feasibility of this study, our research team included units with rents no more than 20% higher than the city’s average market rent. The team was also cognizant of ensuring geographic variation, and endeavoured to select a roughly even number of units from each of the six administrative districts that comprise the City of Toronto: Old Toronto, Scarborough, York, North York, East York and Etobicoke.

Implementing the Audit

The audit was conducted over a six-week period from mid-January to late-February 2022. While ownership in the Toronto rental housing market is diverse, increasingly, purpose-built rental buildings are owned by the same few companies. In this context, to ensure the integrity of this study, our team did not contact the same housing provider at a high frequency. Throughout the study, we kept track of all audit interactions in a shared database, and in advance of contacting housing providers, auditors searched the database to determine if and when a given housing provider was last contacted. To avoid being detected, it was agreed that housing providers should not be contacted more than once per week. In some instances, this meant that housing units were not included in the study.

In line with the 2009 discrimination audit, telephone and email inquiries from the test and control profiles were undertaken 1.5 hours apart. Though this short time frame could increase the risk that the research project could be detected, while a longer time frame posed the threat of the conditions associated with the unit changing. As in the 2009 audit, this study assumed that the conditions associated with a given unit would be unlikely to change over the course of 1.5 hours.

Each morning during the study, team members collected rental unit postings, and later that day auditors contacted the housing providers either by telephone or email using the previously outlined methodology. To help ensure any changes in the conditions associated with listings would not systematically

favour either member of the testing pair, auditors alternated the order in which calls or emails were made by the test and control.

For the telephone audit, team members called the number provided to them and posed the questions on the associated script, while noting housing provider responses. If the housing provider did not answer the initial call, auditors would call a second time. If the housing provider did not answer the second call and there was an option to leave a voicemail, auditors left a voicemail message. In contrast to the 2009 discrimination audit, the more widespread use of call display in 2022 posed a new challenge. Since the call display might alert a housing provider to the fact that the person on the other end of the line was not who they said they were, it was decided that auditors would obscure their caller ID.

For the email audit, team members employed an email scheduling function to program emails to be sent 1.5 hours apart from different accounts. In the case of the email audits, auditors waited three days to conduct their analysis of the paired test, taking note of the differences in response time to emails from the control and test profiles. If the housing provider did not respond after three days, it was noted as a non-response.

Analysis

Once data was recorded from the telephone and email paired tests, outcomes were entered into a centralized database. Each interaction was assessed and analyzed by researchers to determine whether test profiles experienced more positive treatment, more negative treatment, or no differential treatment when compared to control profiles across the study. Auditors were responsible for providing an overview of correspondence for a given paired test, and then scored the interaction based on metrics which are outlined in Figure 5 below. As in 2009, each pair of responses was assessed by a researcher, and then reviewed by the lead researcher, with the assessments being compared by the researchers to ensure that there was consistency.

Figure 5: Differential Treatment Scale

The following outlines the scoring system employed to assess degrees of discriminatory treatment among paired tests.

0	No differential treatment or minor, seemingly random differences.
1 or -1	<p>Mild degree of differential treatment (differential treatment that may indicate bias but does not necessarily constitute a significant barrier to accessing the apartment). For example:</p> <ul style="list-style-type: none"> • Minor differences in move-in dates or features. • Minor differences in rent that are not likely to restrict access to the apartment (less than \$30 per month). • Minor differences in the housing provider’s comments/questions. • Differences in the availability of other suitable units.
2 or -2	<p>Moderate degree of differential treatment (differential treatment that constitutes a significant barrier to accessing the apartment). For example:</p> <ul style="list-style-type: none"> • Differences in rent or fees that are likely to restrict access to the apartment. • Excessive questions asked of one auditor compared to the other (indicating significant bias in favour of one auditor over the other). • Different move-in date provided, with one being so far in the future that it poses a barrier.
3 or -3	<p>Severe differential treatment (housing access denied). For example:</p> <ul style="list-style-type: none"> • Apartment not available for one auditor, but available for another. • Both telephone auditors leave a message, but the housing provider only returns one call. • Both email auditors send a message, but the housing provider only responds to one. • Housing providers clearly offer an unsuitable unit, rather than what was advertised (e.g., a one-bedroom renting at \$1,600 per month when the auditor is seeking a bachelor at \$1,100–\$1,200 per month).

Survey

To complement the audit data, the research team also undertook a survey of racialized newcomers and refugees about their experiences trying to access rental housing in Toronto. The intention of the survey was to contextualize the findings of the audit, rather than to provide a representative sample and generalized portrait of the newcomer experience in Toronto’s rental housing market. In consultation with project partners Dixon Hall and Christie Refugee Welcome Centre (CRWC), CCHR created survey questions centered on subjects’ experiences seeking housing upon arrival in Toronto. The survey was distributed widely among 29 newcomer-serving organizations in CCHR’s network in five languages: English, Spanish, Simplified Chinese, Bengali and Arabic. The survey was also distributed through CCHR’s email networks and on its social media platforms.

