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Legislative Assembly of Manitoba

STANDING COMMITTEE

ON

STATUTORY REGULATIONS

AND ORDERS

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty - First Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON STATUTORY REGULATIONS AND ORDERS
Friday, 25 July, 1980

Time — 8:00 p.m.

CHAIRMAN — Mr. Warren Steen (Crescentwood)

MR. CHAIRMAN: Committee come to order.

MR. BRIAN CORRIN: I note, Mr. Chairman, that there are delegations here who obviously have been made aware of the fact that we are continuing our deliberations relative to this particular bill this evening. I'm advised — I've only spoken to two of the people here this evening but I'm advised that they would like to make submissions and have appeared for that purpose. I would indicate that we feel quite strongly that these people should be allowed to put their opinions on the record.

I note, Mr. Chairman, that there do not appear to be too many people either and perhaps, on that basis, we would ask that we proceed to hear the delegations.

MR. J. WALLY McKENZIE: Mr. Chairman, speaking to the same point of order, I would just like to say . . .

MR. CHAIRMAN: Just a minute, would you put a mike in front of you. I have been asked by the people handling the recording equipment, that these mikes in this particular room are not quite of the quality or as sensitive as the mikes in the other room and they have asked me if I can remind members at all times if they would have a mike in front of them when they are speaking. Mr. McKenzie would you please carry on.

MR. McKENZIE: Yes, Mr. Chairman, on the same point of order, I've been in the Legislature since 1966. I've seen these committees operate under many different terms of references, or bills, or whatever came before. I've been a member of this committee and I've been here at all the meetings, the names of all the witnesses that are on the list have been called twice, some have been called three times. On one occasion, the committee adjourned at, I think, 3:00 or 3:30 in the afternoon and never met again until 8:00 at night because no witnesses appeared. So I think under those conditions that the committee has done a reasonably good job to listen to the information and the evidence that's available to us from the people of the public.

The other thing that concerns me, Mr. Chairman, and I think the record should show, that this committee is not a political arena. I have seen in the last few years, where politicians are coming into the various committees and using this as a forum to build up their political ego. The political arena in this building is in the Chamber and it annoys me very much to see politicians using this committee system, which was very unique, Mr. Chairman, I dare say it's the only jurisdiction in Canada that has the committees, where people can come and make their presentations on bills and matters before the House between second reading and third reading and Manitoba is one of the unique provinces in our country. I hope we don't destroy that system, Mr. Chairman, by over-politicizing this forum because of the fact that the political arena is across the hall, in the Chamber, and that's where the politics of this province are debated and exercised and everybody is given his opportunity. So with those few words, in my opinion, as the Member for Roblin, I think the witnesses in this province that have come forth have had ample opportunity to offer their submissions and their views. The Minister has already indicated if they have things that they feel the committee should deal with they can put them in writing and we'll deal with them here tonight or at the earliest opportunity. I say we should proceed, Mr. Chairman.

MR. CHAIRMAN: On that very matter that Mr. McKenzie just has raised, to all members of the committee and persons in attendance, the Clerk's office has received two written presentations, which there are copies available for all members of the committee, that have come in in the last few days, as the Minister responsible for this bill indicated in the House, a few days ago that he and the committee would, at all times, be willing to receive written briefs, there have been two that are available tonight and the Clerk's office have copies available which I will ask that they be distributed to members of the committee.

On the same point of order, Mr. Kovnats.

MR. ABE KOVNATS: Yes, on the same point of order, Mr. Chairman, as this committee knows, I'm a stickler for rules and I have a very strong feeling for fairness. I believe that the people who want to make a presentation have a right to make a presentation. But I also believe that there is a time and a place that this presentation should be made and the time and the place was last week and there was time available and I think, in fairness, that the people who still have to make a presentation, or want to make a presentation, can't expect this committee to sit specially at that point, a week, next month, to receive these presentations. The Minister has also said that he would accept presentations, written presentations, at any time, so that they could be distributed among the members of this committee, which will help us formulate an opinion as to what actions we are going to take. And out of fairness, Mr. Chairman, I would suggest that we proceed, without hearing any more briefs.

MR. CHAIRMAN: Mr. Parasiuk, on the same point of order.

MR. WILSON PARASIUK: Yes, Mr. Chairperson, I have only been in the Legislature for three years, unlike Mr. McKenzie, but I did ask some of my colleagues who've spent more time in the Legislature than myself, and I asked them about one contentious bill in the past, namely the bill establishing Autopac, what the procedure was there? And I understand

that there were a great number of people who presented briefs. I understand from my leader, Mr. Pawley, who was the Minister responsible for bringing forward that legislation at the time, that arrangements were made in such a way that everyone who wanted to make a presentation was, in fact, given the opportunity to make an oral presentation to the committee.

I think that when we met last week we met at short notice. We met through an afternoon, we met through an evening, two evenings, we had tremendous turnouts. People were there, they obviously didn't know whether in fact they would be up that night or not. We went until 12 o'clock in one instance and 1:35 in another instance, and I think there is nothing wrong with someone deciding, especially some of the older people, but other people deciding that 12:00 or 1:00 o'clock in the morning is quite a long time, and assuming that the process is such that with respect to a piece of legislation like this, which is so contentious, which does relate to them very directly, that they would be given the opportunity to speak to us.

I can recall that on Thursday night last we heard some excellent presentations from people that, frankly, gave me a much better perspective on this legislation and if we can get more prospectus from different people and learn about the facts as the people, in fact, see them and experience them, then I think it will help us create better legislation and I see nothing wrong with that.

I think the people who have come forward have been very conscientious, have been in fact speaking to the issues entirely and that we have received super presentations and I believe that they are here before us right now, I believe we'll probably end up wasting more time debating whether in fact we should hear the people or not. We could quite easily hear them right now and I suggest that we hear the four or five people that are here and get on with the job.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: Yes, Mr. Chairman. Having listened to the comments on the matter before the committee right now, Mr. Chairman, I think, and I agree with my colleagues, Mr. Kovnats, Mr. McKenzie, that I think we have been democratic, we have been fair with the public in regard to this issue, and I think that the time has come now that we should get on with the business of dealing with what we're here for tonight and I move the question be put.

MR. CHAIRMAN: There's no question, Mr. Anderson. Mr. Corrin on a point of order offered a suggestion. As Chairman, I believe that it was decided by the majority at our recent hearing that there would be no further delegations and that I'm going to uphold that decision that was made the other night. Mr. Corrin.

MR. CORRIN: On that point, Mr. Chairman, that's not so. The Minister concluded our last meeting with a motion that committee adjourn and that was passed by the majority of members. But there certainly was no motion presented by the Minister or any other member of the government side, for closing the presentation of more briefs. So on that basis, Mr. Chairman, I believe the issue is still before us and one that has to be determined and decided tonight.

I think the major point is that there seem to be just but a very few people who have taken the time and trouble to come out this evening. I don't know why those people weren't here last time. I suppose none of us do in the absence of explanations from them. It is possible that those were people who came out and then had to go home because they had to be up in the morning to work, we don't know. They may have been people who were waiting during the lengthy submissions made by other delegates, including those from the Landlords Association or HUDAM, the housing lobby, and it seems to me, Mr. Chairman, that the issue is very much alive, it's vital and one that we must decide on prior to commencing deliberations with respect to the provisions of this bill.

I think, Mr. Chairman, in fairness, since people have raised the question of democratic process, in fairness I think that since there are but a few people in the room, we might ask them why they were unable to present their briefs; whether they were informed by the Clerk's committee, that would be of relevance. We've had an indication, Mr. Chairman, that the Clerk was unable to contact many of the people — I'm not suggesting that was as a result of the Clerk's office's failure to make the necessary enquiries but certainly there may have been exemplary circumstances, we don't know.

A person may have been in the hospital. A person may have been here and then gone home at one o'clock or 1:30 on one of the evenings. There are any one of a number of possibilities. I think if we're going to adhere to the spirit of democratic process, as opposed to the letter of the law, which is what I think is being suggested by some members on the government side, we should certainly consider reopening, or not reopening but continuing the hearing of presentations from delegates and the consideration of those submissions.

MR. CHAIRMAN: To Mr. Corrin and all other members of the Committee, I am of the opinion that when we concluded our hearings of some, what was it, six, seven days ago, five, six days ago, that the Minister responsible for the Bill said that, having heard all available persons who wanted to make presentations, that the presentation portion of this Committee would conclude and that at the next time we met we would deal with the Bill on a Clause-by-Clause basis, and that he moved that the Committee rise. Now that is my understanding, I don't have Hansard available, but that is my understanding, and going from memory that is my ruling. The Minister said in the House, the following day, I believe, when he was questioned by a member of the opposition, if he was asked would he receive presentations again, and he said he would receive all written presentations from persons who wished to submit them and would have them duplicated by his office and distributed to all members of the committee.

Now that is my understanding of it and I came here tonight at 8:00 o'clock with the understanding that we would accept written briefs. The Clerk has

formed me that there are two, of which I believe ave been distributed to members of the Committee, nd that is my ruling. I would suggest that we carry n with the Bill on a Clause-by-Clause basis.
Mr. Parasiuk.

IR. PARASIUK: Mr. Chairperson, I would like to efresh your memory because I was the one who was peaking on a point of order when the Minister noved adjournment, and what happened was that ou, yourself, as Chairperson, made the motion that e . . .

IR. CHAIRMAN: No, I couldn't make a motion.

IR. PARASIUK: Yes, you did.

IR. CHAIRMAN: I might have suggested, Mr. arasiuk, a motion, but I can't make a motion as hairman.

IR. PARASIUK: That is precisely the point of order iat I had raised, I said that you as Chairperson ouldn't make a motion, that there was no motion on ie floor and then I went into the reasons why I felt iat we should not stop representations. When I nished my point of order, the Minister then was ecognized and moved adjournment, the majority of iembers on the Committee voted in favour of djournment, that was the Conservative members, ie New Democratic members voted against djournment, but you had the majority. You won the djournment and we went home, but the whole issue f whether we would hear representation or not was ot decided, and frankly it is not up to the Minister make that decision in the House or anywhere, it is o to this Committee, acting as a Committee, and we now that the Minister is only one amongst equals in ie Committee. I think he recognizes that, he said iat in the past; other Ministers have said that in the ast when they have been before Committee, that is ie way in which I understood we were operating.

IR. CHAIRMAN: Mr. Cowan, on the same point of rder.

IR. JAY COWAN (Churchill): Yes, to the point of rder, Mr. Chairman. You know, I have not been in ie House as long as the Member for Roblin or as ng as any of the members, or even most of the iembers that are assembled around this table, so erhaps it is in that ignorance that I don't quite nderstand what is happening here — and I am uite sincere when I say I don't understand what is appening here — because in analysing the situation ie only conclusion I can come to is that we ave: No. 1, a group of citizens of the province of lanitoba who, for reasons known to themselves, ould like to exercise what has been termed as a rivilege by many, but what I consider to be a right, nd that is to use their voice to bring forward their oncerns, to discuss legislation that is before this ouse. And I am a firm believer in public articipation in the legislative process, and I will have answer just briefly one point that the Member for oblin said, and he had suggested that because spiring politicians, or politicians who had attempted enter the other arenas in this House, had failed were now making use of this Committee for political reasons, that they were in some small way perhaps jeopardizing the continuation of this very legitimate and healthful process. I would suggest to him that politicians, by their very action, have showed that they have a public interest at heart, that they want to be involved and they, among all, should be accorded the privileges and the rights of others. And I would suggest that their appearing before these Committees is not done in any partisan or political way, but is probably done out of a sincere belief in this process and a sincere belief that their voice can be beneficial to the legislative arena, whether it is in the Chambers themselves or whether it is in committee rooms such as this, or whether it is on the streets.

So I wanted to make that point very clear, that I take some exception to the fact that he believes that they might be jeopardizing the process; I think they are in fact enhancing the process, whether they be politicians of my own political stripe or of another political stripe, and I don't think that we should impute motives to people who appear before these committees.

It is up to the committee to decide and this matter was brought before the Legislature; it was brought before the Legislature in a number of different forms because there were members that were concerned that the way in which the hearings were cut off at the last session, or the last meeting of this Committee, were in fact arbitrary and were in fact unfair. Now that is an opinion, but it is an opinion nonetheless that should be voiced, and it was voiced. I recall very plainly the exchange that went on between, I believe it was the Minister of Consumer Affairs and the Member for Inkster, and the Member for Inkster said, is it not up to the Committee to decide whether or not it will hear briefs; is it not up to the Committee to decide what action it will take on a particular evening; is it not up to the Committee to in fact determine the sequence of events for a hearing. I believe that it is up to the Committee and I know that you are sincere in your efforts when you say that it is your understanding that a ruling was made, but in fact that ruling, if it was made, and I disagree with you that it was made, there was no motion on the floor, it was a statement by the Minister that the hearings would be called off; it was a whisper by the First Minister that there be no more public representations, but there was no motion on the floor, and I voted on the motions that evening and I know what they were.

