



**Residential
Tenancy Office**

Prince Edward Island • CANADA

**Annual Allowable
Rent Increase
effective January 1,
2024 is 3%**

Jennifer L. Perry,

**Director of Residential
Tenancy**

September 18, 2023

BACKGROUND

1. On April 8, 2023, the Government of Prince Edward Island repealed the *Rental of Residential Property Act* and proclaimed the *Residential Tenancy Act* and the *Residential Tenancy Regulations*. This means the new *Residential Tenancy Act* (the “Act”) is law as of April 8, 2023.
2. Subsection 49. (2) of the Act, sets out the formula and requires the Director to establish the allowable annual increase in rent for the calendar year 2024 and publish it in the Gazette.
3. In accordance with subsection 49. (2)(a) of the Act, the Director gave public notice inviting written representations from landlords and tenants to assist in establishing the allowable annual rent increase.
4. This year, submissions closed on August 11, 2023, and a total of 106 submissions were received by the deadline; 37 from landlords, 52 from tenants, and 17 from unknown/other sources. There were 37 submissions requesting a rental increase between 1 and 3 %, there were 20 submissions requesting a rental increase of 4 % or more, there were 2 submissions requesting no increase; and the other submissions did not provide a recommendation.
5. In accordance with subsection 49. (2) (b) of the Act, the Director requested from the Commission, the “percentage change from year to year in the All-Items Consumer Price Index for Prince Edward Island as reported monthly by Statistics Canada, averaged by the Commission over the 12-month period that ends at the end of June of the previous calendar year and rounded to the first decimal point”.
6. The Commission provided the requested data to the Director and the 1-year percentage change required in subsection 49. (2) (b) of the Act, for the period July 2022 to June 2023, was 6.1%.

Average Percentage change from July 2022 to June 2023		
Avg Jul 2021 to Jun 2022		151.3
Avg Jul 2022 to Jun 2023		160.6
1 yr Change		
22/23 over 21/22		6.1%

7. In accordance with subsection 49. (2) (c) of the Act, the Director is required to consider any other factors specified in the regulations. There are no other factors in the regulations at this time.
8. Subsection 49. (3) of the Act, states the guideline for a calendar year shall not exceed 3 percent.
9. Based upon a review of the factors set out in the Act, the Director establishes the 2024 annual allowable rent increase guideline for all residential rental properties to be 3 percent.
10. Subsections 48. (1), (2) (b) and (4) of the Act state that landlords are permitted to raise the rent once every 12 months and are required to provide tenants with three months’ written notice on an approved form before the rent increase can take effect.