The survey included both fixed-response and open-ended questions. Fixed-response questions can offer clarity for respondents, and are relatively easy for researchers to analyze, but the information they can gather is limited. In order to glean more texture, the survey also included open-ended questions, providing respondents with the opportunity to share their personal experiences in their own words.¹⁵

The online survey was distributed to partner organizations and their networks in late March 2022, with paper copies also distributed to newcomer-serving organizations that were conducting in-person operations. The survey remained open until late June 2022. The survey included a total of 34 questions and CCHR endeavored to create a survey that should take respondents under 10 minutes to fill out. In total, CCHR collected 74 responses to the survey. Our analytics indeed indicated, for instance, that the online survey took participants an average of nine minutes and nine seconds to fill out.

Interviews

The study also included interviews with racialized newcomers and refugees, who were asked about their experiences accessing housing in Toronto. Again, the intention of these interviews was not to provide a representative and general portrait of the newcomer experience in Toronto’s rental housing market, but rather to complement and contextualize the findings of the audit.

In late April 2022, CCHR conducted 10 semi-structured telephone and Zoom interviews with racialized newcomers and refugees. Participants were recruited through a form linked to the survey described above, where participants could indicate their interest in participating in an interview to inform the project. Interviews lasted 30 minutes. The interview questions were centred on the interviewees’ experiences trying to secure housing upon arrival in Toronto, and the key barriers they experienced. All participation was confidential. Interviewees were provided with an honorarium.

Results

Discrimination Audit

During January and February 2022, CCHR research assistants, volunteers, and staff members contacted a total of 594 discreet rental housing advertisement listings by telephone and 776 discreet listings by email. This yielded 267 usable paired observations by telephone (45%) and 500 usable observations by email (64%).

Observations were determined to be unusable when:

- One or both paired testers were unable to reach a housing provider by telephone.
- Paired testers did not receive any returned calls upon leaving a voicemail.
- Paired testers did not receive any responses to emails.

The number of usable observations across each of the 10 profile pairs used for the telephone audit ranged from 13 to 43, whereas the number of usable observations across each of the 10 profile pairs used for the email audit ranged from 42 to 60. These numbers are in line with the number of viable tests conducted by the Department of Housing and Urban Development (HUD) in their 2012 paired testing research, *Housing Discrimination Against Racial and Ethnic Minorities*.¹⁶ The lower number of usable observations from the telephone audit reflects a shift in the way that housing seekers and housing providers communicate about rental apartment units – increasingly, telephone calls are eschewed in favour of web-based communication platforms.

In many instances while conducting the telephone audit, the team were able to reach a housing provider once but not twice in the 1.5-hour allotted time period, precluding the opportunity for a usable observation. The team recorded a total of 192 instances in which auditors were able to reach only one housing provider, representing nearly a third (32%) of the discreet listings we contacted in the audit. Though these interactions cannot be considered paired tests, they provided interesting insights into how housing providers are interacting with prospective tenants.

Tables 2 and 3 illustrate the extent of differential treatment that was observed for 10 pairs of test and control profiles. Table 2 outlines the scoring of the interactions in the paired telephone audit, and Table 3 outlines the scoring of interactions in the paired email audit. Both tables include scores of unfairness – mild, moderate, and severe – for the test auditors and the control auditors. These tables also show when there was no observable difference between responses to the test and the control auditor. As with the 2009 discrimination audit, the research team analyzed the nature of any differential treatment detected between the experiences of the test and control profiles and coded it by discrimination level. In almost every instance, the test profile was determined to have experienced some degree of discrimination when compared to the control profile.

Our general findings were:

- For identities coded as racialized, disclosing newcomer status increased discrimination.
- In the telephone audit, presenting as racialized compounded the discriminatory treatment that auditors faced when disclosing their newcomer status.
- Female telephone auditors who disclosed a newcomer status faced a 62% increase in discrimination when they also had accents that presented as racialized compared with those who did not have racialized accents. Male telephone auditors who disclosed a newcomer status faced a 267% increase in discrimination when they had accents that presented as racialized compared with telephone auditors with an identity that presented as having a non-racialized accent.
- In the email audits, female racialized identities faced 214% more discrimination than female identities that were not racialized.
- Both telephone and email auditors that presented as female and racialized who indicated a newcomer status and the presence of a child, faced greater discrimination than racialized newcomer women without children.

Table 2: Extent of Mild, Moderate and Severe Differential Treatment, Telephone Audit

	Discrimination Against Non-Racialized Non-Newcomers				Discrimination Against Non-Racialized Newcomers				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	2%	0%	7%	36%	21%	26%	7%	0.81	42
Men	4%	0%	0%	30%	26%	17%	22%	1.13	23
	Discrimination Against Non-Racialized Non-Newcomers				Discrimination Against Racialized Non-Newcomers				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	7%	0%	14%	57%	7%	7%	7%	0.07	14
Men	0%	0%	3%	45%	21%	16%	16%	0.97	38
	Discrimination Against Non-Racialized Newcomers				Discrimination Against Racialized Newcomers				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	7%	7%	7%	47%	0%	27%	7%	0.33	15
Men	0%	3%	6%	58%	8%	22%	3%	0.50	36
	Discrimination Against Non-Racialized Non-Newcomer				Discrimination Against Racialized Newcomer				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Men	3%	3%	3%	24%	14%	45%	7%	1.03	29
	Discrimination Against Non-Parent Women				Discrimination Against Parent Women				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Racialized Newcomer	0%	8%	0%	38%	0%	15%	38%	1.31	13
Non-Racialized Non-Newcomer	3%	7%	7%	55%	14%	3%	10%	0.21	29
	Discrimination Against Non-Racialized, Non-Newcomer, Non-Parent				Discrimination Against Racialized, Newcomer, Parent				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	7%	13%	20%	27%	13%	20%	0%	-0.13	15

Note: Discrimination was rated on a scale ranging from -3 to +3. Stronger negative values indicate greater discrimination against the control group. Stronger positive values indicate greater discrimination against the test group. Mod. = moderate.

