



SUBMISSION TO THE  
GOVERNMENT OF BRITISH COLUMBIA'S  
RENTAL HOUSING TASK FORCE

JULY 5, 2018



## **Submission to the Government of British Columbia's Rental Housing Task Force**

Presented by the  
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## ABOUT RAPS

The [Regional Animal Protection Society](#) is committed to saving and improving the lives of animals.

For more than 20 years, RAPS has operated what is now one of North America's largest cat sanctuaries.

Since 2007, RAPS has been contracted to operate the City of Richmond Animal Shelter.

RAPS also operates a vast fostering network, provides food and care to animals in households with low incomes, and provides spaying and neutering to prevent animal overpopulation.

The organization has also been a leader in social enterprise, operating a successful thrift store that provides crucial support for our services, with a second location set to open in the coming weeks.

In an enormously consequential move, RAPS has expanded our social enterprise activities. In February 2018, RAPS opened the [RAPS Animal Hospital](#), a full-service, state-of-the-art veterinary facility.

The purpose of the hospital is to care for the animals at the RAPS City of Richmond Animal Shelter, the RAPS Cat Sanctuary, in our fostering network and in households with low incomes.

Crucially, the hospital also offers services to the general public, revenue from which is reinvested into all the animal programs RAPS operates.

Because it is a not-for-profit facility, the RAPS Animal Hospital fee schedule is significantly below market rates.

Ensuring that animals are cared for is why RAPS exists. The RAPS Animal Hospital exists to ensure that the most animals possible receive the best care available. That, not profit, is the mission of the hospital.

In addition to all this, the hospital represents the completion of a pilot project that can be replicated to create no-kill, community-supported animal-serving agencies across Canada and internationally.

On the foundation of a social enterprise animal hospital, combined with spaying and neutering, shelters and sanctuaries, this model can be replicated to save and improve the lives of more animals everywhere. Because we believe that *whether* an animal lives should not depend on *where* in animal lives.

Because veterinary care and animal well-being is a significant expense for many households, alleviating that burden can have a significant overall positive impact on a household's budget. Anything that improves the affordability of life in Metro Vancouver and British Columbia is a step in the right direction.

## RAPS ADVOCACY

The single most prevalent factor in the surrendering of companion animals to the RAPS City of Richmond Animal Shelter is the inability to find appropriate housing that is both affordable and that accepts companion animals.

RAPS advocates with governments on issues of importance to animals and people. RAPS' advocacy in the past has helped create bylaws that require the spaying and neutering of dogs and that have ended the retail sale of cats and dogs in Richmond, B.C., the first municipality in Canada to do so.

RAPS educates students and the general public about safe human-animal interactions and responsible animal companionship, provides opportunities for social and educational interactions between people and animals and offers many volunteer opportunities for people of all ages and abilities.

## **INTEREST IN THE RENTAL HOUSING TASK FORCE**

RAPS is committed to addressing the issues that are most important to animals and their people.

It is in the interest of our organization, but especially for the families and animals affected, that ensuring the availability of adequate, affordable housing that accepts pets be a matter of public policy.

While there appear to be no local studies or available research that consider animals in rental policy, we can extrapolate from other materials. There were 8.8 million cats in Canadian households in 2016, up from an estimated 7 million in 2014. The dog population in 2016 was 7.6 million, up from 6.4 million in 2014.<sup>1</sup> Some households have more than one pet, and approximately 50% of all households include a cat or dog, or both. Statistics indicate that the number of pets in Canada is increasing while animal-affirmative rental accommodations are probably static or decreasing, proportional to the population.

Recognizing the number of households affected by housing policies relating to companion animals, this issue should be of significant concern to governments.

In addition, more people now live alone than ever in history<sup>2</sup> and many of these are finding companionship with pets.

While this Task Force is specifically addressing rental housing, we would urge the Government to also consider animal-affirmative policies in strata accommodations. Canada's 2016 census indicated that 1 in 7 Canadians (almost 1.9 million people) live in condos. To put rental and strata accommodations in perspective: There are approximately 600,000 rental units in B.C. and one-third of all Vancouver residents live in condos.<sup>3</sup>

On the generalized issue of housing affordability, there is a limited amount that RAPS can do as an organization to address the underlying issue of income and housing affordability.

However, the opening of the RAPS Animal Hospital presents an opportunity to ensure that households with companion animals are able to access excellent, affordable veterinary care for the non-human members of their family.

Our core objectives in this submission are:

- ❖ Advocating for policies that expand the availability of housing for households with companion animals (public policy); and
- ❖ Identifying means by which we as an organization can make life more affordable for households with companion animals (organizational policy).

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<sup>1</sup> <https://www.canadianveterinarians.net/documents/canadian-pet-population-figures-cahi-2017>

<sup>2</sup> <https://www150.statcan.gc.ca/n1/daily-quotidien/170913/t001a-eng.htm>

<sup>3</sup> <https://www.cbc.ca/news/business/census-housing-1.4370757>

## HOUSING CHALLENGES FOR HOUSEHOLDS WITH COMPANION ANIMALS

In British Columbia, a vast range of factors impact on affordability. Housing consumes a massive portion of household income, and this cost is also invisibly passed along through other consumer choices. Costs of goods and services are also affected by housing, retail and wholesale costs, exacerbating an already difficult economic situation.

