

State of Knowledge on Housing Discrimination

INTRODUCTION

This report reviews the state of knowledge on housing discrimination in Canada drawing on English and French language literature as well as on that from the United States (U.S.). For the purpose of this report, housing discrimination consists of any behaviour, practice, or policy within the public or market realm that directly, indirectly, or systemically causes harm through inequitable access to, or enjoyment of, housing for members of social groups that have been historically disadvantaged.

The term, discrimination, is used here in the sense of social justice issues. For discrimination to have taken place then involves two findings: the existence of differential treatment and, absence of justification for it, moral or legal. The general components of discrimination are denial of: equal opportunity, or equitable access or, same treatment, of a disadvantaged group compared to dominant social groups.

In the determination of discriminatory acts, human rights interests are often balanced against the vested economic and social interests of dominant groups. Since the late 1940s, when human rights legislation per se was first enacted in Canada, the practices that have been designated as discriminatory have altered and expanded. For tenants, the trend has been an expansion of legal protection.

Illustrating this trend, some aspects of housing are being increasingly viewed as discriminatory. These include: the Ontario Human Rights Commission disallowance of arbitrary application of maximum rent-to-income ratios in Ontario rental housing; the *Canadian Human Rights Act* Review Panel's recommendation that a) the federal *Indian Act* and the *First Nations Land Management Act* (which deny women and their children access to reserve housing after separation or divorce) no longer be exempted from Human Rights legislation; b) social condition be recognized as a prohibited ground.

The report includes a review of the research on housing discrimination in Canada, an assessment of the strengths and weaknesses of the research methods used and, a field consultation on current issues with 40 informants from various stakeholder groups such as landlord representatives, tenant advocates, real estate and financial representatives in various communities across Canada.

MEASURING HOUSING DISCRIMINATION

Housing discrimination has been both inferred by an indirect approach (mostly in the U.S. where there is a large volume of secondary data) and measured directly. Housing researchers in Canada have used several direct methods including collection and review of formal human rights complaints, surveys of housing consumers and providers and, housing audits or paired testing. Each method has advantages and disadvantages but the audit, in which testers from two different groups are matched, trained and apply for available housing then independently report how they were treated, provides the most robust evidence. The audit technique is regularly used in the U.S. in connection with federal Fair Housing laws. However, it has also been criticized as not being 'blind' and relying on deception and presumed intent to discriminate. Research approaches in the two countries reflect their different policy approaches to the issue. Canada has opted to promote individual human rights instead of looking for guilty landlords.

RESEARCH FINDINGS

The focus of Canadian research has been on access to housing, primarily by measuring perceptions of discrimination among ethno-racial minority groups. Generally, the studies are small-scale, use survey methods, use measures of perceived discrimination and, are limited to a few cities and to the rental sector. Findings from 21 unrelated quantitative studies conducted from 1957 to 1996 show that racial discrimination is a continuing problem for some groups in the private rental-housing sector. Limitations in the scale and methodology of the various studies make it difficult to generalize their findings and virtually nothing is known about discrimination in the housing sales market, mortgage lending or, home insurance.

Historically, the first study of housing providers in Canada was in 1957 to identify racial discrimination in Toronto rental practices. The first Canadian effort to use paired testers or the audit method to detect housing discrimination was conducted in 1959. The first Canadian study of perceived racial discrimination took place in 1969. A 1977 investigation of racial hostility in Toronto revealed incidents of racial harassment against homes of South Asian families. A 1992 Minority Survey in Toronto found black respondents were most likely to experience prejudice when moving into new neighbourhoods. A 1998 study reported on the loss of private sector services when neighbourhoods become stigmatized (perhaps because of association with public housing). Interestingly, researchers have noted a discrepancy between an individual's perceptions of discrimination against self (less) and against group (more) in the dimensions of race, culture, immigration status and gender.

There have been no Canadian studies of discrimination in housing purchase processes or outcomes nor have there been studies to investigate discrimination in mortgage lending. However, despite the lack of any empirical, anecdotal, or testimonial evidence, it cannot be concluded that the problem does not exist in Canada as mortgage lending transactions are heavily veiled, unlike the United States where mortgage and lending institutions are obliged by government to track the outcomes of applications.

Prejudice does not necessarily lead to discrimination; nevertheless, a few Canadian studies have investigated landlords' views on ethno-racial or low-income groups. The behaviour of housing gatekeepers was reviewed along with the propensity for owner-occupier landlords to discriminate more. When asked, most landlords' preference was for a "working, young couple", followed by a "working, lone parent".