Table 3: Extent of Mild, Moderate and Severe Differential Treatment, Email Audit

	Discrimination Against Non-Racialized Non-Newcomers				Discrimination Against Non-Racialized Newcomers				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	13%	2%	0%	58%	7%	7%	13%	0.16	45
Men	10%	0%	4%	58%	0%	0%	27%	0.46	48
	Discrimination Against Non-Racialized Non-Newcomers				Discrimination Against Racialized Non-Newcomers				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	7%	0%	0%	71%	7%	0%	15%	0.29	41
Men	13%	0%	2%	60%	0%	4%	21%	0.32	47
	Discrimination Against Non-Racialized Newcomers				Discrimination Against Racialized Newcomers				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	16%	2%	2%	53%	4%	2%	20%	0.16	45
Men	21%	2%	0%	58%	4%	2%	13%	-0.19	53
	Discrimination Against Non-Racialized Non-Newcomer				Discrimination Against Racialized Newcomer				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Men	17%	2%	0%	55%	3%	3%	19%	0.12	58
	Discrimination Against Non-Parent Women				Discrimination Against Parent Women				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Racialized Newcomer	12%	0%	0%	63%	2%	7%	16%	0.30	43
Non-Racialized Non-Newcomer	15%	2%	6%	59%	4%	2%	13%	-0.07	54
	Discrimination Against Non-Racialized, Non- Newcomer, Non-Parent				Discrimination Against Racialized, Newcomer, Parent				
	Severe (-3)	Mod. (-2)	Mild (-1)	No Difference in Treatment (0)	Mild (+1)	Mod. (+2)	Severe (+3)	Average Score	N
Women	16%	3%	9%	53%	3%	3%	13%	-0.16	32

Note: Discrimination was rated on a scale ranging from -3 to +3. Stronger negative values indicate greater discrimination against the control group. Stronger positive values indicate greater discrimination against the test group. Mod. = moderate.

Whenever a telephone auditor disclosed their newcomer status, they often faced more discriminatory treatment than an auditor who presented as a non-newcomer. For instance, non-racialized newcomer women were treated less fairly than non-racialized non-newcomer women 54% of the time. In contrast, in only 9% of cases was the non-racialized female newcomer favoured over the non-racialized female non-newcomer. This suggests that non-racialized women who disclose a newcomer status can face an increase in discrimination compared to those who do not disclose a newcomer status when searching for housing. A similar effect was seen for non-racialized men.

Moreover, in the telephone audit, racialization compounded the discriminatory treatment that auditors faced when disclosing their newcomer status.

Compared to non-racialized newcomer women, racialized newcomer women were treated less fairly 34% of the time. In contrast, non-racialized newcomer women were treated less fairly than racialized newcomer women 21% of the time. This suggests that racialization increases the amount of discrimination that newcomer women face, above and beyond any discrimination they may already experience as a result of being a newcomer or a woman. A similar effect was seen for newcomer men, such that racialization increases the amount of discrimination they face, above and beyond any discrimination they may already experience as a result of their newcomer status or gender.

We see an additional increase in discrimination in the telephone audit when racialized newcomer women disclose the presence of a child. Racialized newcomer women with children were treated less fairly than racialized newcomer women without children 53% of the time. In contrast, racialized newcomer women with children were favoured over their counterparts without children only 8% of the time. This suggests that the presence of a child increases the amount of discrimination racialized newcomer women face, above any discrimination they may already experience as a result of their racialization, newcomer status, or gender.

Similar phenomena were visible within the email audit, albeit the effects were generally less pronounced. By comparison with the telephone audit, there

were more instances in the email audit in which no discriminatory treatment was detected. Much of this may be explained by the fact that many housing providers respond to email inquiries with a generic template, which were the email auditors’ initial interactions with housing providers. This can be attested to in our research by the number of responses that our auditors received by email that were identical for the test and control profiles. However, despite less evidence of discrimination in the email audits, by no means did discrimination disappear entirely when potential renters contacted housing providers via this method. Across almost all test pairs in the email audit, the test profile was treated less favourably than the control profile. In most instances, when an auditor disclosed their newcomer status by email, they were more likely to face discriminatory treatment in the response from a housing provider, including when they received a first generic response. This happened across different racialized identities and for both men and women.