Households with companion animals face unique challenges in this situation, including:

- ❖ Challenges finding pet-affirming housing;
- ❖ Correlated lack of choice in housing, potentially resulting in increased expense and/or unsatisfactory living conditions;
- ❖ Additional household expenses related to animal companionship.

RAPS advocates in general (and, through this submission, advocates specifically to the Government of British Columbia) that housing discrimination against households with companion animals end.

RAPS takes this opportunity to explain:

- ❖ The benefits of companion animals to individuals, families and communities;
- ❖ How not-for-profit veterinary care can alleviate overall economic challenges caused by housing unaffordability by reducing some household expenses, even if rental costs remain static.

RAPS asserts that:

The “no pets” policy is discriminatory in part because it singles out a group of people without consideration to their individual circumstance. Policies that deal with animal aggression or animal-related noise issues can address concerns of neighbours. Holding tenants responsible for any damage to property caused by companion animals is a fair and equitable approach. But banning all pets, no matter how well-behaved or how responsible their guardians, takes a universal and prejudicial response to what should be addressed on a case-by-case basis. This is discriminatory.

Irresponsible animal guardians can and should be held responsible. But punishing all families with companion animals is unjust.

Companion animals play an important role in personal safety and reducing domestic violence

The risk of property crime and burglary is decreased by the presence of a dog. But the presence of a companion animal can also reduce domestic violence.

Disturbingly, “no pets” policies may exacerbate domestic violence. A woman experiencing domestic violence and facing the reality of leaving a pet behind due to lack of available pet-affirming housing will remain in the relationship seven times longer. The strong [correlation between spousal abuse and animal abuse](#) means women who are unable to find pet-affirming housing are more likely to remain in the relationship and, if they leave without the pet, are more likely return to the abusive home.

Of the [452 women’s shelters in Canada, just eight accept pets](#).

### Companion animals and vacancy rates

The impact on Ontario's vacancy rates since 1990 legislation making it illegal to ban pets indicates no noticeable change. For families with companion animals, the elimination of the "no pets" policy would open up a massive number of new housing options, thereby increasing availability and potentially resulting in lower monthly rental expenses.

### Benefits to landlords

At least one study indicates that pet-affirming rental accommodation equals much longer tenancy duration. [Rather than an average 18-month tenancy, households with pets remain in place for 46 months](#), on average. The decrease in turnover, with its associated costs including short-, medium- or long-term vacancies, would likely easily outweigh whatever negligible expenses are incurred due to the presence of animals.

The presence of companion animals can also enhance community cohesion within a building or complex, with a range of social and economic benefits, including increased personal safety, improved building security and reduced social isolation.

## **MACRO-ECONOMIC CONDITIONS AFFECTING HOUSEHOLDS WITH COMPANION ANIMALS**

### **Housing affordability**

Governments are attempting to address some of the underlying issues of affordability, while dealing with the symptoms they bring about, such as homelessness, lack of adequate housing and unpalatable options like having to choose between medications or nutritious food.

While public policy is intended to encourage amelioration of existing problems, some trends in the overall economy suggest that situations could further deteriorate for many households, based on economic indicators and predictions.

Current economic conditions in Metro Vancouver (and British Columbia broadly) present challenges for many or most residents. The cost of living in general, and housing affordability in particular, create severe difficulties for many families. These factors are exacerbated for households with companion animals, who are faced with narrower housing options than households without pets, and commensurately fewer choices for affordable accommodations.

A rule of thumb for housing affordability is that shelter, utilities and taxes should not exceed one-third of household income.

At present averages, 82.5% of a household income is necessary to finance a home in Vancouver.<sup>4</sup>

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<sup>4</sup> ["Vancouver has worst housing affordability ever recorded in Canada: RBC,"](#) by Glen Korstrom. Business in Vancouver, April 16, 2018

## Other economic conditions

Inflation appears to be on an upward trajectory, due in part to increased prices for gasoline and transportation. In March 2018, Canada saw its largest year-over-year inflation increase since October 2014.<sup>5</sup>

Interest rates are also anticipated to increase after years of some of the most affordable lending terms in living memory.

If the macroeconomic trend of inflation continues, exacerbated by higher interest rates, the already challenging realities facing individuals and families will worsen.

One major economic study predicts an economic downturn in 2018.

*After a year of rapid growth, the Canadian economy is expected to slow in 2018 amid the prospect of rising interest rates and lower consumer spending, according to the latest RBC Economic Outlook. Gross domestic product (GDP) growth is forecasted to slow to 1.9 per cent in 2018, followed by 1.6 per cent in 2019, compared to 3.0 per cent in 2017.<sup>6</sup>*

The Canadian dollar also faces an uncertain year, though RBC predicts it could strengthen by the end of the year to \$0.82 US.

*While the Canadian dollar appreciated throughout 2017, it is forecast to face much uncertainty this year. Although an increase in oil prices and short-term interest rates spreads have favoured the Canadian currency in the short run, NAFTA-related uncertainty will continue to put pressure on the Canadian dollar.*

*RBC Economics expects the dollar to hover at 78 U.S cents early this year before strengthening to 82 cents by end of 2018.<sup>7</sup>*

The impacts of an apparent tariff and trade war instigated by our largest trading partner will have unpredictable impacts on our economy.