The motion that we voted on that evening was a motion to adjourn, nothing more, nothing less. The statement that the Minister said was that he would not allow any more briefs to be presented at the next hearing, that was a statement that the Minister made. He made it in the Committee, he made it in the House, and he is exercising his rights when he says that he does not want any more public representation on this Bill, but he is not exercising my rights when he says that. My right is to demand that this Committee decide, and we will demand that this Committee decide and that that will have to take place as part of the normal process of this Committee and in the normal ways.

But before doing that, which I anticipate will come shortly, I think it is important to understand what we

are deciding. We are not deciding whether or not we are going to hear a number of briefs this evening, probably one of which we could have been through by this time, we are not deciding whether or not the rules of this House are so sacrosanct that we can't go out of our way, make adjustments, be flexible, in order to hear the people of this province. What we will be deciding is whether or not the people who have come here this evening, who have here for a very specific purpose, to exercise their democratic rights, are in fact going to be allowed to do so and in fact are going to be allowed to do so in a manner in which they feel comfortable with and a manner in which they believe to be justifiable, or they would not be here. I do not believe that the people who have come here this evening have come here to impose upon this committee; I do not believe that the people who have come here this evening have come to impose upon the government; I do not believe that they have come here to waste their time; and I do not believe that they have come here out of any other than a sincere motivation to bring forward their thoughts.

When the Minister says, or other members of this committee say, that we can accept their written briefs in regard to that which they wanted to say, I would suggest to them that what they are saying is that there is no need for this type of committee, that what we can in the future have is people come up and present written briefs.

Why do we not do that? Well, we do not do that, Mr. Chairperson, because that is not the most effective and efficient use of either our time or the time of the people who want to make representations to this committee. We ask them to stand here before this microphone, not only to provide us with a written brief, or to provide us with a verbal brief, but also to participate in an interchange in the best democratic fashion; to ask them to subject themselves to questions from members of this committee, because we truly want to understand all that they have to say before us. You know as well as I do that sometimes you cannot make a subtle point or you cannot make a complex point in a brief, that you must have the interchange, that you must have two-way communication.

That is, in fact, why I believe that this system has been set up, why we allow people to stand here to present briefs and to answer questions. And if we are going to say to the people in this room right now that because of some circumstance, about which we know nothing, we know not why they were not here at the last meeting — we can surmise, we can guess, we can blame them or fault them, or we can fault circumstance or chance, or we can fault the system. I, for one, Mr. Chairperson, do not believe that this particular arrangement provides as much opportunity as it should for people to come forward, because far too often they have to come forward on very short notice and they may have made other arrangements for the two or three evenings that we are meeting; and far too often, I believe that we ask, not only ourselves to sit at this table for far too late into the evening but we ask people who have come to present briefs to sit out there, and not have the stimulus of participating in the discussion, to provide them with some method of passing the time, but to ask them to sit out there for hour upon hour upon hour while we go through our deliberations. And then, because they have left, because they may be old, because they may have to be at work the next morning.

I remember very clearly that one of the last speakers to speak before us at the last meeting was a person representing the Equal Rights Committee of the Manitoba Federation of Labour and her first words, and it was about 12:30 in the evening when she spoke them were, "I have to get up at five o'clock to be at work the next morning." Yet we had forced that person to stay there until 12:30 in order to make the brief. I thought that was unfair to that person; I thought that that was not considerate to that person; I thought that we should have broken off much earlier and given that person another opportunity to come back.

But I know that there were other people in the audience who left who wanted to present briefs, who wanted to exercise their voice, who left because they had to get up early or because they were senior citizens and they were tired, and I blame them not for being tired; I was tired, Mr. Chairperson.

So I would suggest that we have before us a choice that will, in fact, very clearly highlight our belief or our lack of belief in the democratic process as facilitated by this type of committee hearing. I believe that this evening we can say, yes, we would not normally want to carry on the hearings in this way, but given the circumstances of the situation, we have decided to facilitate the citizens that are here this evening to make their presentations, to facilitate their participation, and it will be a relatively painless process, Mr. Chairperson, I can guarantee you that. As a matter of fact, it will be a rewarding process.

Or we can lock ourselves in this sort of acrimonious debate over I don't know what. When I said before, in opening my remarks, that I, in all sincerity, do not understand why it is we must go through this sort of a situation time and time again when, to me, it is very plain and simple that we should be listening to the people. The choice is to lock ourselves into acrimonious debate, which will drag the evening on for far too long, which will make this the most miserable of committee hearings that we have had to sit through so far, or to allow people to speak, to, by that, be rewarded by the benefit of their knowledge and their insight and also to reward them by allowing them their rights, and I don't think there should be even a choice of allowing them their rights, but as there is, as it is apparent that there is, I can only hope that the members of this committee would see their way clear to be flexible, to see their way clear to, in fact, support what we all know is a very good system, to try to make it work better, to try to improve upon it.

I would ask all members here to put their faith in the people of this province, to put their faith in the citizens that have come forward to present their briefs and, by doing so, encourage more active public participation in the legislative process and we will all be the better for it.

So, having said that, Mr. Chairman, I hope that I have been in some way able to persuade members of this committee that we would be doing a service not, only to our committee, to ourselves as legislators, but to our province and the people of this

province by being flexible and hearing out those who wish to present their briefs before us.

MR. CHAIRMAN: Having heard a number of persons speak to Mr. Corrin's point of order, I am still of the belief that when we concluded our hearings a week ago, that it was very plain that we had heard from the public and that the next time we met we would meet to discuss the bill on a Clause-by-Clause basis, and that is my ruling.

If you wish to, members on either side of the table, you can challenge my ruling, but that is my ruling.

MR. COWAN: Mr. Chairperson, I do not wish to challenge your ruling but I wish to move, seconded by the Member for Transcona, that this committee do hear . . .

MR. CHAIRMAN: In committee you don't need a seconder.

MR. McKENZIE: Mr. Chairman, on a point of privilege, I have asked to be heard twice and the Member for Churchill has gone on and on and on and I have asked twice to be heard and now I am denied the right to speak and he is speaking again.

MR. CHAIRMAN: To all members of the committee, I have made a ruling. Mr. Cowan, you don't need a seconder at committee stage.

MR. COWAN: Am I recognized, because if the Member for Roblin wishes to speak, I will certainly yield my place.

MR. CHAIRMAN: As chairman of the committee I have made a ruling that I am of the opinion that we concluded public presentations at our last hearing. We have spent almost 30 minutes discussing Mr. Corrin's point of order; we have heard from almost all members of the committee, and that is my decision.

Is it agreed by the committee that that decision is upheld? (Agreed)

MR. PARASIUK: We challenge the ruling.

MR. CHAIRMAN: Mr. Parasiuk challenges the Chair's ruling.

MR. PARASIUK: Can I explain why?

MR. CHAIRMAN: Shall the ruling of the Chair be sustained? The question is: Shall the ruling of the Chair be sustained?

A COUNTED VOTE was taken, the result being as follows:

Yeas, ; Nays, 3.

MR. CHAIRMAN: The ruling of the Chair has been sustained. Now we can proceed on a Clause-by-Clause basis of the bill.

On a point of order, Mr. McKenzie?

MR. McKENZIE: Mr. Chairman, I apologize to you and to the members of the committee for the limitations of the members opposite who are maybe not familiar with the rules of the British Parliamentary system as we practise in this province, and I do apologize, Mr. Chairman.

I move that we start now on Clause by Clause on Bill 83.

MR. CHAIRMAN: The motion, in my opinion, is unnecessary.

Mr. Parasiuk, on a point of order?

MR. PARASIUK: Mr. Chairperson, we don't have Hansard before us. When Hansard comes out, I am quite convinced that you will be proved wrong with your ruling. A majority of Conservative members cannot change historical fact.

MR. CHAIRMAN: I am sorry, Mr. Parasiuk, but that was my ruling and it has been upheld by the majority of committee members and now we can go Clause by Clause.

Mr. Cowan, on a point of order?

MR. COWAN: On a motion, Mr. Chairperson.

MR. CHAIRMAN: There is no motion.

MR. COWAN: I would like to make a motion. If we are not going to allow the people who have come here this evening to speak before us, I would then suggest that the work that we have to do here this evening is going to be severely limited and the work that we are going to do here this evening will, in fact, be less beneficial than those on this side, who need make no apologies for their comments and need accept no apologies made for their comments from persons on the other side, have in fact come here to listen to people and if we are not going to do so, I would move that the committee do now adjourn.

MR. CHAIRMAN: We have a motion before us.

A COUNTED VOTE was taken, the result being as follows:

Yeas, 3; Nays, 6.

MR. CHAIRMAN: The motion has been defeated.

BILL NO. 83
THE LANDLORD AND TENANT ACT AND THE CONDOMINIUM ACT

MR. CHAIRMAN: Shall we go Page-by-Page with the bill. Bill 83, An Act to amend The Landlord and Tenant Act and The Condominium Act.

Page 1.

MR. PARASIUK: Do we have copies of the amendments?

MR. CHAIRMAN: Are copies of any amendments available? To any members of the committee, I ask you, are there amendments being proposed and, if so, do you wish to have them distributed? It has been indicated to me that Mr. Jorgenson has some amendments to the bill. Are there any other persons at the committee who have amendments?

Mr. Corrin.

MR. JORGENSON: My understanding is, Mr. Parasiuk, those copies were delivered.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: We are going to be making some amendments. We are now reviewing the amendments to the bill in order to determine which of our amendments are relevant and which will have to be further amended and which can be dropped. But, generally speaking, our amendments are of a fairly brief nature. They are not particularly lengthy or detailed. Most of them, quite frankly, are in the nature of motions to delete various provisions.

MR. CHAIRMAN: It has been indicated by Mr. Corrin that the group he represents has amendments. The Minister has indicated by distribution that he has amendments. Can we now proceed Clause by Clause?

Section 1 of Bill 83 pass; Section 2 pass; Section 3 pass; Section 4 pass; Section 5 pass; Section 6 pass; Section 7 pass; Section 8 pass; Section 9 pass; Section 10 pass; now we are on Section 11 . . .

MR. McKENZIE: Mr. Chairman, on Section 11, I move

THAT Section 11 of Bill 83 be amended by striking out the figures "20.00" in the third line thereof and substituting therefor the sign and figures "20.00".

MR. CHAIRMAN: Is that understood by all members present? Pass. Mr. Kovnats.

MR. ABE KOVNATS: Excuse me, Mr. Chairman, I think Mr. McKenzie said striking out the figures "20.00", the figure is "20.00".

MR. CHAIRMAN: And substituting "20.00". Is that clearly understood? Pass.

Page 5, Section 12 pass; Section 13 pass; Section 14 pass; Section 15 pass; on page 6, Section 16 pass; Section 17 pass; Section 18 — Mr. McKenzie on Section 18.

MR. McKENZIE: I move

THAT Section 18 of Bill 83 be struck out.

MR. CHAIRMAN: Is that clearly understood? A motion has been made, in favour pass.

Section 19 on Page 7 . . . Well, we are going Section by Section. Is this understood, rather than page by page?

MR. McKENZIE: I've got to move that Clause, Mr. Chairman.

MR. McKENZIE: I move

THAT the proposed new clause 103(10)(a) to The Landlord and Tenant Act as set out in Section 21 of Bill 83 be amended by striking out the word "if" in the 1st line thereof . . . I am sorry, that is Section 21. That is 21, I apologize, Mr. Chairman.

MR. CHAIRMAN: Section 18 as amended pass; Section 19 pass; Section 20 pass; Section 21 — Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I move

THAT the proposed new clause 103(10)(a) to The Landlord and Tenant Act set out in Section 21 of Bill 83 be amended by striking out the word "if" in the 1st line thereof and substituting therefor the word "is".

MR. CORRIN: Could you explain your motion?

MR. CHAIRMAN: Could I ask permission of the Committee for Legislative Counsel's renumbering? Agreed? (Agreed) Mr. Corrin.

MR. CORRIN: Are we going to have an explanation as we go? Each time there is an amendment I think the mover should make an explanation of the effect and purpose of the amendment.

MR. CHAIRMAN: Mr. Jorgenson.

HON. WARNER JORGENSON: Yes, on 103(10)(a), the Clause that has just been amended, that is down at the bottom of page 7. It is a spelling error, the word "if" should be "is", and that is really all there is to the amendment.

MR. CHAIRMAN: Agreed? (Agreed) Pass.

Page 8, Section 22 pass; Section 23 pass; Section 24 — Oh, on 23, Mr. Corrin.