As the data began to take shape, researchers noticed that, in some instances, housing providers requested payments from prospective tenants that are prohibited by the Ontario Residential Tenancies Act (RTA). Often, this included requests for deposits that far exceeded first and last months’ rent. To account for these interactions in the analysis, the team flagged instances in which housing providers made requests that exceeded or contradicted the RTA. While it is important to understand when housing providers make illegal requests, CCHR also acknowledges that some information housing providers can legally request during the application process can pose significant barriers for newcomers trying to access housing upon arriving in Canada. These barriers should be examined and addressed.

Survey

The survey received responses from 74 people who generously shared their experiences searching and applying for housing as a newcomer in Toronto. CCHR staff sent links to the survey through the organization’s digital communications as well as through direct outreach with organizations serving

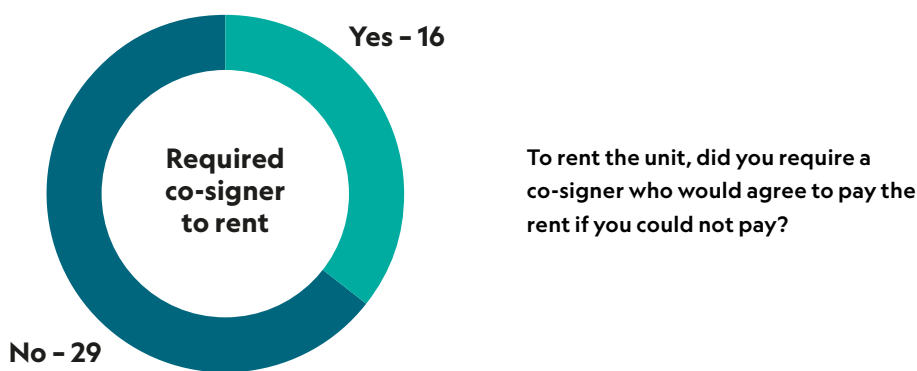
newcomers in the city. This testimony provides important context about what is happening to newcomers as they seek to settle in Toronto.

Of the 74 responses to the survey, only 60% of respondents had been successful in securing housing since their arrival in Canada. This figure alludes to the steep and various barriers that newcomers face in securing housing upon arrival in Canada. Of the respondents who had been unable to secure housing upon arrival in Canada, all reported a racial identity other than non-racialized, reflecting again that newcomers of racialized identities experience heightened barriers to accessing housing in Toronto.

Of the 40% of respondents who had been unable to secure housing since arriving in Toronto, 85% were earning less than \$2,000 per month, with 61% earning less than \$1,000 per month. A further 62% of respondents who had been unable to secure housing received social assistance.

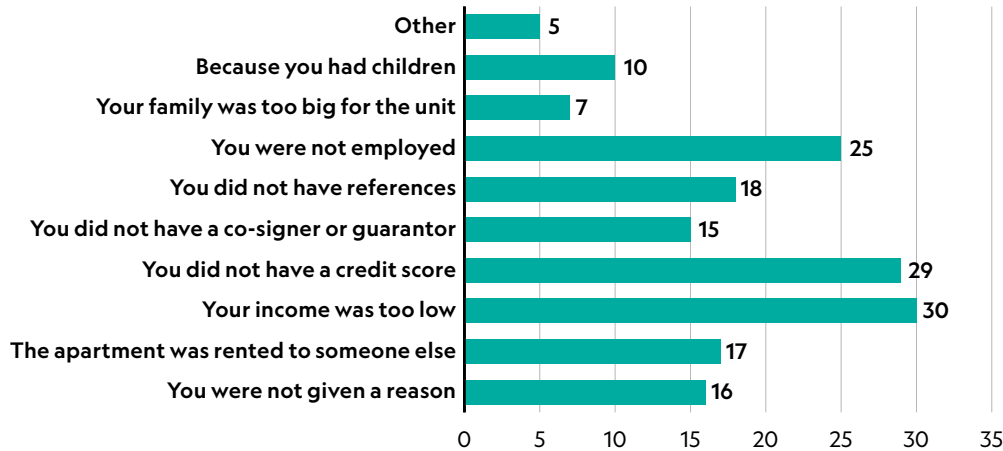
The following graphs outline some of the key findings of the survey:

