

Ontario Capping Rent Increases at the Lowest Rate in Canada

June 28, 2024

[Municipal Affairs and Housing](#)

TORONTO — Ontario is holding the annual rent increase guideline for 2025 at 2.5 per cent. This is currently the lowest rate in the country and below the average inflation rate of 3.1 per cent. The rent increase guideline is the maximum amount a landlord can increase rent during the year for most tenants without the approval of the Landlord and Tenant Board.

The guideline is based on Ontario's Consumer Price Index, a measure of inflation calculated by Statistics Canada using data that reflects economic conditions over the past year. Under the *Residential Tenancies Act*, the guideline is capped at 2.5 per cent to help protect tenants from rising interest rates that would result in higher rent. Without the cap, the recent rate of inflation would have resulted in an increase of 3.1 per cent in 2025.

Rent increases are not automatic or mandatory. Landlords may raise rent only if they give tenants at least 90 days' written notice using the [correct form](#). At least 12 months must have passed since the first day of the tenancy or the last rent increase. If a tenant believes they have received an improper rent increase, they can apply to the [Landlord and Tenant Board](#) to request a correction.

Over the last three years, Ontario has seen the highest housing starts and rental housing starts in over three decades.

Quick Facts

- The rent increase guideline applies to the vast majority of rental households — approximately 1.4 million — covered by the *Residential Tenancies Act*. It does not apply to rental units occupied for the first time after November 15, 2018, vacant residential units, community housing, long-term care homes or commercial properties.
- In most cases, the rent increase cannot be more than the rent increase guideline. Landlords can apply to the [Landlord and Tenant Board for above-](#)

[guideline rent increases](#), under certain circumstances, such as after eligible capital work has been paid for and finished.

- Tenants who may need help to pay their rent are encouraged to contact their local [service manager](#) to see what housing supports are available in their community.
- Ontario has the highest maximum fines in Canada for residential tenancy offences.

Additional Resources

- Learn more about [renting in Ontario](#) and your rights as a tenant, including easy-to-understand rental leases and protections against wrongful or bad faith evictions.
- Learn about [the rules for rent increases](#), including rent increase guidelines and resolving issues about rent control.
- Use [Navigate Tribunals Ontario](#) to learn about your rights and responsibilities and the rules and processes at the Landlord and Tenant Board.
- [Visit Ontario's website for information on how to solve a disagreement with your landlord or tenant](#), and learn how we can help if a landlord or tenant breaks a rule under the *Residential Tenancies Act*.

Related Topics

Government

Learn about the government services available to you and how government works. [Learn more](#)

Home and Community

Information for families on major life events and care options, including marriage, births and child care. Also includes planning resources for municipalities. [Learn more](#)

Media Contacts

Bianca Meta

Minister's Office

bianca.meta@ontario.ca

Communications Branch

[mma.media@ontario.ca](mailto:mmma.media@ontario.ca)

[Accessibility](#)

[Privacy](#)

© King's Printer for Ontario, 2012-2025