MR. CORRIN: 23, this was the Clause that provoked considerable contention, not only during the hearing of the delegations, this was brought up, if my memory serves me it was brought up by the MARL group, as well as the Legal Aid lawyer who came on behalf of Legal Aid Lawyers Association. They pointed out, and this was also debated during the question period, anyway discussed in the House, they pointed out that this provision could well be unconstitutional as it could be ruled to be legislation that would attempt to preclude the jurisdiction of a federally appointed judge. The point was made that only a judge of that status can evict a tenant from occupation of premises and the concern was simply that this particular provision appeared to make it legal for the Rentalsman, pursuant to a mediation proceedings, to order an eviction. I am wondering, because we heard that there were cases, and I believe they were in British Columbia and Ontario on the subject, I am wondering whether or not the Minister has attempted to obtain any definitive legal opinion in order to deal with this particular concern?

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, I am advised by Legislative Counsel that the provision that is contained in this Section is one that can be sustained. Since the mediation process is a voluntary one, the arbitration process is a voluntary one between the landlord and the tenant, it has no bearing on the cases that were ruled upon in Ontario and British Columbia, and that the provision is indeed one that can be upheld. It does not deny the tenant or the landlord access to the courts. In the final analysis this is a intermediary step in the way of mediation.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: My concern with that is that I do believe the Minister is correct. I believe that a person who is knowledgeable of his or her rights could not be prevented if they wished from pursuing such a matter through the courts. I think the problem is that, in the event that the Rentalsman makes an order pursuant to this particular provision, it is quite likely that most tenants will consider the matter to be concluded and at an end and will probably feel that there lease is determined and vacate their premises, and this, I think, is in itself a fairly contentious sort of situation. I would like some assurance, guarantee, that people would be made aware that their rights to a court hearing and their right not to be evicted summarily without a court order were guaranteed; I would like to know that there is some way that we can make provision in the legislation that will require the Rentalsman, pursuant to a mediation, to notify the parties that their rights have not been finally determined and they have a right to pursue the matter in a court of law. That's the sort of approach we would commend.

MR. CHAIRMAN: Any further discussion on Section 23? Mr. Jorgenson.

MR. JORGENSON: According to the provisions of the Act, that determination is made in advance when both the landlord and the tenant agreed to permit the arbitrator to hear that case and that they will abide by the decision of the arbitrator, then in advance they are committing themselves to whatever the decision is.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: I think the distinction between our positions is becoming very clear now. The point I was trying to make, Mr. Chairman, is that the tenant, in submitting himself to an arbitration or mediation, may not be made aware that he doesn't have to do that. He may not be fully aware of all of his rights. So people may feel that they are required to submit to mediation and they may do so in good faith; they may do so from a spirit of reasonableness and a desire to conciliate a difficult problem. But the point is, having done that, if they are unaware of the fact that the mediation may become binding, then they may actually be precluded from pursuing their rights to go to court.

I think that there is a substantial difference, and I think the Member for Inkster raised this point and said that it was very similar to situations that arise commonly in labour relations matters where, by collective agreement, the union agrees that certain matters can be the subject of an arbitration proceeding.

Well, it's quite different, because we don't have that sort of sophistication built into landlord and tenant relations as they exist today and it's one thing to say that a person voluntarily submits, but do they know what they are voluntarily submitting to? I think that is a problem.

I am still not satisfied that, even though they voluntarily submit, that we haven't effectively vitiated the jurisdiction of the courts. It seems to me that the Legislature can do a lot of things, but one thing it can't do is take away or erode or degrade in any way the fundamental jurisdiction of the superior courts of the country. I think it has been respected in law that eviction has always been a matter that is within the exclusive purview of federally-appointed judges, and I am not sure that we have the capacity to derogate or remove any jurisdiction that has been conferred in that fashion.

I think it is a justifiable concern and it was raised many times, particularly, I suppose, by the more knowledgeable delegates, the people who had legal expertise or that sort of background, but I am still not satisfied that we are dealing with this situation adequately. I think one way or the other, we are going to find that people are going to lose their rights and are going to be, as a result, summarily — well, first of all, they are going to be frustrated and I guess in many cases they are going to be surprised.

I want to know how we can, with any degree of assurance, know that people will be aware that they have an entitlement to have the matter heard by a court and not go to arbitration. I don't know why we should make any such ruling, in this case, binding on all the parties.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: It seems to me that that particular point which my honourable friend raises, and I am not suggesting that it is not a point that is of some concern, but it seems to me that is reasonably well covered and, if you will notice, on Page 12, 121(1), where a dispute is referred by the Rentalsman to the Director of Arbitration for arbitration, you shall, in writing, notify the landlord and the tenant according and together with a notification of the Director of Arbitration, shall attach a notice of objection form stating that either the landlord or the tenant, or both, may object to the arbitration by filing a notice of objection with the Director of Arbitration not later than seven clear days from the date of the notification.

The purpose of this provision is to attempt to provide one further alternative to both the landlord and tenant, in much the same way that is provided in a small claims court. Many tenants, and indeed some landlords, would much prefer to have a matter of this nature, and in cases where both of them do, settled by a form of arbitration rather than going through the time and the expense of the court.

This provides them with that opportunity. If they fail to take advantage of it, then of course they have the other recourse, but having once committed themselves to the arbitration procedure on a voluntary basis, and no one is coerced to do so, then they are prepared to accept the decision of the arbitrator and that's really what the provision is in here for, to enable them to have one other alternative, and not the final one.

MR. CHAIRMAN: 23 pass — Mr. Corrin.

MR. CORRIN: We don't want to belabor this, Mr. Chairman, so I am going to move that this clause be deleted, because we feel that in its present form, it is not sufficiently comprehensive. We don't feel that it is drafted in such a way as to assure the protection of the tenant.

We would present an alternative, except that the way they have gone about moving this into the Act, it is very difficult to suggest an alternative unless you have recourse to the Legislative Counsel for some time in order to do that. Certainly the government does have recourse to Legislative Counsel and they were aware of this particular concern after the presentation of the briefs and presumably they saw fit not to include an amendment that would satisfy the concerns that were raised.

I think it is just a question of being explicit and definitive and categorical. It is a question of making sure that people's rights are clearly spelled out in such a way that legislators know that no person will submit to an arbitration unless that person is aware of the fact that that might preclude any other options. That's all we want; we want something that assures that.

MR. CHAIRMAN: Before I put Mr. Corrin's motion regarding Section 23, I would ask Legislative Counsel, Mr. Balkaran, for an explanatory comment.

MR. BALKARAN: Mr. Chairman, I want to respond to something that Mr. Corrin said. Ever since I started to work for this government I have always understood my duties and responsibilities, so far as the members of this Legislature are concerned, to be not only to the members on the government side, but my services are also available to members on the opposition. I have always carried out my duties on that basis and I am saddened to hear that Mr. Corrin can make a statement tonight saying that the services of the Legislative Counsel were not available to him.

MR. CHAIRMAN: I think, Mr. Corrin, that you didn't mean exactly what was said and I give you permission now to make a correction, if you wish.

MR. CORRIN: I think, Mr. Chairman, what I said perhaps was unclear to Legislative Counsel. I want to make the point that Legislative Counsel has been very very busy of late. I needn't tell you, Mr. Chairman, that the few Legislative Counsel that are available to both the government and the opposition have been working extraordinary hours revising legislation in the past two or three weeks. Last night I bumped into Mr. Tallin, I think it must have been about 12:30, in the hall, and he was busily redrafting some provision or other in some bill.

MR. McKENZIE: It has gone on for years.

MR. CORRIN: Precisely, it has gone on for years, but, Mr. Chairman, I know that members of our side have spoken to Mr. Tallin about this and have been advised that it is not possible for Legislative Counsel, in the present circumstances, to attend to all the wishes and desires of the opposition, that their time is limited. They are under a great deal of stress and pressure and it goes without saying, and it is obvious, Mr. Chairman, by the number of amendments and revisions that have been brought in during the course of committee hearings, prior to third reading, that it is no aspersion to Legislative Counsel to suggest that their time is precious and relatively in demand from the government side, and we respect the government's right to have that access.

MR. CHAIRMAN: Mr. Corrin, on that same point of order, I guess I will call it, I am sure you didn't mean that Legislative Counsel was only available to government members, did you? You didn't mean that Legislative Counsel was only available to government; it is available to all 57 members of the Chamber, right?

MR. CORRIN: Hypothetically, yes, Mr. Chairman.

MR. CHAIRMAN: Mr. Corrin has a motion before us to delete Section 23. The Minister would like to speak to it?

MR. JORGENSON: Yes, I would, on a point of order. It is not necessary to move a motion. All Mr. Corrin has to do is vote against it; it has the same effect. The motion is redundant, really. By simply voting against the motion you would achieve the same purpose.

MR. CORRIN: That's quite true, I agree, I'll vote against it.

MR. CHAIRMAN: 23 pass?

A COUNTED VOTE was taken, the result being as follows:

Yeas, 6; Nays, 3.

MR. CHAIRMAN: The motion is carried. Section 23 pass; Section 24 pass — Mr. McKenzie.

MR. McKENZIE: I move
THAT Section 24 of Bill 83, as printed, be struck out.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: The simple explanation for the deletion of Section 24 is that because of the rewriting of Section 38, this section is no longer required.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: On a point of order, Mr. Chairperson, it is my understanding that this amendment is redundant, that it need not be, that all the government has to do is vote against that particular section and the effect will be the same.

MR. CHAIRMAN: The motion before the committee is that the section be deleted.

A COUNTED VOTE was taken, the result being as follows:

Yeas, 6; Nays, 3.

MR. CHAIRMAN: I declare the motion carried.
Section 25. Mr. Parasiuk.

MR. PARASIUK: Yes, the Minister said that Section 24 was being struck out because it is covered by Section 38.

MR. JORGENSON: Because of the rewriting of Section 38.

MR. PARASIUK: And that's in the later amendment?

MR. JORGENSON: Yes, that's dealing with condominiums.

MR. CHAIRMAN: It is my understanding that Section 24 has been struck out and that motion has carried.

Section 25. Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I move

THAT Section 25 of Bill 83, as printed, be struck out and the following section be substituted therefor:

Section 114 rep. and sub.

25 Section 114 of the Act is repealed and the following section is substituted therefor:

Discrimination prohibited.

114 In the renting of premises or the renewal of tenancies, no landlord shall discriminate against a tenant, or prospective tenant, by refusing to enter into or renew a residential tenancy agreement because of membership or participation in any association of tenants by the tenant or prospective tenant.

MR. CHAIRMAN: Mr. McKenzie has moved a motion. Pass? Pass.

Mr. Jorgenson.

MR. JORGENSON: I'm not sure members would want an explanation of that; it is a very simply one. It is just intended to replace back into the Act that provision which they objected to; since the others are covered by The Human Rights Act it was felt unnecessary to place those in, but this particular one is not covered by The Human Rights Act, so this remains in.

MR. CHAIRMAN: 25 as amended pass; Section 26 pass — Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I would move that Bill 83 be amended by adding thereto, immediately after Section 26 thereof, the following section . . . So it will come on the next motion.

MR. CHAIRMAN: Section 26 pass — (Interjection)— 25 is passed; we'll revert back to 26. I had just indicated it was passed but we will revert back.

Legislative Counsel informs me that 26 can be passed and that the amendment is a new section following that.

MR. CORRIN: Are we dealing with 26 or not? I want to talk to 26.

MR. CHAIRMAN: You want to talk to the existing 26? Mr. Corrin.

MR. CORRIN: The existing 26, yes. This is the provision, Mr. Chairman, that allows a landlord to increase rents on a particular unit more than one time per year — I don't think that it does cover that. Mr. Minaker has indicated that he feels the amendment covers that. I don't believe it does but, for clarification, we can ask the Minister whether he feels that the amendment is intended to deal with increases of that sort. I didn't notice that when I read it but perhaps I missed something. I think 26 will continue to stand in the legislation as it is, as it is shown in the bill, and so the amendment has nothing to do with it, it is completely different. I think we agree with that so we won't belabor the Minister with trying to explain it.

Mr. Chairman, we heard, again, many submission relative to this and I think most of the submissions came from people who lived in the inner city, particularly those who were of modest income. These people indicated, and I think it is a matter of fact, that there is a fairly high degree of mobility in some of the inner city communities and, as a result, a provision such as this would effectively be a windfall to unscrupulous landlords.

Under the present legislation, Mr. Chairman, it is not possible for a landlord to raise the rent on a unit more than once per year, regardless of the number of tenants that actually occupy the suite. This provision will allow the rentals — I don't want to interrupt the crosstalk but I think I am being challenged here. I think we can all agree that this amendment will allow and will enable landlords to pass on rent increases every time a unit becomes available. This is unconscionable, Mr. Chairman, simply because it has no relationship, no bearing whatsoever, to the landlord's costs. I think that the rationale for the once-a-year rule was that it was unreasonable to expect that any landlords overhead and carrying charges would increase so dramatically that they couldn't be accomodated by an annual increase. Mr. Chairman, particular since we are dealing with low income tenants and, I think, in the inner city anyway the types of landlords who in the past have demonstrated a capacity for this sort of usary, I think that we have good reason to be very concerned about any such a provision. So I think it is absolutely imperative that this particular Clause be removed from the bill, this is unconscionable and I think untenable from the point of view of the opposition.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, the particular provision that is contained in this section simply allows it to remain the way it always was. The Landlord and Tenant Act is really not being changed in that respect. What is being removed by the removal of The Rent Stabilization Act is the provision that was contained in that Act. As far as The Landlord and Tenant Act is concerned, that represents no change from what it was before.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: This is a fairly complex matter. Perhaps we can just have a bit of technical information here in order to make clear to all members of the Committee that this is the intent of the Bill, this will be the intent of the Bill and the effect of the Bill. Where can the Minister point to to

determine that this relates not to the landlord and tenant provision, but the rent stabilization provision?