Graph 1: Co-signer Requested for Rental Agreement for a Newcomer

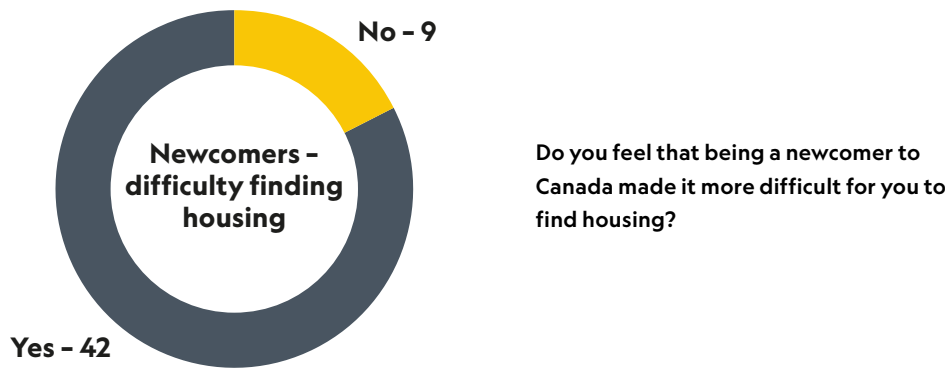


Graph 2: Reasons a Newcomer was Denied an Apartment Rental Unit

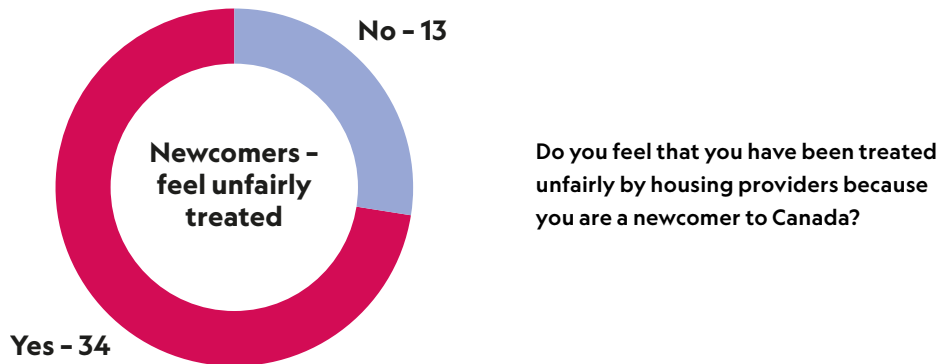
What were the reasons given to you that you could not rent an apartment? (Multiple choice)



Graph 3: Newcomer Status Negatively Affected Search



Graph 4: Newcomers Being Discriminated Against in the Rental Market



Survey respondents reported experiencing a high degree of discrimination by housing providers and many barriers to accessing housing in Toronto. When answering open-ended questions, respondents who were successful in securing housing often also reported that they experienced poor housing conditions upon securing their first apartment. Survey respondents reported moving into apartments that had maintenance issues, vermin, mold, and poor heating. Of the 45 respondents who were successful in securing a first apartment upon arrival in Canada, only 19 respondents remained in that first apartment. The other 26 respondents reported that they moved on from their initial apartments citing high costs, maintenance issues, poor housing conditions, and in the case of five respondents, informal evictions by the housing provider. These responses suggest a very disruptive path to settlement in Toronto for newcomers.

Figure 6: Feedback by Newcomers Describing their Early Experiences in their Housing Search

Below is a selection of comments from newcomers regarding their early experiences seeking housing in Toronto, edited lightly for clarity.

“It was difficult to pay the first and last months’ rent because we didn’t have a Canadian bank account. We had to find a landlord (1) willing to take payment in cash, (2) who was comfortable with the fact that neither of us were employed and that we could not provide a co-signer, and (3) wasn’t bothered by the fact that our references from previous landlords were all international.”

“Having no credit history, being jobless, having no vehicle and being new without having a settlement worker made our life very challenging. I am still struggling to find a job in my field.”

“[It was difficult] not knowing where to find reliable information and who to trust. Without a good grasp of English, any type of support from people living here, or being savvy to navigate the internet and find information yourself, it’s almost impossible to find suitable and legal housing.”

“The moment I said [that I was a newcomer] 90% of the landlords said I needed a credit score, and that preference would be given to those able to provide a good credit score and job letter.”

“Most landlords did not want people receiving Ontario Works.”

“I had to give more advance rent than first and last month. I was rejected by multiple landlords because I had no job, even though my savings could cover rent for the whole year.”

Interviews

Following the audit and survey, the research team conducted 10 semi-structured interviews with newcomers who reported challenges in accessing housing. Interview questions were informed by background research as well as the preliminary results of the audit and survey data. Interviewees spoke to a range of different experiences and shared the profound difficulties they faced as they endeavored to secure housing upon first arrival in Toronto.

Among the most significant barriers to accessing housing in the city that newcomers cited were:

- Affordability
- Race-based discrimination
- Gender-based discrimination
- Discrimination based on familial structure or the presence of a child, and in particular discrimination based on being a single-parent family
- Discrimination based on the receipt of social assistance
- Unfamiliarity with Toronto and the norms associated with the process of procuring housing

Many interviewees also noted that not having a credit history in Canada in many instances precluded them from applying to a large volume of housing units. Others outlined an initial sense of confusion about how and where to seek housing in Toronto as being a key impediment to securing housing upon arrival.

All 10 interviewees disclosed that being unable to access housing created significant challenges in other areas of their lives. For example, one interviewee described being unable to secure a social insurance number upon arrival, because she and her husband were living in a motel and had no mailing address. In turn, this precluded them from seeking employment which then created additional barriers to securing housing. Others echoed the challenges of seeking employment while residing at a temporary address. Several interviewees further spoke to the ways in which the processing backlog at Immigration, Refugees and Citizenship Canada had left them both unable to secure either employment or housing for many months without the necessary paperwork in hand.

For all interviewees who were successful in securing housing, it took them many months, and in some instances years, to do so. Three of the interviewees who were not successful in securing housing upon arrival remained living in the city’s shelter system many months after their arrival. Many of the interviewees

described negative physical and mental health outcomes related to the profound stress associated with being unable to secure housing. Others further detailed how searching for accommodation in Toronto was resource-intensive and required that they spend their limited savings on transit around the city, temporary hotel or motel accommodations, and fees associated with applications for housing units. This in turn left them with less savings to direct towards expenses like first and last month’s rent upon securing housing. Finally, interviewees detailed how upon securing housing, the conditions of their housing were inadequate and housing providers took advantage of their status as newcomers and their lack of housing options to neglect repairs, impose unfair rules, and levy unwarranted fees.