## Challenges to home buyers

Economic forecasters predict a plateauing of house prices and sales:

*RBC Economics forecasts improved demand-supply conditions in 2018. After tighter conditions last year, 2018 should see more balanced house prices. It is projected that price increases will drop from 11.1 per cent in 2017 to 2.2 per cent in 2018. As a result, housing sales are forecast continue to soften in 2018.<sup>8</sup>*

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<sup>5</sup> "[Gas prices, airline tickets help propel annual inflation](#)," by Andy Blatchford, The Canadian Press, April 20, 2018.

<sup>6</sup> "[Canada's economy expected to slow in 2018, amid looming interest rates hikes and lower consumer spending](#)," RBC Economic Outlook, March 12, 2018.

<sup>7</sup> *ibid*

<sup>8</sup> *ibid*

However, positive national real estate trends may not be reflected in British Columbia's unique markets.

Additionally, significant federally legislated changes to the mortgage lending sector have made it much more difficult to obtain a mortgage, particularly for first-time homebuyers.

The [Office of the Superintendent of Financial Institutions](#) set a new minimum qualifying rate, or "stress test," for uninsured mortgages.

*Starting January 2018, uninsured borrowers from federally regulated lenders must have their finances "stress tested" to ensure they would be able to pay off their mortgages if rates were higher than they are today. To do that, the lender must run a test assuming rates were two percentage points higher than they are right now, and see if borrowers would be able to pay off the loan.*

*Guideline B-20 now requires the minimum qualifying rate for uninsured mortgages to be the greater of the five-year benchmark rate published by the Bank of Canada or the contractual mortgage rate +2%.<sup>9</sup>*

Put more simply:

*If you're going be house-hunting [in 2018], this may force you to settle for a less expensive home than you would be able to buy today. Or, you might have to wait and save up for a larger down payment.*

*The rules might force Canadians to set their eyes on homes that are up to 20 per cent cheaper. But since few homebuyers are stretching their finances to the limit when applying for a mortgage, the average target price reduction will likely be smaller, \$31,000, or 6.8 per cent, according to Will Dunning, chief economist at Mortgage Professionals Canada.<sup>10</sup>*

In addition:

*According to Royal LePage ... Millennials are seeing significant disparities in the properties they can afford in the country's largest cities. With a median salary of \$38,1482, this generation typically has a maximum home buying budget of \$203,2463. This factors in a 20% down payment, and the impact of OSFI's new stress test, which has reduced the average peak Millennial's purchasing power by approximately 16.5 per cent, or \$40,103. However, given that the aggregate Canadian home value currently rests at \$605,5124, many must either bide their time or look for creative solutions to finance a home purchase.<sup>11</sup>*

These statistics are disproportionately acute for households with companion animals, because Millennials, who are most likely to be first-time home-buyers, recently surpassed Baby Boomers as the demographic most likely to have pets. (About which, more below.)

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<sup>9</sup> ["OSFI is reinforcing a strong and prudent regulatory regime for residential mortgage underwriting."](#) News Release, OSFI, October 17, 2017.

<sup>10</sup> ["New mortgage rules 2018: A practical guide,"](#) by Erica Alini, Global News, December 10, 2017.

<sup>11</sup> ["From a Studio Apartment to a Large Detached Home: What the Average Peak Millennial Can Afford Across Canada,"](#) Media release. Royal LePage Real Estate Services, April 26, 2018.



## MICRO-ECONOMIC CONDITIONS AFFECTING HOUSEHOLDS WITH COMPANION ANIMALS

### Veterinary costs as component of household expenses

Veterinary expenses have grown far more quickly than other spending, such as entertainment or housing, according to the Harvard Business Review.<sup>12</sup>

Part of the explanation for increased veterinary costs (as well as increased human healthcare costs) is technological advancement. When a CT scan, for example, is improved, the device can be used on a dog or cat as well as a human.

Treatments that were once limited to human medicine are now commonly used in veterinary medicine, such as digital radiography, orthopedic surgery, chemotherapy or MRI scans.

Further, veterinarians, increasingly like human doctors, are going into specialty areas such as cardiology, neurology, surgery, oncology, dentistry, anesthesiology and radiology.

All of these developments are having the predictable positive result. Medical advances are increasing animal lifespans. (Although even this is not without its complications: Canine dementia is an increasing problem.)

Possibly because of the increasing sophistication and variety of diagnostic and treatment procedures available, veterinary expenses appear to be increasing at a faster rate than human medical care.

Data from the United States says that, between 1996 and 2012, human healthcare spending increased by nearly 50%, but veterinary care increased 60%. In the same period, the number of practicing physicians went up 40% but the number of veterinarians approximately doubled.<sup>13</sup>

The latter number might suggest that competition would keep prices competitive, but a contradictory trend might also be true: For-profit veterinary facilities could be upselling clients to more costly procedures to compensate for the challenges created by increased competition.

A study in the *Canadian Veterinary Journal* indicated that prices for different veterinary procedures vary significantly across the country, with British Columbia generally falling midrange.<sup>14</sup>

In discussing veterinary care expenses, it should be noted that Canadians may have a somewhat distorted perception of veterinary costs, because we are frequently unaware of the actual cost of our own, human medical treatments.

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<sup>12</sup> "[What the cost of a trip to the vet tells us about why human healthcare is so expensive](#)," by Liran Einav and Amy Finkelstein. Harvard Business Review, January 10, 2017.