MR. JORGENSON: In The Landlord and Tenant Act, 116 reads as follows, if you have the Act before you, "A landlord shall not increase the rent payable under a tenancy agreement or any renewal, extension, revision, or assignment thereof, or be entitled to recover any additional rent resulting from such an increase unless he gives to the tenant a written notice of the increase in rent three months prior to the date on which the increase is to be effective, and he shall not increase the rent payable with respect to any residential premise before the expiration of 12 months from the date on which the next previous increase in the rent for the residential premises was first payable."

That is the existing provision in The Landlord and Tenant Act.

MR. CORRIN: With respect to the Minister, Mr. Chairman, that is the provision that is being amended by putting after the word "payable", which he just read, the words "by that tenant". So the effect of that, and, you know, I say this with respect to the Minister, the effect of that clearly is to create an anomalous situation wherein landlords whose tenants vacate within the 12 months period can increase the rent to a new tenant. You know, I don't think that you have to be a lawyer or a specialist in this area to realize that that will be the obvious effect.

MR. JORGENSON: They always could, Mr. Corrin. That represents no change in that respect. It was only under The Rent Stabilization Act that there could be no change, but under The Landlord and Tenant Act, prior to the time that The Rent Stabilization Act came in, that was the provision in this Bill, and that represents no change.

MR. CORRIN: Mr. Chairman, the legislation as it now stands prohibits a landlord from raising the rent on any unit he owns more than once per year. Can we all agree on that?

MR. JORGENSON: No, the provisions in The Rent Stabilization Act provided for that, but not the provision of The Landlord and Tenant Act, and since The Rent Stabilization Act is being discontinued by virtue of this particular Bill, then the provisions of The Landlord and Tenant Act apply, and what I am trying to say is that there is no change in that respect. It was always that way. The landlord could change the rent upon the vacating of the premises by one tenant and a new tenant coming in. The reasoning, of course, is that a new tenant coming in has the opportunity of comparing rents and bargaining and if he doesn't like the rent that is being charged he can seek other premises, so he does have some bargaining power.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairperson, I strongly believe that rent should only be increased once a year. Landlords make their financial projections on the basis of yearly projections of revenue and yearly projections of cost and rents are set accordingly. They are going to be set once a year on that basis, and that means that if anyone then wants to somehow change a rent because someone has moved out, what they are trying to do is get a bit extra. I am particularly concerned with the impact this will have on people who are in the lower income scales, who tend to be a bit more transient, who have to take work outside of the city, they work on Hyrdo if Hydro is going, they work on construction jobs, they work on road construction out of the city, and this will have an especially severe impact on students.

I think that Mr. Egan, the President of the University of Manitoba Students' Union, on Friday night, made a very very good presentation with respect to this particular aspect. He argued very strongly, very forcefully, that there isn't that much alternative accommodation for students, that they do have to move out in April, that they do go out looking for work in the summer, they go out of town often, they go back to their homes if they are from rural Manitoba, and they come back in September; and I don't think there is any reason why these people should be subjected to some type of extra increase in their rents. Students have a hard enough time as it is, and I felt that Mr. Egan made a very strong case. I have heard no one able to refute his arguments in his case.

He was able to show that in Fort Garry there isn't very much rental accommodation for students. He was able to show that the government has not responded to efforts by student groups to try and get the government to build student housing. In fact, he made a proposal that what we should be doing is building student housing right now under public auspices with a view to converting it into senior citizens' housing further down the line, and he made a very excellent presentation on this point, and I think that we should pay some attention to the particular plight of students. I believe that whether in fact it was in the old Landlord Tenant Act or not, the point is, are we trying to bring about good legislation that meets the needs of the people in Manitoba in the year 1980. I believe that having legislation which prohibits more than one rent increase a year is in fact good legislation, and that is why we are in fact pushing to have that type of legislation brought in. I thought that was the general consensus of the group on Thursday when we listened to the brief of Mr. Egan; no one asked any questions and no one challenged his figures that he presented to us on that.

Now the Minister is telling us that that wasn't his intent, that the intent is to really allow more than one rent increase a year, and the impact on the cost of living, especially of students, will be very severe for that.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: I think, Mr. Chairman, that perhaps nobody at this committee can state with any certainty, but it seems to me that the concerns raised in the briefs are well taken. It seems to me that 116(1) of the Act would prevent — I am just reading the wording again, Mr. Chairman, from the Act, looking at it and reviewing it — and it is quite

lengthy — but it seems to me that as things now stand, there is a prohibition against a rent increase during a 12-month period. Once the rent is set, there is a period of 12 months in which there can be no further increases. I think that is fairly clear, and I think it is correct to say. I think that we are unintentionally being misled. I don't think it is anyone's intention to do that, but I think clearly, if we pass this section as it currently stands, then there will be a situation arising where landlords can pass on rent increases every time a unit becomes vacant, and I think this is a very important point.

MR. CHAIRMAN: Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I certainly recognize the point that is raised by the Honourable Member for Transcona. On the other hand, if the landlord wants to upgrade or improve his property, and I'm sure that every member of this committee certainly wants to in every way encourage him to upgrade and improve the property, that that is his occasion to do it. And if he makes the improvements, whether he asks for more rent or not, of course it's there, but certainly, if he has improved the suite, he has a valid point as well.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I concede that point, I really do. I think that in those instances where a suite has been vacated and improvements have been made, if the landlord then can show costs of improvement to the Rentalsman, fine, then there should be more than one increase per year, I agree with that.

But if the landlord doesn't make any improvements — like much of the student accommodation is such that people vacate it in the summer, it may turn out that the landlord, maybe he hasn't been able to rent it out for the two or three months over the summer, I'm not sure, so then he thinks, well, if I bounce the rent up, I'll recoup some of my loss. It's the student who is going to face the hard time, especially, I would suggest, the rural student. Obviously these are the ones who are living in accommodation downtown.

I would concede the point of the Member for Roblin that he made with respect to improvements, and somehow if we could change that so that there shouldn't be more than one rent increase per year, unless upon vacation of a suite, a landlord has improved the suite and seeks to amortize those improved costs.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: I just want to make the point that if there were a provision, and I have read the amendments with respect to what I am about to talk about, if there were a provision in the bill or its amendments dealing with compulsory binding arbitration, then this really wouldn't be a concern, because then there would be a mechanism to review the appropriateness of rents charged by the landlord.

But the problem is, that failing this sort of mechanism, notwithstanding that the landlord may feel that the rental increases are justified as a result of some improvement, there is no satisfactory way to resolve a dispute and there is no way to assure that a tenant won't be subjected to an unconscionable increase. Even person making an improvement can think that that improvement is more valuable than it well may be. He may be genuinely motivated to pass on an increase, and then again the person may be exploited.

So I think that, clearly, the answer to the problem that is being discussed by the Member for Roblin and the Member for Transcona is a provision that will provide for compulsory binding arbitration. In the absence of that, we are always going to have flaws in this legislation. It will never work out; it will never be perfect. It's the perfect Catch 22 to everything that happens with respect to this issue and that's, of course, why the opposition has been so adamant in their insistence that there be a provision for compulsory binding arbitration in the legislation.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Of course, with compulsory binding arbitration, I readily admit that that's a pretty neat way of doing it, but what you are back to is simply rent controls in another form. Now, if we are going to have rent controls, I would just as soon leave the existing Act in rather than having compulsory arbitration, because that's just another form of rent controls. There is no point in removing one kind of controls and replacing it with another kind of controls. The intention, essentially, is to remove rent controls from the province and then, secondly, to provide, insofar as it is possible, protection for tenants against those who may want to exploit that particular situation. It is a very tight wire to be walking, but I would hesitate to agree with my honourable friend that unless you were convinced that you want some form of controls, that binding arbitration is the answer; it is just another form of controls.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I guess the difference on this bill became very apparent by the Minister's last statement. We have a situation with respect to this particular section, where I think I strongly feel that students in particular may be subject to unfair rent increases. I accept the qualification on this given to me by the Member for Roblin with respect to landlords improving a suite that has been vacated and then wanting to amortize those costs for improvement in the subsequent rents.

I think we have, or what I thought was developing, some consensus on this particular matter. I was then going to suggest to the Minister that if there was consensus in committee, that we try and refer this to the Rentalsman for arbitration in these events where a landlord does want to get the extra rent, or wants to increase the rent more than once a year, because of improvements, that that could be drafted for report stage to the House, and that we could deal with that then, if there was consensus. Because there seems to be consensus between the Member for Roblin and myself on this particular matter.

But the Minister has now indicated that although those situations of unfairness will exist, this Act will not be able to deal with that. I regret that, and I

would still make the suggestion to the Minister that he could reconsider his position and that he consider bringing in at report stage to the Legislature, an amendment which would prohibit more than one rent increase per year unless the landlord could prove to the Rentalsman that he is only recovering the costs of improvement upon vacation of the suite.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, I am advised that there would be some extremely difficult problems in connection with the administration of that one rent increase a year proposition, but I am quite prepared to act on the suggestions of my honourable friend. We will have a look at it and we will pursue those difficulties further to see if they can be overcome. If they can, I am not that adverse to bringing in an amendment at the report stage, if it can be demonstrated that we are not going to run into all sorts of administrative difficulties.

I think that it is fair to point out, however, that an incoming tenant is not a captive to that particular apartment. He has a choice of determining whether or not that increase that the landlord is charging is too much or whether he is prepared to accept it. It in no way affects the departing tenant. He has now left the premises for whatever reasons, but an incoming tenant has an opportunity to shop around, and if a landlord feels that he wants to charge increased rents for that particular aparment and take a chance on that apartment being vacant for several months because of rents that are too high, then it is the landlord that is going to suffer, not the tenant.

I would be prepared, as I say, to look at that to see if the administrative problems that my staff seem to think will arise can be overcome; if they can, well then perhaps we can deal with that at the report stage.

MR. CHAIRMAN: I might, before I recognize another speaker, mention that it is my understanding that 26 has an amendment for 26(1), but 26 as it is in the bill would stay as it is.

Any further discussion on 26? Mr. Parasiuk.

MR. PARASIUK: On that, I would hope that the Minister could indicate to us whether he tomorrow morning or whenever, because I would be prepared to bring in such an amendment at report stage myself on that basis and maybe I could just communicate to the legal counsel now and ask him if he would draft up for report stage an amendment like that for me.

I would like to say why I want that amendment drafted for report stage, just to counter a comment made by the Minister. When we heard briefs from the Landlords' Association, Mr. Smethurst in particular, he pointed out that according to their survey the vacancy rate was 15 percent. I asked him, if the vacancy rate is 15 percent as you say, and if the vacancy rate according to HUDAM is 15 percent as well, why are we getting rent increases at 50, 60, 70 percent, if the market is working, because you people say — and I had thought that the market would work at 5 percent, it doesn't seem to be working, according to the landlords, at 15 percent.

So the market economy or the market adjustment mechanism, which is what the Minister is talking about, doesn't seem to be working because, you know, we are getting petitions right now. These weren't able to be tabled. I will try and table them — there are probably about 501 names or 200 here. I haven't even had a chance to go through them. There are more people who are saying that they are getting very very high rent increases, and this is just not an isolated phenomenon. We have found it in large chains, where you have rental agencies managing 2,000, 3,000 suites, and you have people talking about particular names, Globe, Worldwide, XYZ companies, who have indicated that there has been massive widespread rent controls of 30, 40, 50 percent. Given that the market isn't working, and given that the people don't have those options and don't have those alternatives, then I believe we need this type of protection, especially for people who have to move out of the city to take employment — if they are involved in the construction industry in particular, and for students. These are the people who need it most.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: I don't want to underscore the point made by my honourable friend. What he says may very well be true, and if he is going to bring in an amendment at the report stage, I am quite prepared to give that amendment some very serious consideration.

As I have indicated, our staff seem to think that that is going to be a tremendously difficult thing to administer, and to administer with the intent that is meant by the provision, but if my honourable friend has already indicated that he is intending to get Legislative Counsel to draft an amendment for him on that point, I would be interested in looking at the amendment to see if it is operable.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: I just wanted to point out, since the Minister brings into the debate the question of the retention of The Rent Stabilization Act and its provisions in its regard, I want to point out that repair charges, renovation expenses and so on, were allowed by the provisions of The Rental Stabilization Act. It should be on the record and it is, Mr. Chairman, because Mr. Shapiro directed himself to this subject as a former member of that board for some considerable length of time and in some detail. It should be noted that he told us, and the provisions of the Act sustain him, that landlords were enabled and allowed to obtain what they describe as cost-pass-through. In other words, they were allowed to take exemplary charges that related to repairs and renovations and they were not bound to the ceilings that are oft described as being the maximum limits that rent controls allowed, and I think it is important, Mr. Chairman, to reinforce that that was the case and that the Rent Stabilization Program did not prevent landlords from taking that sort of additional increase in appropriate circumcstances.