Other studies have documented discrimination against women where the focus has been as much on harassment during occupancy as on access to housing. Studies that have investigated tenants' experiences of harassment and sexual harassment are among the first to probe discriminatory treatment and its effects. And, although women testers have been involved in housing audit research, there have been very few studies of women's perceptions of housing discrimination. Nor has any study dealt with 'intersecting grounds' of multiple discriminatory grounds such as interactions of race and gender.

Other legally prohibited grounds for discrimination such as family status, receipt of social assistance, disabilities and sexual orientation, have not been part of any systematic research. The anecdotal research indicates that youth, the elderly, gays and lesbians are likely to encounter housing discrimination. Tenants with mobility disabilities commonly face barriers due to building design.

In land use planning, zoning by-laws create exclusionary neighbourhoods and municipal zoning, through land use controls, excludes special needs groups and households of unrelated persons. These exclusions may be the result of legitimate concerns about parking, recreation, sun and safety issues raised by existing residents.

The extensive American research is tied to increased political/civil rights activism and is of a different nature, making use of the large amount of statistical information that is required by law to be disclosed by financial and other housing institutions. Most of these legal requirements have their origin in the civil rights era. The research on discrimination is strongly linked with research on racially-segregated neighbourhoods with further links to concentration of poverty, schooling outcomes, labour market participation, crime and even health care. Compared to the U.S., Canadian research has

been more probing, venturing into landlords' views and actions and, tenants' experiences of harassment but has been far less rigorous in quantifying the extent of discrimination. In the absence of a strong research base in Canada, it is tempting to look for parallels with the U.S. but there do not appear to be any strong grounds for doing so.

INFORMANTS' INPUT

Informants' views on housing discrimination varied by their occupation or association. Tenants and human rights advocates viewed it as prevalent while those involved in residential rental, sales and financial lending did not. There was agreement about the groups most affected: ethno-racial minorities; low-income households; people with disabilities; children, single mothers and women; lesbian women and gay men and; homeless people. Several informants noted that racial discrimination is now more covert than overt. Informants agreed on two other points: existing data on housing discrimination are inadequate for directing policy discussions and, the current system to resolve complaints is ineffective and does not fulfill the role of preventing discrimination.

Landlords are concerned about managing risk through avoiding "bad" tenants. More professional methods such as standardized application forms may reduce the occurrence of discrimination in risk management activities. The market, legal and social environments affect the degree to which landlords will tolerate risk: vacancy rates; ease of evictions; and 'moral panics'.

In the public and nonprofit arenas, various types of institutional and systemic discrimination were noted such as the 'man-in-the-house' rule, obtaining 'points' on waiting lists, lack of physically accessible units, government tax expenditure policies and, the 'not-in-my-backyard' (NIMBY) syndrome about social housing. Certain practices of nonprofit or cooperative housing communities and private church or ethnic housing projects that favour their own members were identified. Many informants felt lax enforcement of legislation was a problem and suggestions for change included quicker resolutions, court challenge funds, advocacy and systemic changes.

SUMMARY

While Canadian studies have been small-scale surveys of perceived discrimination in a few cities and in the rental sector, there is sufficient research to demonstrate that housing discrimination has been, and continues to be, a problem for some racial minority groups and women. There have been no multiple-site or national studies.

The U.S. experience suggests an ongoing program of random testing and education can reduce some housing discrimination. But without more rigorous research, housing discrimination will remain an unquantified social problem in Canada.

RESEARCH OPPORTUNITIES

Further research could try to clarify any need for intervention. This would require a systematic, rigorous program that measures the extent of discriminatory actions. Also, it would be important to develop a deeper understanding of the subjective experience due to perceived discrimination by housing gatekeepers because perceptions, whether valid or not, still have real consequences. Improved practices for housing activities that are potentially discriminatory (e.g., risk assessment and tenant screening in the rental sector) could usefully be explored. Finally, the negative effects of housing discrimination (e.g., the causing of stress and its impact on health, or the forcing of a more extensive housing search and its increased costs) could also be studied.

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Housing Research at CMHC

Under Part IX of the *National Housing Act*, the Government of Canada provides funds to CMHC to conduct research into the social, economic and technical aspects of housing and related fields, and to undertake the publishing and distribution of the results of this research.

This fact sheet is one of a series intended to inform you of the nature and scope of CMHC's research.

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Printed in Canada
Produced by CMHC
Revised: 2006

02-01-07

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