<sup>13</sup> "[The cost of pet healthcare could be rising faster than the cost of human healthcare](#)," by By Helaine Olen. Slate.com, September 27, 2016.

<sup>14</sup> "Highs and lows across Canada: average veterinary fees in 2015," by Chris Doherty, the Canadian Veterinary Journal, March 2016.

By nature of our universal healthcare system, Canadians will visit a doctor, attend an emergency room, undergo surgery or other procedures and, in most cases, never see a price tag or invoice. A cost of veterinary surgery can be one-tenth what a similar procedure would cost in human healthcare. From this perspective, veterinary care is very affordable, but because we do not have the frame of reference of our own healthcare expenses, clients can be shocked at how much it costs to settle up with a veterinarian office at the end of a visit.<sup>15</sup>

## **Benefits and Drawbacks of Companion Animals**

In any economic analysis, cost is contrasted with benefits. The positive components of pet ownership that most people readily identify – the pleasure and comfort of animal companionship – are intangible. They are considered from an informal, possibly subconscious comparison. For example, seeing an annual cost of dog ownership as \$2,000, a family might consider this number in contrast with other things that bring them pleasure and comfort – vacations, a kayak, Netflix, etc.

To make a more fair comparison, though, requires a more fulsome analysis of the benefits (as well as the drawbacks) of pet ownership.

In the 2017-18 National Pet Owners Survey, an industry study produced by the American Pet Products Association, 38% of dog owners and 35% of cat owners said their pets bring the family closer together. The survey, conducted by Ipsos, indicated that 67% of dog people and 68% of people with cats say that their pets relieve stress and increase relaxation. About half of people with dogs cite security as a benefit along with encouraging people to walk, jog or otherwise exercise. Fifty-nine percent of people with dogs and 56% of people with cats say their pet is like a family member.

Drawbacks of owning a pet included 48% of people with dogs and 54% of people with cats who say that pets die too soon. Other concerns were the cost of food, care and medicine — 31% for both dogs and cats; Cleaning up after them — slightly more than one in four cat and dog owners; Damage to furniture, carpets and floors — 18% of people with dogs and 37% of people with cats. People citing noise as a drawback included 26% of people with dogs and 14% of people with cats. Odour was cited by 29% of cat owners and 12% of dog people.

Fully 24% of people with dogs and 19% of people with cats said there were no drawbacks whatsoever.<sup>16</sup>

As indicated, most people view their companion animals as members of the family. This is also the way the Regional Animal Protection Society and the RAPS Animal Hospital views animals: as an integral individual deserving of health and happiness in their own right.

For the purposes of this paper, however, there is a point to be made from considering the “value” of an animal inasmuch as it advances the well-being of individuals, families, neighbourhoods, communities and society.

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<sup>15</sup> "[Comparing costs of human versus pet healthcare](#)," by Dr. Doug Mader. Blog, Park Hill Veterinary Medical Centre. Undated.

<sup>16</sup> "[The 2017 – 2018 National Pet Owners Survey](#)," by Julie Springer. American Pet Products Association.

From an economic standpoint, as well as by many social measures, companion animals are an intangible household asset that are responsible for a host of individual and collective health and community benefits.

*Pets change people – this is something we all understand on an emotional level. But is it possible that having a pet could change your health in other ways? A growing body of research says “yes.”*

*Studies show that pets can help lower blood pressure, lower risk of heart disease, prevent allergies in children, reduce stress levels, decrease anxiety and depression, strengthen immune systems, increase social interaction, and more.<sup>17</sup>*

There are identified scientific explanations for some of the human health benefits associated with companion animals, including oxytocin.

*Oxytocin is recognized for its role in bonding, socialization, and stress relief. Oxytocin causes many physiological changes, including slowing heart rate and breathing, quiet blood pressure, inhibiting stress hormones, and creating a sense of calm, comfort and focus.*

*Studies have demonstrated that human-animal interaction increases oxytocin levels in the brain.*

*The reduction of subjective psychological stress (fear, anxiety) due to animal contact, as well as the dampening of physiological stress parameters in connection with activation of the oxytocinergic system represent a core mechanism in explaining many of the positive effects.*

*Studies have also demonstrated that oxytocin levels are increased in dogs interacting with their own owners versus strangers.*

*Numerous scientific studies have demonstrated the evidence that interaction with a friendly companion animal positively affects endocrine responses as indicated by changes in the levels of cortisol, epinephrine and norepinephrine.*

*A study on the effects of human-animal interaction on the level of salivary cortisol in shelter dogs found that contact with humans was associated with lower cortisol levels.*

*The beneficial effect of pet therapy [also] has different possible explanations. According to the affective–emotional mechanism hypothesis, a relaxing human–animal bond acts on adrenal and other corticosteroid hormones inducing a reduction of arterial pressure and cardiorespiratory rates.*

*The psychological stimulation induced by the presence of an animal and its need for care induces persons to take care of themselves.*

*The game system theory suggests that playing with an animal can increase defense and augment recovery potentialities; furthermore, an effective, emotional, psychological stimulation is known to solve important psychosomatic problems.<sup>18</sup>*

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<sup>17</sup> [“The Pet Effect,”](#) The Human Animal Bond Research Institute, Undated.