Limitations of the Methodology

Discrimination Audit

With this project, CCHR’s team endeavored to design and implement a study that fulsomely and soundly tested for the prevalence of discrimination against racialized newcomers and refugees in Toronto’s housing market. However, as is the case with any study, there are some limitations to the methodologies employed which are highlighted and discussed below.

Although the research team was methodical in selecting rental units and endeavoured to include many of the most popular housing search platforms, it was not feasible to review all technologies and platforms used in housing searches. For example, the team made the decision to exclude Facebook Marketplace from this study because it would have required the use of Facebook profiles. We determined that though Facebook Marketplace is widely used to search for housing in Toronto, the creation of new profiles might flag our study for housing providers, since Facebook displays how long users have been using the platform. The team also did not include apartments that used “For Rent” signs on their exterior to signify a vacancy and may or may not have been posted online. These two exclusions likely meant that the study excluded a number of units in the secondary rental market, since individual landlords

often use Facebook Marketplace and “For Rent” signs to advertise their vacant units. Second, the decision to hide auditors’ caller identifications from housing providers when making telephone calls was likely to have deterred some housing providers from answering their telephones, and likely limited the number of returned calls that were received when an auditor left a voicemail message.

Paired testing relies heavily on the use of individual judgement, as the individuals conducting telephone audits bring different experiences and perceptions to the study, and are likely to conduct telephone calls with some variation. While we made every effort to minimize the potential for individual judgement to impact interactions in the telephone audit, this is a noted criticism of paired testing methods.

The ways in which housing providers and housing seekers communicate have shifted over the past decade. It was very often the case that when a rental listing included a telephone number, the housing provider did not answer their telephone. Overall, this meant that we had less telephone data to analyze. Further, collecting this telephone data was much more resource-intensive than was the case with the previous audit, as auditors had to call repeatedly to receive a response.

Given the limited variable approach adopted in this audit, the team did not have the resources to be able to test every ground upon which newcomers and refugees can face discrimination in Toronto’s housing market. For instance, this research does not capture potential discrimination faced by newcomers who are LGBTQ2SIA+, gender-diverse, or receive social assistance when seeking housing. These and additional variables could be considered for future audits.

Again, due to the project parameters and capacity, the paired testing only examined the first stage of the housing search process. The process by which housing seekers secure housing of course goes beyond initial inquiries about a given unit, and there are many opportunities for discrimination throughout the process. Because this study focused on initial interactions between housing seekers and housing providers, it is very likely that there are additional

instances of discrimination taking place in Toronto’s housing market, and those could also be of significant scale. This limitation applied in particular to email correspondence in the audit, where increasingly large-scale housing providers return all inquiries with a prefabricated auto-response.

Survey and Interviews

There are several limitations of a web-based survey. However, due to the ongoing COVID-19 pandemic during the winter of 2022, a widely distributed paper-based survey was not feasible. Conducting a web-based survey has the potential to limit the access of those who do not use email or online platforms, and it has been established that telephone and web-based surveys often under-represent marginalized and equity-deserving groups, like people living on low incomes and people experiencing homelessness.¹⁷ This was a concern in conducting a survey focused on the experiences of racialized newcomers. To mitigate the limitations of web-based survey distribution, CCHR distributed the survey through the networks of partner organizations who work directly with racialized newcomers and refugees and have established relationships with individuals and communities, and provided paper copies for distribution at several agencies. A total of 74 responses were collected. Likewise, the interviews provided important context to the numerical audit data and connected voices to the counted experiences of discrimination in Toronto’s rental housing market. They were not, however, intended to provide a representative sample of newcomer and refugee housing experiences in Toronto. Therefore, although the findings from these methods are not representative of the experiences of all racialized newcomers and refugees to Toronto, it is important to emphasize that survey and interview data were collected to provide important context and to supplement the findings of the paired testing audit, which was the central aim of the study.

Concluding Discussion

Owing to a limited number of studies and minimal data collected by government agencies on the barriers and discrimination faced by newcomers to Canada, it is currently difficult to gauge the extent of discrimination in rental housing markets across Canada. Nevertheless, the issues of discrimination and the real barriers facing newcomers and racialized residents persist.

The official recourse available to individuals who have faced discrimination in housing is through filing a complaint against the housing provider at the HRTO. However, this process is inaccessible to many. People who contact CCHR’s services team about discriminatory treatment often tell us they are not interested in reporting it through official channels, because they are too busy just trying to secure housing. Others understand that the process of making a human rights complaint is complex, wait times are long, and they do not feel it is a good use of their time because they have so many other overriding concerns. Based on our understanding of the scope of the issue from CCHR’s 35 years of service provision and the results of our 2009 discrimination audit and this 2022 audit, it can be assumed that formal complaints about discriminatory treatment in seeking housing are underreported through official channels. Even so, in 2021, the HRTO received 381 housing-related complaints comprising 9% of all of applications.¹⁸

Below, we discuss the implications of the findings of this study.