I say that because it is one of the reasons that we feel that the Rent Stabilization Program was of benefit and was fair to both landlord and tenant. It is

a misconception that landlords were deprived of their right to obtain reasonable compensation for improvements to their premises. That was never the case, and according to Mr. Shapiro there were no cases where landlords, who applied properly, were disentitled from obtaining such relief.

I think the truth of the matter, Mr. Chairman, and we didn't hear from any individual landlords, but I think Mr. Silverman provided us some elaboration on this point. The truth of the matter, Mr. Chairman, is that many landlords regarded the Rent Control Board as an unnecessarily bureaucratic process, and that is their right. That, I suppose, may well be their perception, but nevertheless, Mr. Chairman, having come to that conclusion, having made that subjective determination, many of the landlords decided that they would not approach the board for that sort of relief, and I think that is the fundamental point, that many landlords who were complaining that they had been deprived of proper returns on their investment never made the necessary effort to apply through the legal mechanisms provided to them for the cost-pass-through relief that was provided in the Act. I think that should be a matter of reckoning.

MR. CHAIRMAN: All right, my understanding is, to the members of the Committee, that the Minister is prepared to, at report stage, look at this aspect of the bill. Do we want to leave 26 in, or do we want to do something with it? Mr. Jorgenson.

MR. JORGENSON: There are further amendments on the new list of amendments you have. On 26, the present clause 116 of The Landlord and Tenant Act contains three clauses, and the amendment will add two more, but if my honourable friends feel that at the exclusion of the words "by that tenant" would restore that section to mean that the rent increase could not take place over a year regardless of what tenant occupied it, then I am in the hands of the Committee, if they would choose to . . . I don't feel that strongly about it. I just don't think that it is going to make that significant a difference, but if it is the feeling of the committee that by just not proceeding with that section, that is the one that is contained in Bill 83, Subsection 116(1) of the Act is amended by adding thereto, immediately after the word "payable" in the 6th line thereof the words "by that tenant," if they want that section deleted, so be it.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: Move the deletion, if that is acceptable to the government. Obviously it would satisfy our concern.

MR. JORGENSON: Just vote against it, and then the Act remains the way it was.

MR. CHAIRMAN: Mr. Kovnats.

MR. KOVNATS: Mr. Chairman, I would like a little clarification of that. What we are really saying is, that if a new tenant comes in, that the landlord may increase the rent of that new tenant prior to him moving into the apartment. Is that not what we are discussing?

MR. JORGENSON: No, it means that the original provision of The Landlord and Tenant Act, which states that the rent can only be increased once every year, stays the same, there is no change there, and if a new tenant comes in, if an old tenant goes out at the end of ten months, the landlord can't raise the rent until the 12-month period has expired.

MR. KOVNATS: We are saying it is unreasonable at this point to allow the landlord to increase the rent, if he is stupid enough, because I would imagine that there is no way that anybody is going to rent that apartment, or it will be their choice whether they want to rent the the apartment. It is not a matter of putting them out or putting them at a disadvantage after they have moved in.

MR. JORGENSON: As Mr. McKenzie said here, that point poses a problem for the landlord if he happens to renovate that apartment, and in order to make provision for that would require a tremendous amount of study of this legislation to work in a formula that can compensate for that. That is the only difficulty, but I am in the hands of the Committee. If they want to leave that particular provision in the way it is, I will do that, but I can see some difficulties if we remove it.

MR. CHAIRMAN: To the members of the Committee, can I get some direction? Is it your wish to leave 26 in as it is printed in the bill, and that Committee at report stage, perhaps, have an amendment, or is it the wish of members of the Committee to at this point delete 26 that is in the bill?

Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, if I may offer this observation, it may be wise to leave it in for the time being, have further thoughts on it, and bring it in at the report stage if we felt that it was necessary.

MR. CHAIRMAN: We have other sections to be added to 26, but the 26 that is before us in the bill, can we pass that in the printed bill?

Mr. Corrin.

MR. CORRIN: I have a bit of a concern about this. This is really the only chance we get during the speed-up process, particularly this time of the extended hours' schedule, to soberly reflect on individual provisions of the legislation. I would prefer that we spend an extra five minutes talking about 26 tonight, as opposed to perhaps tomorrow night, or Monday night at 2:30 or 3:00 o'clock in the morning trying to start in the midst of the entire Assembly to amend specific provisions and debate them. I don't think, as a person who has been here three years, from my experience it doesn't work, simply because most members first of all are disinterested in specific pieces of legislation clause by clause on third reading, and I don't blame them, because unless you are a member of the Committee it is very difficult to be apprised of each particular provision of a bill, and so there is a great deal of pressure on everyone in the legislative Assembly to move on, to get moving. People don't like to get into detailed and very specific debate about technical provisions at that

point, and it seems to me that now is the time when we have legislative counsel at the table, when we have a Deputy Minister available, when the Minister can reflect with Committee members quietly and in a fairly secure and sober atmosphere, this is the time to decide what stays and what leaves. I don't think when we report back we should be reporting . . .

MR. CHAIRMAN: Mr. Corrin, if I could interrupt you, I was looking for a little guidance from the commitee as to whether they wanted to leave it for now or do something positive with it now. I think Mr. Parasiuk has a positive motion.

Mr. Parasiuk.

MR. PARASIUK: Yes, I move that Subsection 116(1) of The Landlord and Tenant Act be amended by adding thereto at the end thereof, the words "unless the landlord has renovated and improved the residential premises and satisfies the Rentalsman by documented evidence that the renovations and improvements have in fact been made."

This would leave the existing provision in The Landlord and Tenant Act whereby rents could not be increased more than once a year.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: I am just a little bit afraid that that would be an extremely difficult thing to administer, Mr. Parasiuk. I get the feeling that it would open the door to abuses that were not contemplated, and for that reason, I don't know whether I would be prepared to support that amendment at this time. I would like to give this some more thought, as my honourable friend from Wellington has suggested, that perhaps by passing this section the way it is and introducing an amendment at the report stage, after we have had an opportunity to look at it a little more carefully and consult with legislative counsel, and with others, to make sure that the provision is one that is workable. I am afraid that I wouldn't be prepared to accept that at the moment.

MR. CHAIRMAN: Mr. Parasiuk has a motion before us. Are we prepared now to deal with the motion? Mr. Corrin.

MR. CORRIN: I am still concerned, and obviously this is not within the concern of legislative counsel, it is a matter of politician's concern, that there is no provision that provides for binding arbitration, because even though the Rentalsman has the matter on his plate, as I understand the amendment, he would still have to satisfy the Minister to direct arbitration. So, since we are dealing again with a rent increase, I don't see how the Rentalsman, in this particular circumstance, could definitively and finally make a decision as to whether the rent will be passed through. I have difficulty with that. I think that there is a contradiction between the provisions of the legislation. As I say, it's the Catch 22.

MR. CHAIRMAN: Are we now prepared to deal with Mr. Parasiuk's motion?

MR. PARASIUK: I would like to get an opinion from legal counsel on Mr. Corrin's comment. My intention of this amendment is to prohibit more than one rent increase a year. That is my intention, and the only qualifier I want to allow in my amendment is that if a landlord has made improvements, he can document those to the Rentalsman, and if the Rentalsman was satisfied, then that could be passed through. If not, the prohibition of only one rent increase per year holds. That is my intention, in layman's terms, of what I am trying to achieve.

Mr. Corrin says that if there is no provision for compulsory arbitration, then the Rentalsman will not have the right to roll back a rent that a landlord has charged a tenant, supposedly for improvements that haven't in fact taken place or perhaps have been exaggerated or what have you. What I am seeking from legal counsel is an opinion as to whether in fact my amendment will ensure that there will be only one increase per year unless the Rentalsman himself is satisfied that there have been improvements taken place and that these would then be amortized in the rent.

MR. CHAIRMAN: Mr. Balkaran.

MR. BALKARAN: Mr. Chairman, as I understand the amendment, the effect of that would be to prohibit a landlord to increase rent more than once in 12 months, except in those situations where he can demonstrate to the Rentalsman that he has in fact, by documented evidence, made those improvements and renovations to the residential premises. The amendment does not address itself to binding arbitration with respect to that increase, and I would suppose, because it is not a situation where a tenant has been in occupation and suddenly his rent is increased and he now has, as later on in the Act, in the bill, the right to protest that increase. This is an increase in rent that is being asked of the tenant at the time he comes in; it is not an increase to that tenant.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I think what we should do, given the opinion of legal counsel, I think we should vote on this amendment.

MR. CHAIRMAN: Mr. Parasiuk has a motion before us. Mr. McKenzie.

MR. McKENZIE: Can I hear the motion again, please.

MR. CHAIRMAN: Mr. Parasiuk, would you repeat your motion, please.

MR. PARASIUK: That subsection 116(1) of The Landlord and Tenant Act be amended by adding thereto, at the end thereof, the words "unless the landlord has renovated and improved the residential premises and satisfies the Rentalsman, by documented evidence, that the renovations and improvements have in fact been made."

MR. CHAIRMAN: Is everyone clear? Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I still have problems, because there are many factors other than what the landlord does that can enter into that problem, taxes, water rates. If some other formula could be added — there are so many things that can enter into it — some kind of a formula that would protect him, because we certainly want the landlords to upgrade those apartments, by all means, if they so desire. But here he is tied into only what he does himself, not the other factors that are out in the marketplace, and that concerns me, that he actually won't do very much. He is not going to upgrade his place because of these other dimensions that could be around him. So the tenant then is getting not the upgraded accommodation maybe he was looking for, and we are bogged down where we were before. If some other word could be added there, I certainly have no problem with that.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairperson, I framed the amendment in such a way to take into account that unusual circumstance which would affect somebody's yearly projections, but what a landlord does, when he makes his yearly projections, when he sets that rent, the first rental increase, he sets what his costs are going to be and what the anticipated revenue is for that year, and that's the way rents are set.

Now, if a student goes home in April, to Roblin, for example, goes home, works on the farm, comes back in September and then goes back to that suite, or to another suite in the vicinity of the University of Winnipeg or the University of Manitoba or Red River Community College, and finds then that the rent has gone up 30.00 and really nothing has changed, there have been no improvements or anything like that.

Those are the only factors that I can see being the factor for that one year. Next year the landlord has the opportunity to take into account tax changes, to take into account hydro changes, to take into account water rate changes, to take into account all those other factors. The only factor that we are recognizing here, which I did, on the commentary of the Member for Roblin, is renovations. Somebody has painted it up, fixed the windows, and what you do, you don't want your stock running down, and that's why I accepted the qualification of the Member for Roblin.

MR. CHAIRMAN: Mr. Einarson.

MR. EINARSON: Mr. Chairman, I am not all that sure in my own mind as to the stage we are at right now on Mr. Parasiuk's amendment, but I would rather be safe and sure, in fairness to both the landlord and the tenant, that we leave 26. Now, we have a motion before us by Mr. Parasiuk that we will have to deal with first, but then, having dealt with that, I suggest, and the Minister I think has given an assurance that we leave 26 as it is and he will look into the matter. I think our legal situation here, and I'm not a lawyer, as a layman, I would want to make sure that what we are doing is correct. The Minister, I think, is being fair in giving assurance to the committee that he will look into this matter and probably in third reading, if it is possible to bring in an amendment to improve the legislation, then I don't see where the problem is.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: I don't know why Mr. Einarson is so concerned. We have just received a legal opinion. Mr. Parasiuk, I thought, made it very clear what his intention was. He had prepared the amendment in consultation with legislative counsel; he asked legislative counsel whether he felt that any of my concerns had any justification and legislative counsel unequivocably stated that they did not. It seems to me that the committee has to rely on counsel provided and, frankly, I see no reason to further consider the matter. We have had a legal opinion and we know of the expected impact, and we know that it is consonant with the intent of Mr. Parasiuk's motion to amend.

So on the basis of that, we seem to have concurrence as between Mr. Parasiuk, myself, and the Member for Roblin, who originally initiated and participated in this discussion that led to this sort of constructive compromise. What is the purpose now of further deferring the decision on the matter? Clearly, this is the time to vote on the motion.

MR. CHAIRMAN: We have a motion before us by Mr. Parasiuk. All in favor of Mr. Parasiuk's motion, please indicate. Opposed to Mr. Parasiuk's motion?

A COUNTED VOTE was taken, the result being as follows:

Yeas, 2. Nays, 5.

MR. CHAIRMAN: The motion is defeated.