<sup>18</sup> [“The Science Behind The Human-Animal Bond,”](#) The Human Animal Bond Research Institute, Undated.

According to the National Pet Owners Survey, 81% of both dog and cat owners said their pets increase their happiness and emotional support. Forty-four percent of dog owners say they exercise more, as did 27% of cat people. Fifty-seven percent of people who own a dog or a cat say they have less anxiety or depression, while more than one in three says they experience lower blood pressure.<sup>19</sup>

### Health Benefits

Animals provide their human companions with purpose, consistency and love. But a new report by the Human Animal Bond Research Initiative (HABRI) Foundation highlights and quantifies the healthcare savings resulting from pet ownership, in real dollars with meaningful economic impacts.

HABRI conservatively estimates that reduction in physician office visits by people with animal companions produces savings of about \$11.4 billion per year in the United States, compared to non-pet-owners.

In the UK, estimates are that pet ownership may reduce use of the health service representing savings of up to £2.45 billion per year (\$4.2 billion CDN). This conservative conclusion is drawn through examining healthcare savings through reduced number of doctor visits.

Assuming somewhat parallel numbers in Canada, and the public nature of our healthcare system, the impacts of animal companionship on healthcare budgets should be a priority consideration for governments.

Other studies indicate that companion animals:

- Reduce loneliness, increase feelings of social support, and boost mood;

- Improve mindfulness, helping to decrease stress and manage pain;

- Can help children with ADHD focus their attention;

- Can make children with autism spectrum disorder calmer;

- Help teens with diabetes better manage their disease;

- Prevent allergies and improve immunity;

- Decrease risk of heart attack and stroke;

- Speed recovery from major illness; and

- Alleviate migraines and arthritis.



"If you have a cat, you're 30% less likely to have a heart attack, and you're 40% less likely to have a cardiovascular incident like a stroke," says Marty Becker, DVM, author of *Your Dog: The Owner's Manual*. "If you have a heart attack and you have a dog, you are [significantly more] likely to be alive a year later."<sup>20</sup>

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<sup>19</sup> "[The 2017 – 2018 National Pet Owners Survey](#)," by Julie Springer. American Pet Products Association.

<sup>20</sup> "[10 Health Benefits of Owning a Pet](#)," by Alexandra Gekas. Woman's Day, February 28, 2011.



## MACRO-ECONOMIC IMPACTS OF ANIMAL HEALTH

Animals play a significant role in creating neighbourhood and community cohesion, as well as personal and familial well-being, as we have seen. Visits to dog parks and observing activities and people during routine walks increases awareness of activities, neighbourliness, safety and happiness.

From a macro perspective that is both health-based and economic, animal and human well-being is now perceived as inextricably related.

An approach known as “One Health” considers these factors integrally.

*The One Health approach recognizes that the health of humans, animals, and the environment are interdependent and that promoting optimal health in any of these sectors requires cross-sectoral collaboration, communication, and respect. The American Veterinary Medical Association defines One Health as “the collaborative effort of multiple disciplines – working locally, nationally, and globally – to attain optimal health for people, animals, and our environment.” Implementation of a One Health approach requires a team effort that brings together professionals who come from a variety of disciplines, including human medicine, veterinary medicine, ecosystem health, and agriculture. The World Health Organization, World Organization for Animal Health, and the Food and Agriculture Organization of the United Nations have recognized their shared responsibility to use One Health approaches for addressing a number of complex global challenges, such as rabies and antimicrobial resistance.<sup>21</sup>*

Possibly the most effective, relatable example of this integrative approach is the current concern around the fate of bees. The global population is only now coming to the realization that the well-being of pollinating bees is the foundation for the well-being of the entire ecosystem.

Almost 90% of wild plant species and over 75% of crops we use for food depend in part on pollination by bees, butterflies and other animals, according to the World Economic Forum, which also estimates the annual economic value of pollinators at \$235-577 billion.<sup>22</sup>

Put even more succinctly many years ago by Albert Einstein, without bees: “Man would have only four years of life left. No more bees, no more pollination, no more plants, no more animals, no more man.”<sup>23</sup>

This is an example – one of the starkest – about how animal health, human health and the fate of the planet are interconnected.

Recognizing this integral connection puts into perspective the exponential social value of veterinary care.

*One Health is the integrative effort of multiple disciplines working locally, nationally, and globally to attain optimal health for people, animals, and the environment. Because of their expertise, veterinarians play critical roles in the health of animals, humans, and even the*

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<sup>21</sup> “One Health Core Competency Domains,” By Rebekah Frankson, William Hueston Kira Christian, Debra Olson, Mary Lee, Linda Valeri, Raymond Hyatt, Joseph Anelli, and Carol Rubin. Front Public Health. 2016; 4: 192.

<sup>22</sup> “[11 reasons bees matter](#),” World Economic Forum.

<sup>23</sup> “[What would happen if bees disappeared?](#)” Sustainability for All.