Discrimination in Toronto’s Rental Housing Market Against Newcomers is Widespread

Among both men and women, racialized and non-racialized, newcomer status was associated with an increase in discriminatory treatment. This means that the housing provider’s response would likely create some barrier to securing the unit in question for the test applicant when compared to the control applicant. This indicates a high level of discrimination against newcomers, and in particular racialized newcomers, in Toronto’s rental housing market.

The lack of available affordable rental housing in Toronto is a major contributor to the difficulty newcomers with limited financial means face when trying to secure housing upon arrival. The limited supply of affordable rental housing has allowed housing providers to increasingly become more selective of who they choose for tenants and who they perceive to be ideal tenants. This appears to preclude newcomers accessing an even wider swath of Toronto’s rental housing stock. In both the telephone and email data, disclosing newcomer status elicited high levels of discriminatory treatment by housing providers across racial and gendered identities, even while indicating they had an income to afford the unit. After disclosing newcomer status, telephone and email auditors were routinely asked invasive questions or asked to provide documentation that is beyond what is acceptable by law. In many instances, telephone auditors were told by the housing provider that they could not rent to them. In many instances in the email audit, housing providers responded enthusiastically to the control profile and simply ignored inquiries from email auditors who disclosed newcomer status.

The Discrimination Captured in this Report Likely Reflects a Much Broader Problem

This research captured discriminatory behaviour that occurs when initial contact is made with a housing provider. In many instances, discrimination at this early stage precludes newcomers from accessing rental housing. But CCHR knows from working with our clients that discrimination against a would-be tenant can occur at any point in the process of securing rental housing. Households that may not have been discriminated against in this initial part of the process may experience discrimination at a later stage, such as when viewing the apartment or filling out a rental application. Indeed, many survey respondents and many interviewees reported discriminatory interactions at other stages of the process. This research represents a first step. Further research is needed to gain a broader understanding of discriminatory practices faced by newcomers throughout the process of securing rental housing.

Racialized Newcomers and Single-Parent Newcomer Households Face Particularly High Levels of Discriminatory Treatment

Both the email and telephone audit profiles that presented as racialized faced high levels of discrimination from housing providers. This was the case both when newcomer status was disclosed, and when it was not. This makes clear that a high level of race-based discrimination persists in Toronto’s rental housing market. Female telephone auditors who disclosed a newcomer status faced a 62% increase in discrimination when they also had accents that presented as racialized, compared with auditors who did not have racialized accents. Male telephone auditors who disclosed a newcomer status faced a 267% increase in discrimination when they had accents that presented as racialized, compared with when the male newcomer identity was presented without a racialized accent. This suggests that for male newcomers, race can be a driving force in discrimination. In contrast, non-racialized and racialized newcomer women may both face discrimination based on other aspects of their identity, such as their gender, which makes the additional impact of race less salient (though not unimportant) for newcomer women relative to newcomer men.

Discrimination was particularly acute when a racialized and female-presenting telephone auditor disclosed their newcomer status and the presence of a child in their household. In these instances, racialized female newcomers experienced 563% more discriminatory treatment when they disclosed the presence of a child, compared to when they did not disclose this information. This high degree of discriminatory conduct was echoed in interviews, where single-parent newcomers detailed the profound barriers that they faced when trying to secure housing. This research unfortunately confirmed that the barriers to accessing housing as a single-parent, female-led, racialized newcomer family are particularly acute.

Stringent Application Processes are a Mechanism that Housing Providers Use for Discriminatory Purposes

Since the 2009 discrimination audit was conducted, a tight rental housing market has emboldened housing providers to impose more stringent criteria on rental housing applicants. Prospective tenants are routinely asked to provide a wide range of documentation and answer intrusive questions, in many instances including documentation and questions prohibited by the Ontario Human Rights Code. They are also asked to provide excessive advance payments prohibited by the RTA. During the project, auditors noticed many housing providers outlining these stringent requirements at the initial point of contact. Many of the criteria outlined could not reasonably be met by most newcomers to Canada.

Requests at the initial point of contact included credit scores over 680 and three to six months of bank statements and pay stubs. Although housing providers are permitted to turn down applicants based on their credit score, having no credit score is not supposed to count against applicants, and if the lack of a Canadian credit score is related to “place of origin” (a protected ground under the Ontario Human Rights Code), doing so can be considered discriminatory. During this project, when auditors disclosed that their profile did not have a credit history in Canada, many housing providers responded that they would only be able to rent the apartment by paying many months’ rent upfront.

Discriminatory Conduct by Housing Providers is Often Hidden

In several instances, auditors unfortunately experienced and recorded interactions with housing providers that involved explicitly racist or sexist statements. However, in most instances, the discriminatory conduct that was observed was much more subtle. Test profile auditors observed that once newcomer status was disclosed, some housing providers asked more questions about familial structure or employment, or proceeded to outline additional rental application criteria; while the same housing provider invited the control

profile to view the unit without mentioning the application process. In other instances, housing providers were eager to end the call quickly after the test profile auditor disclosed their newcomer status, but the same housing provider was eager to have the control profile auditor view the apartment. The majority of the differential treatment detected in this study would not have been immediately apparent to the telephone or email auditors without the ability to compare the treatment through the paired testing. The ability to detect and observe subtle modes of discrimination that work to limit opportunities for marginalized and equity-deserving groups is one of the distinct advantages of this approach. Because of the subtlety of discrimination we can observe using this methodology, it is reasonable to presume that official statistics that endeavour to quantify discrimination and rely on more overt instances do not capture the true scope of discriminatory practices.