26, as printed pass. We have an amendment. Mr. Einarson.

MR. EINARSON: Mr. Chairman, in Subsection 116(4) and (5), added:

26.1 Section 116 of the Act is further amended by adding thereto, immediately after Subsection (3) thereof, the following subsections:

Protest of rent increases.

116(4) Where a landlord increases or gives notice to increase the rent payable by a tenant in occupancy under an existing tenancy agreement or any renewal, extension or revision or assignment thereof, the tenant may protest the amount of the rent increase to the Rentalsman

(a)within 3 months after the effective date of the increase if the increase takes effect on any date up to and including October 1st, 1980 notwithstanding that the tenant may have executed a renewal, extension or revision of the tenancy agreement; and

(b)within one month of the date of the notice of intention to increase the rent if the increase is to take effect after October 1st, 1980;

and the protest by the tenant shall be deemed to be a dispute that is subject to mediation in accordance with the provisions of Section 103.

Tenant may continue in occupancy.

116(5) Where a protest under Subsection (4) that is deemed to be a dispute has been submitted to the Rentalsman for mediation or the Director of Arbitration for arbitration, and the mediation or arbitration is not completed prior to the expiry date of the existing tenancy agreement, the tenant does not lose his right to continue in occupancy of the residential premises, notwithstanding that the tenant has not executed a tenancy agreement within the time specified in Subsection 103(7).

MR. CHAIRMAN: We have a motion before us. Pass? Pass.

26, as amended pass; Section 27 pass; Section 28 pass; Section 29 — Mr. McKenzie.

MR. McKENZIE: I move

THAT the proposed Subsection 118(2.1) of The Landlord and Tenant Act, as set out in Section 29 of Bill 83, be struck out and the following subsection substituted therefor:

Tenancy agreement may contain other provisions.

118(2.1) Notwithstanding Subsection (2), a tenancy agreement may contain provisions other than those set out in the written tenancy agreement prescribed under subsection (1) if

(a)the provisions are not inconsistent with any provision of this Act or of The Condominium Act; or

(b)the provisions are not inconsistent with or repugnant to any provision of the written tenancy agreement prescribed under Subsection (1).

MR. CHAIRMAN: Pass? Pass. Mr. Corrin.

MR. CORRIN: Before, Mr. Chairman, we had an assurance that we would have explanations as we went, and that has not been occurring. This is obviously a very substantial amendment, could the Minister explain this?

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Section 29 is amended to clarify that a tenancy agreement may contain provisions other than those set out in the prescribed tenancy agreement form, such as the regulation respecting pets, etc., but that such provisions shall not be contrary to any provision of The Landlord and Tenant Act or The Condominium Act, or the prescribed tenancy agreement form.

MR. CHAIRMAN: Section 29, as amended — Mr. Corrin.

MR. CORRIN: The Minister has attempted to give us a precis or a synopsis by selecting certain key words from the amendment. I think what we want, is we want to know precisely the reason for the amendment. Why is it being done; what mischief is it intended to prevent?

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: It is essentially intended to complement that which will be contained in Section 38 of The Condominium Act.

MR. CHAIRMAN: 29, as amended pass — on 29, Mr. Corrin?

MR. CORRIN: Yes, we are still on that provision, are we not? It seems to me that we have had a considerable number of concerns raised at the hearing stage relative to clauses that were being put in tenancy agreements, where condominium conversion was being contempleted by a landlord — a number of people said that they had been more or less compelled to submit to provisions or conditions in tenancy agreements whereby they had given up their right to resist to conversion. I think that is what I am pressing for. I want to know how this amendment will prevent that. I presume that somewhere in this amendment it is intended that that mischief be prevented. I want to know exactly how that will take place. The wording is such that I just want to know how it all ties up, so we know that that cannot happen.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: I presume that you are talking about the 50 percent agreement under The Condominium Act, Mr. Corrin.

MR. CORRIN: Yes, Ms. Krindle told us that many of her association's members had been put in a position where they were forced to submit to a condition respecting condominium conversion. They were only allowed to have a lease if there was a condition in the lease agreement whereby the tenant gave unconditional approval to the landlord to effect conversion. She said it was like a loaded gun being pointed at a tenant's head, you either accept the term or you don't get a written lease. Then she noted that those people lost their legal rights because they had to have a written lease in order to fall within the umbrella of the 50 percent rule.

MR. CHAIRMAN: Mr. Corrin, perhaps because I have had the benefit of seeing the proposed amendments, that I can tell you that there are some major amendments in the condominium area and I think that your concern is going to be taken of.

MR. CORRIN: I know that. What I am asking you to do, perhaps by way of anticipation, is show us how this will all integrate and synthesize.

MR. CHAIRMAN: Mr. Jorgenson, did you wish to add?

MR. JORGENSON: I am not sure as to what I could usefully add in addition to the explanation that has already been given. I think perhaps it would be more appropriate, and yet I hesitate to suggest that we pass this one and then come back to it later, but I think that your concerns, as was indicated, are dealt with in the amendments to The Condominium Act.

The point that you make now, because of the amendments that are forthcoming, is not a point of contention, or will not be a point of contention.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Chairperson, in previous years, when this has happened, what we have done is held the clause and held it until we dealt with The Condominium Act, and then we can pass both together. What we didn't want to do was pass something and then say . . .

MR. CHAIRMAN: I am quite prepared to do that. With general agreement of the committee, we will hold 29; we will come back to it and deal with it then. Section 29 is being held to be dealt with later.

Section 30 pass; Section 31 pass; Section 32 pass; Section 33 — is there an amendment here? Mr. McKenzie.

MR. McKENZIE: I move

THAT the proposed new section 120(6) to The Landlord and Tenant Act as set out in Section 33 of Bill 83 be struck out and the following subsection substituted therefor:

Meaning of excessive rent increase.
120(6) In this part, an excessive rent increase means a rent increase that is in excess of the rent charged for residential premises of similar type, size or age in the same general area, or the same community in which the premises are situated.

MR. CHAIRMAN: Pass, as amended — Mr. Corrin.

MR. CORRIN: This was a bedeviling provision in the original bill. I still don't see why — I suppose that my concern is with respect to vacancy rates. We heard submissions about situations where certain areas were dominated by major holding companies or major rental agencies and that, on that basis, it was felt that certain communities or certain areas were subject to a great deal of control as a result of this sort of monopoly.

Again, in the absence of some mechanism that provides for compulsory arbitration, I don't see how it is possible to establish that rents that are being passed on, even though they may be comparable, even though they may be consistent with other rents in the same neighbourhood, the same types of housing, I can't see, given the fact of market domination by these large holding companies, how we can effectively deal with the problem of excessive rental increases unless we have a compulsory provision relative to arbitration.

The amendment, at first glance, is an improvement on the former section, but it still has that inherent and very essential defect. I think the amendment and the original provision is based on the hypothesis that there is a free market in operation and that the market is essentially flexible, adaptable and open. I was satisfied, hearing the submissions of the delegates, that that is simply not the case. We had evidence from several delegates, including the HUDAM representative, that there are several companies in this city who have control of in excess of 1,000, 2,000, or 3,000 apartment units.

We all know, and this is just a matter, I suppose, of common knowledge, that it is often the case that those large companies work within the close confines of individual neighbourhoods. I don't like to cite particular names, but I suppose Edison Rentals comes immediately to mind in this regard. Edison seems to specialize in the East Kildonan neighbourhood. I think along the Henderson Highway strip, Edison probably dominates and controls a great many of the available apartment units. As a result, they are in a position to vitiate the definition we are striking for excessive rent increases because they are, in essence, in a position to set the tenor for an entire community. All the housing stock of a similar type, size and age can literally be dominated by that one company in that one community.

I appreciate that this is essentially a matter of philosophy. We have the government saying to the opposition and to the public that a free market exists or, I suppose, if they don't believe that a free market exists, they believe that no landlord would be unscrupulous with respect to rent increases, and we simply cannot accept that as a matter of fact. We feel that there has to be some provision to open up the landlords' accounts in such a way as to assure that any one landlord will not take advantage of its market situation.

Now, unless you can tell us how this will prevent the Shelter Corporation, Edison Rentals, or any one of a number of the other companies that were listed in the HUDAM brief, from exploiting tenants in their circumstances, I don't think that we can accept this amendment. We appreciate that it is an improvement, but we still can't accept it.

I think that is the question that has to be determined.

MR. CHAIRMAN: Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, this is the problem that we, as legislators, face right at this table. How can we control the price of raisins downtown in the grocery store today, in this Legislature? How can we control the price on parts of my car; how can we control the prices in the vegetable stands in the city or out in my constituency? As a Legislature, we have many many limitations. We have the ability of this process that we are in and advice of legal counsel, including yourself and others who are talented legal people. We do the best that we can with what we have, and it's impossible, absolutely impossible for us, as legislators, to try to control all those problems. I'm sure, Mr. Corrin, you know yourself, there has never been a law written yet in this province that some legal mind can't find a way to get around. That problem has haunted me as long as I have been in this Legislature. We sit here until three and four o'clock in the morning trying to make the perfect legislation, and the bill is hardly passed and there is some well-learned legal person that finds a way to get around it. It is a difficult difficult problem and not easy to resolve.

I submit to Mr. Corrin and to members of Committee that this legislation that is before us has been well thought out and well studied, and we are not going to solve all the problems in this legislation, far from it, but at least it is going to be reasonably good, and if it isn't as good as we think it is, we are going to be here twelve months from now, or maybe six months from now, sooner, and we can improve upon it.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: I wonder, Mr. Chairman, if Mr. Corrin, would want to direct his attention to the next Section, 121. This particular amendment is intended to more clearly define what an excessive rent increase is, and the mechanism for dealing with that when it has been established there is an excessive rate increase, is contained in the proposed new Section 121, which is the next amendment that is being proposed.

All this one does is alter 126 in Bill 83 in order to, what we feel, more clearly define an excessive rent increase.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I have looked at both of these together, that is 121 and 120(6), and I think we come to the nub of this particular piece of legislation. I think this is really the crux of it. These amendments — the Minister obviously has thought about them a lot and is sincere in presenting them, but I believe them to be complete window dressing. They do not deal with the whole problem that we have been faced with, really since about June 1st, with respect to the fairly substantial increases in rents, which is very widespread through the city, which has really just, I think, shocked everyone.

I don't think anyone — I don't think the Minister in his wildest nightmare thought that we would have as massive and as widespread a situation of fairly substantial rent increases, which on the surface just do not seem at all justifiable, and that is why so many people have come before the Committee. That is why so many people were signing petitions. And at this stage, we are dealing with only 1/12th of the year in terms of lease renewals. Perhaps in volume terms we might be dealing with 1/10th of the volume of the lease renewals, but we are only touching the tip of the iceberg, and yet we have so many people coming before us saying that on October 1st their rents are going to go up massively. Next month we are going to have a whole bunch of people contacting the Minister in the Rentalsman Office, whoever they can contact, saying . . . you know, those people whose rents come up on November 1st, they will be complaining. A month later all the people whose rents rents come up on December 1st will be complaining, all the people then on January 1st.

So what I am saying, is that we haven't dealt with the entire apartment universe, we have just dealt with the tip of the iceberg, and we have been able to see that the market isn't working, that people don't have options, that they need some way of having fair rents. That is what we are looking for, we are looking for a balance. We are looking for a balance, we are looking for a balance between a fair return for the landlord and decent accommodation for tenants at fair rents. That strikes me as being the balance that we are looking for, and we are looking for some type of mechanism to achieve that.

We know that the market isn't providing that right now. I mean from our two months of experience we know that it is not providing it, because we are getting these 30, 40, 50, 60, 70, 80 percent rent increases. You know, when Mr. Smethurst, the legal counsel for the Manitoba Landlords' Association, made his presentation and he said at that time, what we are looking for is a fair return and we think that landlords should be able to justify their rent increase. And I said, would you be prepared to be reasonable and consider compulsory arbitration? He said, we would consider compulsory arbitration, that would be a good suggestion, provided there was appeal.

It struck me that here you have the landlords themselves saying they are willing to have compulsory arbitration and they want an appeal process. Frankly, we have always had appeals. Right now Mr. Bergen of our Edison Realty has been appealing a decision of the Rent Review Board going back to November of 1978, and it is still before the courts and we still haven't heard on that decision. It has been almost two years, and I don't want to get involved in that one, but I frankly think it is strange that a judge cannot make a decision three months after hearing the case. Maybe he has reasons, but I do think that from an administrative point of view justice isn't working very well when that happens. I am not going to say it's the same motivation or anything, maybe it has just been delayed for very good reasons, but I think it is unfair to the tenants and unfair to the landlord to have the decision by the judge held up now for three months after having heard the case I think on April 22nd. But I don't want to go off on that.