*environment, but these roles are often overlooked or unrecognized. Nonetheless, veterinary medicine is the only profession that routinely operates at the interface of these three components of One Health.*

*As the human population continues to increase and expand across our world, the interconnection of people, animals, and our environment becomes more significant and impactful. The importance of One Health is highlighted by many factors in our world today:*

- ❖ *The world's total population exceeded 7 billion people in 2011, and it continues to climb;*
- ❖ *As our population expands geographically, the contact between human and wild animal habitats increases, introducing the risk of exposure to new viruses, bacteria and other disease-causing pathogens;*
- ❖ *Advancing technologies and science-based evidence is increasing the awareness, knowledge, and understanding of the interdependency of the health of humans, animals, and the environment;*
- ❖ *The human-animal bond continues to grow throughout societies;*
- ❖ *It is estimated that at least 75% of emerging and re-emerging diseases are either zoonotic (spread between humans and animals) or vector-borne (carried from infected animals to others through insects);*
- ❖ *Vigilant protection of our food and feed supplies from food-borne diseases, contamination, and acts of terrorism is critical for human and animal health; and*
- ❖ *Contamination by personal care products and pharmaceuticals has been detected in our waters.<sup>24</sup>*

Rather than considering humans, other species and the natural environment as separate parts of the ecosystem, we should be considering them (us) as the ecosystem itself. Though diseases that are borne by animals *may* not transmit to humans, diseases that are eliminated in animals *cannot* be transmitted to humans. And vice versa. The health of one depends on the health of all, as illustrated by Einstein's words about bees.

### **Micro-economic impacts of not-for-profit veterinary care**

By creating or expanding a not-for-profit model of veterinary care, costs can be reduced by eliminating the profit motive and replacing it solely with the desire to see the best care for the most animals.

This is the mission and vision of the RAPS Animal Hospital.

In a time and place where more than 80% of a household's income can be required for home ownership, by necessity, other expenses must be curtailed.

***RAPS is committed to the idea that where an animal lives should not determine whether an animal lives.*** RAPS has been providing no-kill animal care for more than two decades. That means that dogs, cats, birds, rabbits and other small mammals have come to us from throughout Metro Vancouver and British Columbia, even beyond, because they would have been euthanized in other jurisdictions.

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<sup>24</sup> [“What is One Health?”](#) American Veterinary Medical Association.

Economic conditions play a significant role in every household, with specific impacts on households that include companion animals. Other shelters in Metro Vancouver are not no-kill organizations. This means that an animal surrendered due to lack of affordable, pet-welcoming housing, or for any other reason, may face euthanasia due to overcrowded facilities, the need for medical attention – even relatively inexpensive requirements – or chronic health or behavioural conditions. These are factors that we, as an organization, address.

Factors affecting animals, people and animal-serving agencies, including RAPS, include:

- Animals being abandoned due to age
- Animals surrendered due to civic by-laws that ban or restrict breeds deemed “dangerous”
- More animals being injured by vehicles because of increased animal and human population density, with more of these cases requesting financial assistance due to general economic stressors
- More people applying for support through initiatives like RAPS’ Critical Assistance Program
- Increased demand on other support systems, such as RAPS’ Animal Food Bank

These systemic economic issues have impacts on households and animal-serving agencies. The creation of the RAPS Animal Hospital, along with and combined with our sanctuary, shelter, foster and emergency aid programs, represents a long-range strategy to make animal care sustainable while assisting households with companion animals.

The RAPS Animal Hospital was created to care for the animals in the RAPS Cat Sanctuary, the RAPS-run City of Richmond Animal Shelter, in our fostering network and in households with low incomes. Offering veterinary services to the general public generates revenues that support every aspect of RAPS’ work saving and improving the lives of animals.

It is also the mission of the new hospital to ensure that veterinary healthcare is affordable and available to the public. This has the benefit not only of ensuring that families are not forced to make life-and-death decisions based on veterinary expenses, but, further, that they will have ongoing options available for routine procedures and preventative care that are more affordable than has been the case in the past.



Given the significant costs of adopting and caring for companion animals, a reduction of 15, 20, 25% or more in that household’s expenditure can make a significant impact on the cost of living.

### CASE STUDY: ISABELLE

In a tragic fire around Christmastime 2016, Isabelle was severely burned. Firefighters suspect that she pushed through a burning door to escape the inferno in her home.

In most jurisdictions, Isabelle would have been euthanized. But RAPS undertook her care, provided all required treatments and rehabilitations, and Isabelle has recovered and is again living life to its fullest.

RAPS has made a no-kill promise.

Under our care, no animal is ever euthanized due to lack of space, treatable illness, physical defect, age, rectifiable behavioural or socialization issues.



### **Models for improving veterinary outcomes and affordability**

The primary reason that cat and dog owners give for not visiting a veterinarian is that their pets did not get sick or injured.

This is a confounding argument, recognizing that nearly 90% of dog owners and 75% of cat owners surveyed indicate that routine checkups and preventative care are either very or somewhat important.

Affordability, of course, is an issue. About one in five cat owners and slightly fewer than one in three dog owners did not visit a veterinarian because they said they could not afford it.

The not-for-profit model of veterinary care, like its human equivalent, has as its primary mission the well-being of the patient, not profit.

Prices for veterinary services vary across a region based on many factors.

RAPS Animal Hospital is not motivated to "upsell" diagnostics, procedures or other services in order to maximize profits. The sole motivating factor is the health of the individual animal.