Discrimination in the Housing Market May Be Even More Acute as Rental Market Conditions Tighten

A key systemic contributor to a newcomers’ struggle to secure rental housing in Toronto is a shortage of affordable rental housing supply. Frequently, units advertised in Toronto are simply out of reach for newcomers, many of whom arrive with limited savings and are living on low incomes. The barriers to accessing rental housing are compounded by the common practices of housing providers imposing larger deposits and advance payments of rent, which they tell applicants they require because they do not have a Canadian guarantor, credit, or employment history.

Against that challenging backdrop, this study demonstrates that newcomers’ ability to secure adequate housing is even further limited by discrimination in the housing market. It is important to note here that this research was carried out in February 2022. At the time, rental market conditions were beginning to tighten in the aftermath of a lull in the rental market induced by the COVID-19 pandemic. However, since then, rental market conditions in Toronto have only tightened, with average rents in Toronto in late July of 2022 up more than 20%

over the year prior,¹⁹ with rents in the Greater Toronto Area (GTA) rising at the fastest rate on record.²⁰ Meanwhile, the vacancy rate in Q1 of 2022 among stabilized purpose-built rental buildings completed since 2005 in the GTA has contracted to 1.8%.²¹ The head of the Toronto Regional Real Estate Board expected further increases in the following months as rising interest rates push more people into the rental market.²²

As it is likely that fiercely competitive conditions will persist in Toronto’s rental housing market for some time, we can presume that the barriers to accessing housing for newcomers to Toronto will continue without immediate interventions. Many newcomers are unaware of their legal rights as tenants, and are thus more vulnerable to experiencing illegal requests and conditions in their tenancy arrangements. A lack of understanding of legal rights coupled with limited affordable housing options within a competitive rental housing market is particularly troubling in light of projected population growth. Statistics Canada estimates that between 2020 and 2043, Ontario will see a 28.6% increase in its population, largely driven by immigration.²³ We know that the first stop for most newcomers to Ontario is the GTA. Without tenant protections, education, and an increase in the availability of deeply affordable housing options in Toronto, newcomers will continue to be left with few adequate housing choices. In addition to policy reform and funding for direct supports and programs for newcomers seeking housing, further research is needed to determine how housing market conditions impact the rates of discriminatory treatment that newcomers face in the rental housing market.

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List of Acronyms

CCHR – Canadian Centre for Housing Rights

CERA – Centre for Equality Rights in Accommodation

CMHC – Canada Mortgage and Housing Corporation

CRWC – Christie Refugee Welcome Centre

GTA – Greater Toronto Area

HRTO – Human Rights Tribunal of Ontario

HUD – Department of Housing and Urban Development

RTA – Ontario Residential Tenancies Act

End Notes and Works Cited

1. The term "racialized" is a sociological concept closely related to racism. People seen as belonging to racialized minorities are people who could be perceived as being socially different from, for example, the racial or ethnic majority. In Canada, the term "racialized minority" usually refers to non-white people. The word "racialized" stresses the fact that race is neither biological nor objective but is a concept which is societal in origin. Categorizations other than "racialized" include "people of colour" or BIPOC (Black, Indigenous, People of Colour). See Souissi, Takwa. "Racialized Minorities." *The Canadian Encyclopedia*, February 23, 2022, <https://www.thecanadianencyclopedia.ca/en/article/racialized-minorities#:~:text=In%20Canada%2C%20the%20term%20%E2%80%9Cracialized,which%20is%20societal%20in%20origin.>

The Homeless Hub at York University notes, "Frequently referred to as 'visible minorities' the term 'racialized communities' encompasses all people that are non-Caucasian in race or non-white in colour. Indigenous peoples in Canada are sometimes excluded from this definition, but should not be. [Increasingly,] the term racialized communities is replacing visible minorities because in many municipalities that population of people who are non-white make up the majority, not a minority of the overall population," and that, "Systemic and institutionalized racism often contributes to homelessness amongst these communities." See "Racialized Communities." *Homeless Hub*, <https://www.homelesshub.ca/solutions/priority-populations/racialized-communities> [Retrieved November 11, 2022].

2. In the study and this report, we refer to "appeared as" as "presented as."

3. See Feinstein, Clarrie. "Average Rents in the GTA Shoot up Almost 20% in the Past Year." *The Toronto Star*, July 28, 2022, <https://www.thestar.com/real-estate/2022/07/28/average-rents-in-the-gta-shoot-up-almost-20-per-cent-in-the-past-year.html> and Hildebrand, Sean. "Rental Vacancy Rate Continues to Decline in Q1." *Urbanation*, April 19, 2021, <https://www.urbanation.ca/news/342-rental-vacancy-rate-continues-decline-q1>.
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