All I want to say is that we do have an appeal mechanism right now, we have had appeal mechanisms in the past, we know how they work. They work fair enough. What we do want is a system that is workable, that doesn't rely on judgments per se, that has arbitration. You know, we have arbitration with MPIC, we have arbitration on a whole set of disputes. We have arbitration with industrial disputes, we have arbitration with MPIC disputes, we have arbitration with respect to construction contracts. There is always arbitration clauses in contracts that are signed between the government and contractors. That process isn't that unusual. We have a fair amount of experience. The point is, in order for it to be meaningful and not cosmetic and not window dressing, it has to be applicable and compulsory, both sides have to be arbitrated.

Now, what we have here is a situation where the Minister is bringing in amendments which confer upon the Director of Arbitration those powers which he had, and we have said that the powers of the Minister aren't good enough, that you have to have a set of circumstances which are subject to tremendous subjective interpretation before the Minister or the Director of Arbitration now, after these proposed amendments if they are put through take effect, where the Director of Arbitation would be satisfied that there isn't alternative accommodation, that the rents aren't excessive, that XYZ is taking place, leaving tremendous loopholes that you can frankly drive trucks through.

I think that the Minister, who talks about workable legislation and practical legislation, is bringing in a situation here which isn't practical, isn't workable, and really does not provide for any system whereby we can't get to fair rents, and that is what we are talking about.

Now, if the Minister is saying, I am not interested in fair rents, all I am interested in doing is getting out of controls, fine; I believe that the public of Manitoba

is not in agreement with him. I believe that the public of Manitoba, certainly the New Democratic Party, says that what we want is a system of fair rents. That is what we want, and that is the overwhelming objective of the legislation, that is our overwhelming objective. Now, the Minister is saying that fair rents isn't his objective, it is only a minor ancillary objective. If it can be achieved, fine; if it can't, well, that is one of the faults, no legislation is perfect. But his primary and, I think, overriding, totally dominant objective is to get out of rent controls.

Now to get out of rent controls and put ourselves into a situation where we have unfair rents, where we have no workable mechanism to review rents, have them arbitrated, have both sides agree to the arbitration, and then have some system of appeal from that, to me is ludicrous, especially, Mr. Chairperson, at a time when we are being asked to get out of any type of rent review, get out of any type of system at looking at fair rents, because it is too bureaucratic, too cumbersome, too many problems associated with it. The government at the same time is bringing in The Emergency Energy Authority Act, which provides for something that is far more bureaucratic, far more totalitarian than virtually any piece of legislation that I have seen in my three years as a legislator.

So the government is saying that we are prepared to bring in authoritarian and totalitarian legislation to deal with a crisis that we don't even think exists. Because we are agreeable to the exportation of natural gas out of this country, at the same time it is saying, that with respect to rents and rent increases, that it is not prepared to have the government intervene to ensure fair rents, when we can document that there are unfair rents in the city, that the incidence of unfair rents is massive and widespread. We have a concrete situation right before us of unfair rents and we have the government saying it doesn't want to intervene. On the other hand we have a hypothetical situation with respect to an energy crisis and the government is going to bring in an Emergency Energy Authority Act, which gives the government massive powers, only conferred upon the State to this date in times of war.

I find this somethat illogical. I just don't find any consistency in the government approach whatsoever, and the government can't justify this legislation. It can not justify not having any compulsory arbitration. That is the one thing that we as a party are going to fight right to the end on. I mean it is something that I know is required. It is something that my colleagues know; it is something that the people who all come before us know; it is what the tenants have asked for; it is what Mr. Shapiro asked for when he was on the Board of the Rental Stabilization Board. It is what the Landlord Association have asked for. They are willing to go with compulsory arbitration. If they want compulsory arbitration, if the landlords want complusory arbitration, if the tenants want compulsory arbitration, if the general public wants compulsory arbitration, if anyone who has looked at this whole issue wants compulsory arbitration, why is the government so steadfast in saying it will not provide compulsory arbitration? That is the nub of this particular debate; it is the nub of what has taken place over the course of the last month, and we on this side say that this legislation just will not work in any way, shape or form no matter how one tries to dress it up, and no matter what little nuances one provides. It just won't work unless there is compulsory arbitration, and I think the Minister would have to admit that Sections 120(6) and 121 do not provide for compulsory arbitration in any way, shape or form.

MR. CHAIRMAN: Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I sat in on the hearings and listened to all those that made presentations to the Committee, and the general tenor of the debate or the presentations that were made to the Committee was there was a concern about excessive rent increases. I am looking at the amendment that is before us, Mr. Chairman, and I just wonder what words the Member for Transcona would like to add to describe excessive rent increases. It looks fair to me. It has improved somewhat from what was in the original bill. I certainly am open to suggestions by the honourable member, but it looks reasonably good to me. I would like to hear his comments.

MR. PARASIUK: I will give you a suggestion, that a landlord cannot refuse arbitration, that is what I am looking for. I am looking for a situation where if someone refers to the Rentalsman that there be compulsory arbitration at that time.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, it seems that Mr. Parasiuk is directing his remarks more particularly to the next section.

MR. PARASIUK: Well, you asked us to look at both of them together, didn't you?

MR. JORGENSON: No. All this particular one is doing is dealing with the definition of excessive rent increases. We can pass that one and then we can go on to the other one, and have that discussion.

MR. CHAIRMAN: We have a motion before us, moved by Mr. McKenzie — Section 33 as amended pass. Mr. Corrin.

MR. CORRIN: I suppose with respect to the entire bill, we will report it as being passed on division, but just for the record we wish to indicate that we are opposing this particular provision. As my friend says, it is very difficult in dealing with any provision from this point on, certainly up to the condominium provisions, to speak affirmatively or supportively.

We regard these provisions as being a very weak and very tepid form of rent control. We don't see it as being adequate . . .

MR. JORGENSON: They are not intended to be rent controls.

MR. CORRIN: My honourable friend, Mr. Chairman, says they are not intended to be rent controls. Let him know that The Rent Stabilization Act had 43 provisions; let him know that his bill before the committee this evening has 39. Let him know that in

terms of the quantity of legislation, he is almost putting as much into the law as he is taking out. I am not suggesting that volume is the only standard by which we weigh the effect and impact of legislative policy, but I can tell him that this piece of legislation is going to be a lawyer's dream and a tenant's nightmare. I am going to tell him that there is going to be just as much complaint, there is going to be just as much discontent on the part of tenants with respect to his decontrol measures, his form of shelter cost regulation, as there was on the part of landlords with respect to the rent stabilization legislation and its provisions. There is going to be no satisfactory compromise.

If he feels that we went too far on the one hand, and I submit we didn't, but if he feels that, I can tell him that this is every bit as lugubrious and complex and difficult. It is certainly, because of the nature of the amendments and the nature of the provisions of the bill, it is certainly going to prove, I think, a dilemma and sometimes a nightmare to the Minister and the government, because I think that as time goes on, the Minister, because so many of the provisions, as we will see in these amendments, are reliant on the Minister's exercising discretion in favor of an aggrieved tenant, we are going to find that this becomes a politically contentious item. We are going to find that it is probably going to provoke more controversy, more dispute and more difficulty and acrimony with respect to the citizen and government than any other piece of legislation that this government has brought in in its term of office.

Mr. Chairman, I want to be on the record by way of indication that this legislation is misconceived by anyone who feels that it is any less bureaucratic or difficult than what it intends to replace, and it is just going to mean that instead of having several hundred, or perhaps 1,000 landlords in the province aggravated, we are now going to have tens of thousands, in the order of perhaps over 100,000 tenants aggrieved.

So in terms of the impact, it is clear, what we have done is we have transferred, in terms of regulation of shelter costs, we have transferred the burden from the shoulders of the landlords, perceptually, to the shoulders of the tenants.

I would suggest, as the Member for Transcona has, that there is absolutely no need to bury the rent stabilization legislation. It was an adequate form, and a much fairer form and forum of dealing with this particular problem. As a matter of fact, I would suggest that as time was passing and as refinements and reforms were being made to the legislation, it was probably becoming one of the leading pieces of legislation across Canada in the field of rent control. In this regard, Mr. Chairman, again, another misconception that has been widely disseminated, is that Manitoba stood alone as a province which decided to regulate shelter costs for tenants. That, Mr. Chairman, is fallacious. We heard evidence during the course of the hearings that there were, I believe, all but two of the provinces that had rent controls in one form or another, that there were provinces that had had rent controls imposed, up to, I believe, 30 years, and that even Conservative provinces, with a big "C" such as Ontario had seen fit to continue a rent regulation and control program through legislation.

Frankly, Mr. Chairman, it seems to me that we are confronted by a government that simply wishes to be doctrinaire as opposed to being humane and rational. I think it is clear to everyone that there has to be a mechanism, and it is obviously the intent of the government to try and back into some acceptable decontrol format.

So it's incomprehensible why we have to depart from the rent stabilization format at all.

It is to be remembered, Mr. Chairman, and I suppose we might as well discuss this now as later, because it will all come to pass anyway as we go through the next few sections, it is to be remembered that there was nothing in The Rent Stabilization Act which prohibited the government from changing the ceiling levels. There was absolutely nothing which prevented you from saying that the Act, for instance, wouldn't apply to rent increases in the order of less than 10 percent. You could have done those sort of things. You could have taken that sort of approach and it would have been very simple, but you have chosen to completely destroy the only effective tool that the average citizen, the ordinary tenant of this city and province has to cope with rising shelter cost. And we are simply not replacing it with anything; we are walking into an open-ended situation that is essentially a vacuum. I tell you that nature abhors a vacuum and landlords are going to fill it, and that's going to be a contentious problem as time passes.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: Mr. Chairperson, I would ask the Minister, in regard to this particular section, who will have the onus to prove that a rent increase is excessive after the rent increase has been brought to the attention of the Director of Arbitration, and the director says he is satisfied that the rent increase is excessive. If we look at the definition of excessive, which has been done for the past few moments in the committee, one would have to then suspect that someone would have to do a study of rents in the area. Would the Director of Arbitration undertake that study?

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: It is one of the functions of the Director of Arbitration to study those areas where we receive information that may require a more thorough examination and then, on the basis of that examination, a recommendation is made to the Minister.

MR. COWAN: I would ask the Minister, then, what staff it is anticipated will be necessary to make that sort of an enquiry which I would, on first glance, suspect to be a fairly comprehensive inquiry, if it is in fact going to suit the definition of an excessive rent increase. They are going to have to look at the rents of premises of a similar type in the same general area, or even in the same community, and that is going to mean that they are going to, in some way, have a mechanism to get that information from the other landlords and I'm not certain as to the power and authority they will have in order to accomplish that.

They are going to have to have some fairly efficient means, if we are to anticipate this section be used, and that's what I think we should, to do that on a fairly regular basis.

So I would ask the Minister what sort of staff are going to be provided and what sort of powers are going to be given to the arbitrator to demand that landlords tell them what rents they are charging.

MR. JORGENSON: Mr. Chairman, the staff of the Director of Arbitration will start out with five people, but he will be assisted, in addition to that staff, by the staff of the Landlord and Tenant Office. The nature of his work is outlined in the various sections of the Act, the powers that he will have, and he will have the powers to get information that he requires in order to complete and do his monitoring.

MR. COWAN: I'm sorry, I have missed just a part of that, I apologize to the Minister. The powers of the arbitrator are outlined in the amendments that are before us, or in the Act itself, in regard to being able to force information from a landlord who does not desire to give such?

MR. JORGENSON: They are outlined in 120(5): For the purpose of Subsection (4), the Director of Arbitration, or any person authorized by him, may request from a landlord or tenant pertinent information relating to rent of a residential premise, in which case a landlord or a tenant, as the case may be, shall provide the information.

MR. CHAIRMAN: Mrs. Westbury.

MRS. JUNE WESTBURY: Mr. Chairperson, I just wanted to say that I and our party can support this sort of measurement in part, because we had suggested it in Bill 88, which I presented as An Act to amend The Condominium Act, and which has sort of become stuck at the second reading stage, predictably, I suppose. I can accept the definition of "excessive" as it is given here in 120(5) and (6), because I would also suggest that the onus in the first place is upon the landlord to find out what the other rents are in the neighbourhood, in that particular district, and if he doesn't do that, then of course the complaints are going to come from his tenants and the rest of the procedure will continue. So I can accept the way it is written here and I think it can work. It is going to mean a little more work for people, but that's all right; the people who will have to do the work are going to be the landlord and the Director of Arbitration.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: I don't believe that I got an assurance, and I don't believe the Member for Fort Rouge, either, has gotten assurance that the onus is on the landlord to prove that the rent is not excessive. I think that the way the Act reads, the onus will either be on the arbitrator, but more than likely would be on the tenant who is bringing the complaint forward. I would like that clarified because that is a very important area and a very important concern. If the onus is on the tenant, then the tenant is at a disadvantage. I see nowhere in this where the onus would be interpreted to be on the landlord in any regard whatsoever. I could see where one could suggest that the onus is on the Director of Arbitration to determine whether or not that rent increase is excessive, but then, again, one has to question the tenant's need to bring that forward if in fact the onus is on the Director of Arbitration at any rate.