Veterinarian fees are difficult to compare as each for-profit clinic has its own business model for assessing costs (rent, wages, types of equipment for in-house or outsourced services, surgical consultants or in-house specialized surgeons). It is difficult to discern exactly what clients are being quoted for specific veterinarian procedures. For instance, does the teeth cleaning include comprehensive all-inclusive services such as pre-dental exam and blood work fees? RAPS Animal Hospital provides clients with an all-inclusive, comprehensible low and high end quote for its proposed procedures. RAPS surgeons are on staff and most diagnostics are conducted in-house to keep fees lower for the client.



### Economic benefits to consumers of not-for-profit veterinary care

RAPS Animal Hospital, as part of a charitable organization, leverages the support of the public to lower costs. The 6,000-square-foot space was donated to RAPS by a socially responsible business, so there is no cost for rent. State-of-the-art equipment and supplies are funded through public support, with the issuance of charitable tax receipts. Volunteers assist with basic duties, keeping the hospital clean at all times, prepping rooms, bathing animals, doing laundry, providing extra time for petting, walking or playing with animals in our care, permitting more one-on-one attention with clients when they arrive for their appointments, and doing important clerical duties such as having documents signed and filed or calling clients to confirm appointments.

As a result, the final veterinary bill is likely to be lower — possibly significantly lower — than at a comparative for-profit facility. This is not solely because there is no motivation to encourage clients to opt for possibly unnecessary procedures, but also because the profit motive does not exist, allowing individual services, where required, to be priced lower than at a for-profit hospital. The mission of the RAPS Animal Hospital is what dictates the services and what attracts the veterinarians and clinical staff. RAPS veterinary staff each donate one day per week to provide free services to RAPS for our surrendered, abandoned and sanctuary animals needing critical care.

The additional positive corollary is that all revenue generated from the hospital goes into saving and improving the lives of even more animals in our communities — animals that are not as fortunate as the ones with loving homes.



## Value Based Health Care

One of the methods being advocated to move toward the greatest amount of care for the greatest number of animals (and people) is called Value Based Health Care.

It has long been the case that American healthcare costs more per capita than healthcare in any other country and ranks near the bottom of the Developed World in outcomes and number of patients served.

The amount of money allocated to a system does not directly correlate with positive outcomes.

*The cost of health care delivery worldwide has increased to unsustainable levels, now roughly double the rate of gross domestic product growth in most developed countries. Despite the greater spending, however, outcomes vary, and there is no clear causal relationship between money invested and health care delivered.*

*The crux of the [Value-Based Health Care - VBHC] strategy is to maximize value—achieving the best patient outcomes at the lowest cost. To reach this goal, one or more outcomes must be improved without raising costs, or costs must be decreased without sacrificing outcomes. By improving value, everyone involved in patient care benefits, and the sustainability of the health care system increases.*

*With value defined around the patient, VBHC involves shifting to a patient-centered health care system organized around patients' needs. Measuring outcomes is a very important part of VBHC. More powerful yet is the concomitant measurement of outcomes and costs for the same clinical condition.*

*An important principle in structuring any business is to organize around customers and their needs. In health care, this requires a shift from organizing by specialty department and discrete service to organizing around medical conditions. Constructing teams—clinical and nonclinical—into integrated practice units (IPUs) allows for collaboration and cooperation as a means of providing better patient care. One early study of this concept found that heart failure patients had better outcomes when generalists and cardiologists worked together, compared with either providing care alone.<sup>25</sup>*

This patient-centered approach, which is inherent to the not-for-profit RAPS Animal Hospital, is intended to lead to improved value, care and outcomes in the animals we treat.

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<sup>25</sup> [“Could Value-Based Veterinary Care Become the Future Standard of Care?”](#) by Lucas Pantaleon, DVM, MS, DACVIM, MBA. American Veterinarian, April 10, 2018.

## CONCLUSION

Almost any undertaking, even having a child — *especially* having a child — is an economic decision.

Adopting a companion animal is an economic decision on a smaller scale than having a baby, but it does result in a significant, usually underestimated impact on a household budget.

There are, however, compensating tangible and intangible benefits, including improved health, wellness and happiness in the household and in the neighbourhood.

The value of companion animals to a household is measured through a huge range of emotional and physical improvements, including increased exercise, reduced illness, speedier recovery and a host of surprising benefits.

Benefits expand outside the immediate home, through neighbourliness and the security created by individuals and families who populate the streets in what the urbanist Jane Jacobs identified as the intangible but real benefits of increased street activity.

On a much grander scale, animal health has even more global benefits, improving the conditions of humans and the ecosystem. Healthy humans depend on a healthy environment and that includes healthy animals.

But the macro-economic conditions in Vancouver and British Columbia create unique challenges for households with companion animals.

Through not-for-profit veterinary care, the extraordinary cost-of-living in this region can be reduced somewhat, providing a degree of relief that might allow families to allocate some resources to other necessities or disposable choices.

At a time when economic conditions are challenging — and predictions suggest little if any relief — not-for-profit animal care can provide an important, if only partial, respite from challenging economic conditions.

## **RECOMMENDATION:**

*To assist households with companion animals, the Regional Animal Protection Society (RAPS) has inaugurated a not-for-profit veterinary hospital and provides a range of services to animals in households with financial barriers. This has the potential to significantly alleviate economic stressors for families that include animal companions. In a situation where households are struggling with generalized economic challenges caused by unaffordable housing, the reduction of expenses in this one budget area can make a significant difference.*

*While this is a significant contribution, the underlying challenges of housing affordability is additionally challenging for households with companion animals.*

*In an environment where so many barriers exist to the attainment of adequate, affordable housing, the “no pets” policy adds another – entirely arbitrary and unnecessary – hurdle.*

*The Regional Animal Protection Society urges the Government of British Columbia to legislate housing equality for families with companion animals in rental accommodation and under the Strata Property Act.*



## APPENDICES

### STARTUP COSTS

While many people assume that the cost of caring for a pet would increase as an animal ages, and therefore more veterinary care is required, in many cases, the first year is the most expensive.

When calculating first-year expenses for a puppy, including exams and vaccines, heartworm and flea prevention, deworming medications, spaying or neutering, microchipping and one-time purchases like bowls, collars, leashes, pet beds and scratching posts, the numbers add up quickly.

Veterinary costs for a first-year puppy in Canada are estimated at \$710 and, for a kitten, \$621.50. One-time essentials add up to \$1097.58 for a puppy versus \$928.91 for a kitten. Pet licensing, health insurance and obedience classes can add up to another \$370 for a kitten and twice that for a puppy. In sum, the total cost for the first year of a puppy's life could reasonably be \$2600 and that of a kitten just under \$2000.<sup>26</sup>

Indications are that most people underestimate anticipated costs for veterinary care.<sup>27</sup>

### Costs of full pet care (annual)

#### Cat expenses:

Food: \$235

Boarding: \$164

Medicated flea and tick control products: \$77

Heartworm medication: \$65

Grooming, groomers or grooming aids: \$30

Food treats: \$56

**Surgical veterinarian visits: \$245**

**Routine veterinarian visits: \$182**

**Emergency veterinarian visits: \$154**

**Sick veterinarian visits: \$244**

#### Dog expenses:

Boarding \$322

Food: \$235

Treats: \$72

Grooming: \$84

Heartworm medication: \$102

Medicated flea and tick control products: \$85

Other medications: \$132

**Surgical veterinarian visits: \$474**

**Routine veterinary visits: \$257**

**Emergency veterinary visits: \$349**

**Sick veterinarian visits: \$204**

Average number of veterinary visits in the past 12 months for a dog: 2.7

For a cat: 2.2<sup>28</sup>

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<sup>26</sup> “[The cost of owning a pet in Canada: Infographic](#),” RateSupermarket.ca

<sup>27</sup> “[How to prepare for your vet costs](#),” by Jane Doucet. Canadian Living, May 2, 2011.

<sup>28</sup> “[The 2017 – 2018 National Pet Owners Survey](#),” by Julie Springer. American Pet Products Association.

## DEMOGRAPHIC FACTORS AND PET OWNERSHIP: The Millennial Difference

As in so many sectors, Millennials are redesigning the way society addresses veterinary care and animal well-being.

Millennials (sometimes described as those born after 1980) recently surpassed Baby Boomers (born 1940s to 1960s) as the largest cohort of pet owners.

Among other observations, Millennials are found to be more likely than any other group to "humanize" their pets in ways like providing flavoured oral medications; giving vitamins to their pets; paying for daycare; boarding or pet-sitting at home; taking them to a pet-friendly restaurant; taking them with them on errands; buying designer items; holding parties for their animals; buying gifts on more occasions and spending more per gift; as well as taking their pets to the vet more often.

In addition to treating their pets as children (perhaps partly because they are deferring parenthood), Millennials are indicating a propensity for ensuring that their pets are cared for in the best manner possible. While, overall, still more than half of people with dogs and cats have not made provisions for their pets in case of the person's death — either financially or by naming a caretaker in their will — 37% of people with dogs and 39% of people with cats have named a caretaker or guardian for their pet. Twelve percent of both dog and cat people have financially provided for their pet in the event of the person's passing. Curiously, it is Millennials, the youngest pet owners, for whom making these provisions is most common.

While homeowners are more likely than renters to have companion animals in their households, Millennials are now the largest group of pet-owners. That means that the demographic that is struggling the most with housing costs also represents the largest number of households with pets.

### PETS AND THEIR MILLENNIALS<sup>29</sup>

% of Millennials with a dog: 38

% of Millennials with a cat: 35

% of baby boomers with dogs: 31

% of baby boomers with cats: 32

Millennial dog and cat owners are more likely to have insurance policies for their pets than older pet owners.

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<sup>29</sup> ["The 2017 – 2018 National Pet Owners Survey,"](#) by Julie Springer. American Pet Products Association.

## **Who has pets?<sup>30</sup>**

% of households with pets: 68.

% of households with a dog: 48

% of households with a cat: 38

Average number of dogs per household: 1.49

Average number of cats per household: 2

## **Where pets come from**

More people obtained their dog from a breeder (25%) than they did an animal shelter or humane society (22%). This compares with 28% of cats who came from an animal shelter versus only 4% who came from a breeder.

About one-quarter of both cats and dogs came from friends or relatives. An additional 12% of dogs and 9% of cats came from a rescue group.

32% of pet cats were strays who were caught or found outside.

Nearly half of both cats and dogs found their forever home through word-of-mouth. 33% of dogs and 19% of cats met their forever homes via the Internet.

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<sup>30</sup> [“The 2017 – 2018 National Pet Owners Survey,”](#) by Julie Springer. American Pet Products Association.