So I would ask the Minister to very explicitly state, for the record, and for the record more than anything else, who will have the onus to prove that a rent increase is excessive?

MR. JORGENSON: I think if my honourable friend will look Section 120(4) of Bill 83, he has at least the partial answer to his question: "The Director of Arbitration, upon request of the Minister, shall monitor and compile information in respect of rent levels, rent increases and any other matters relating to residential rental premises as the Minister may require, and shall submit a report thereon to the Minister."

The Minister will request that that be done, on the basis of information that he gets, and tenants who are faced with rent increases aren't reluctant to write to my office, which information is then forwarded on to the Director of Arbitration, and upon the compilation of that information, patterns begin to emerge, and monitoring is then undertaken in order to establish firmly just precisely what is occurring in any given area or with any given landlord or with any given landlord or with any given type of accommodation.

Once we have made a determination that a problem exists in an area, then I can instruct the Director of Arbitration to carry on a full investigation in order to complete the information that will enable us to determine whether or not it is necessary to impose arbitration in that particular case.

MR. COWAN: I understand that the Member for Wellington has some comments which will probably help, at least in my viewpoint, tighten this up. But before he puts those on the record or makes those suggestions to the Minister, I would suggest that, given the outline that the Minister has provided us with, that he is setting up a fairly cumbersome process that will necessitate a large staff, a large amount of work on the part of that staff and will, in fact, be less efficient and less effective than rent controls themselves would be and yet, at the same time, if used sufficiently by the tenants, would be serving the same purpose, if it could be used, and I don't believe that it can be.

What I am suggesting is that it turns out to be a facade. It turns out to be a fake set of rent controls that give the appearance of rent controls but in fact will be unable, or unworkable, and will not be possible to be used by the tenant in order to protect their interests.

I am not certain whether to deplore it for its unworkability or to deplore it as a facade but both, I believe, are accurate descriptions of the process that has been set up.

MR. JORGENSON: Mr. Chairman, I don't believe it is either a facade or unworkable, but my honourable friend is entitled to hold his position.

We feel it can work and we feel it is the one way that we can deal with the situation in what I consider to be a transitory position or situation, rather. I don't think that the experiences that we are going through right now with some substantial increases is one that is going to repeat itself each year. This is a transition period that I said at the outset would pose some problems in adjustment in rents, but once those adjustments had been made, then I felt that they would be fairly modest, as I believe they will be. So it is not as if we anticipate we are going to deal with this situation on a year to year basis; it will be during the transition period, and it is for that period that we are setting up this mechanism to ensure that the tenants' rights are being protected and that there are no excessive increases in any particular area or by any particular landlord or by any class of accommodation. We want to be able to, and I think this method is going to give us an opportunity to get a fairly good handle on the situation so we know exactly what is happening.

MR. COWAN: Is the Minister then indicating that this is a short-lived amendment, that it is an amendment with its own built-in sunset clause?

MR. JORGENSON: No, there is no sunset clause in it, as my honourable friend could readily perceive, if he has read it, but we don't think that the workload that my honourable friend is anticipating is going to be as great in future years as it will be in the first year. I think our greatest workload is going to be during this transition period.

MR. COWAN: Just one final point. I wanted to confirm, or at least allow the Minister to explain the statement in regard to, we are undergoing a period of substantial rent increases. I would ask the Minister, if I heard him correctly, that he believes that the people of the province, or the tenants in the province of Manitoba, are now in a period, whether it be a transition period or not, but the fact remains that they are in a period now of substantial rent increases. Did I hear him correctly on that?

MR. JORGENSON: Some of the rent increases that have been reported to us would appear, at first glance, to be. One can only determine whether they are excessive or not in the light of circumstances that exist in each particular case, and that is going to be the purpose of the monitoring, to determine whether those rent increases do constitute excessive increases or whether they are what one might expect under the circumstances, for example, a landlord caught with relatively low rents at the outset of the program, and adjusting upwards in order to make his rents comparable with others, or whether there are other reasons for it. There could be several.

I think that adjustment is one that one could have anticipated.

MR. CHAIRMAN: Mrs. Westbury.

MRS. WESTBURY: Thank you, Mr. Chairperson. When I said the onus is on the landlord, I didn't mean it is a legal requirement on the landlord. I meant any landlord who is approaching this in any business sense at all will want as little hassle as he or she can manage, and therefore the onus will be on the landlord to know what the rents are in comparable accommodation in that neighbourhood, if he or she is not going to be hassled by all of the tenants that the landlord has in that neighbourhood.

I would rather have rent controls as well, but I don't want the patient to die because the patient is ill. If we can help the patient to survive, there is still a possibility of finding an ultimate cure, so I would rather keep the patient alive as far as I can. If we can manage to insert in here a requirement that a landlord must submit to arbitration if the rent is excessive, rather than leaving some discretionary power there, the landlord is not going to want that kind of a hassle with up to any number of 200 or 300 tenants that he may have in that neighbourhood.

So that's what I meant, the onus, from a purely business, commonsense approach, to me, would be on a landlord to find out what he is likely to be able to get away with, if he is that sort of a person.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: Thank you, Mr. Chairman. Mr. Chairman, first of all, I want to make it clear — I believe it is becoming clear — that this entire monitoring process which we are now discussing is all contingent on the willingness of the Minister to submit to the offices of the arbitration director the subject of rent increases. In other words, the Minister simply has to instruct the director of the arbitration division to commence the monitoring process.

It strikes me as strange, Mr. Chairman, in view of that fact that there is no mechanism through which the Minister can become apprised of the situation in the market, there is no way, there is no provision in this particular bill that will assure us that the Minister is provided with adequate information in order to make a determination of when he should make such an instruction or order.

It strikes me as strange that we can even consider the possibility that this will be an effective tool. I don't understand, and I don't think the Minister has ever explained to anyone's satisfaction in this regard, how he will know when it is appropriate to monitor and how he will know where it is appropriate to monitor. How is this information supposed to come to him?

Secondly, Mr. Chairman, I don't know why the Minister, why any government would want to put this sort of onerous responsibility on a Minister of the Crown. Why would a Minister want to be in a position where he had to make a determination of when it was timely and appropriate to commence monitoring? It is seemingly absurd. Presumably the Minister would want to be in a position where he was buffered from having that sort of responsibility, because he would acknowledge that that's not something that he can simply, by osmosis, become aware of. So he would much prefer, I would think, to have put a provision in this bill that would have provided that there would be an ongoing monitoring process and register. That way, there at least is no political accountability, if the Minister fails to monitor at an appropriate time.

But that isn't the approach at all, and this is why the Minister has found that the opposition has been

very cynical and critical, because we do not believe that the Minister is going to assume that sort of responsibility. We believe that in the absence of any reporting mechanism, the Minister will simply presume that everything is going well. We do not believe that all the people of Manitoba have access to the Minister's office and to the Minister's ear and time. The Minister may respond, Mr. Chairman, and say that his door is always open, but that is an absurd proposition, because I presume that the responsibilities that the Minister shares with his other cabinet colleagues are such that, notwithstanding whether he is inclined to meet and see people at all hours of the day, he simply cannot make his time available to everyone on demand.

So, Mr. Chairman, it seems to me that if there was a real sincerity on the part of the government to monitor and assess rent increases throughout the province, that the provision with respect to monitoring of rent would not have been discretionary. I think, in fairness, that everyone would have to agree with that.

MR. JORGENSON: Mr. Chairman, it seems that my honourable friend ignores the fact that rent controls have been removed from most of the province for the last two years, and that we have been monitoring and that we have been dealing with problems as they arose in the various areas, and there have been some problems, and there is no automatic triggering. When reports come in, we attempt to deal with those situations, either by mediation or by other methods. I am inclined to think that in the past, judging from the nature and the extent of the complaints that have been coming from those areas that have been decontrolled, that the staff have been doing it reasonably effectively. Now, my honourable friend can make whatever comments he likes about my inability to want to move. I have heard all that before. But we must not assume that it's the Minister himself that is going to be running around the city collecting all that information; the staff is going to be doing that.

Just the other day, some comment was made about the number of complaints that are coming into the rentalsman's office. Well, if that number of complaints are coming into the rentalsman's office, and to the Director of Arbitration's office, they are being plotted, and a picture will be emerging, and when that picture emerges — and I might add that there is already some very clear indications of what is happening and where — I would think that we would be in a position to act when we feel the time is proper.

I would hesitate to have to include, in a piece of legislation such as this, an automatic triggering mechanism that may or may not work. I am not afraid of accepting that responsibility. My honourable friend suggests that it is too much for the Minister to do; I think that he underestimates or suffers from a lack of education of just how the system will work. It's not the Minister who is going to be doing all the work; the staff will be advising; the staff will be keeping the records. It will just be a question of keeping myself advised of what is going on. I am already doing that. I get reports on a regular basis, and so we have a fairly good idea of what is going on. It has not overworked the staff up to this point and this is, I would presume, one of the more rushed periods that we have experienced since The Landlord and Tenant Act and the Stabilization Board have been set up, and they have been able to handle it. I am confident that they will be able to handle it in the future, and that the system will work without imposing, as I know my honourable friends want me to do, and that is to impose a system of rent controls.

I have suggested that we are introducing this legislation to get out of rent controls, and at the same time to provide for a system of monitoring, a system of checking to ensure that abuses do not take place. I think we have come as close as we can get to it, admitting, as someone has said earlier, that nothing is perfect. If my honourable friend can perceive of a better mechanism of dealing with that sort of thing, we will be happy to give consideration to it.

MR. CHAIRMAN: Mr. McKenzie, did you wish to get . . . Mr. Corrin.

MR. CORRIN: Mr. Chairman, I just note that an opportunity has always been afforded to participants in a particular discussion to continue their presentations. I think we should change at this point.

Mr. Chairman, I wanted to say in response to what the Minister has said, that we had formerly in the past few years, as I understand it, between 30 and 40 competent, trained experienced professionals employed in the Rent Review Office. We had up to 40 civil servants who had acquired a great deal of competence and technical expertise in the field of rental monitoring and rent review. I want the record to show that at least 75 percent of those employees are no longer working within the confines of the Minister's department. We would wish to indicate that those persons were imminently well qualified to do the monitoring that he has told us his department will, on his direction, now continue to do, and we want to make the point, Mr. Chairman, that this again underscores the fact that the rent stabilization approach is more comprehensive and essentially more efficient than the decontrol approach that we are now debating and discussing.

You know, there is no substitute, Mr. Chairman, for experience. It is not something that comes easy, and I am sure the Minister will find that in the years to come he is going to sorely miss and regret the absence of the employees that have been relieved of their responsibilities within his department. I am not suggesting that all these people have been summarily disposed of, their employment has summarily been terminated, Mr. Chairman, I am just indicating that by and large thse people are no longer within the confines of that particular department, and on that basis, Mr. Chairman, we can have very little confidence that we are going to have a more efficient procedure and process under this bill than prevailed under the provisions of the former legislation.

The Minister, Mr. Chairman, can speak all night if he wishes about his desire to monitor, but the point is that the people of Manitoba shouldn't be dependent on the whim of any given individual politician for that sort of relief.

MR. JORGENSON: Who better to accept the responsibility than the Minister concerned?

MR. CORRIN: Mr. Chairman, the Minister has said, who better to accept that responsibility? That is fine if the citizens have access to the information, if they are assured that the Minister is monitoring in a comprehensive manner; if they are assured that the Minister is employing qualified staff to do the monitoring; if they are assured that there are adequate numbers of staff participating in the monitoring process — if all those things are in place — if they are assured that the Minister must maintain a register, if they are assured of all those things, then perhaps we could accept the fact that the Minister can accept his accountability and can suggest that he is politically responsible for his actions. But, Mr. Chairman, the reality is that the people of this province will never know what those files contain, they will never know whether the Minister is doing the job that was done by the Rent Stabilization Board, they will never have any such assurance, Mr. Chairman, and that is going to become obvious. And on that basis, Mr. Chairman . . .

MR. McKENZIE: Mr. Chairman, on a point of order.

MR. CHAIRMAN: Mr. McKenzie on a point of order.

MR. McKENZIE: I wonder can you guide me as to what section of the amendments or the bill that we are dealing with at the moment.

MR. CHAIRMAN: We are on Clause 33, 121. We have passed the amendment for 120.

MR. CORRIN: No, we haven't, no, that is not true. We are not on 121 at all, we haven't dealt with all the provisions of 120.

MR. CHAIRMAN: Well, I am assuming that we have passed 120, the amendment, Clause 33, 120.

MR. CORRIN: We haven't even begun discussion on Page 11 at this point, we are at the bottom of Page 10.

MR. CHAIRMAN: I am saying that, as the Chairman of this Committee, that Clause 33, 120, we had an amendment by Mr. McKenzie and I called it and passed. He has an amendment for 121.

MR. PARASIUK: On a point of order. We have to pass the legislation, not this thing here.

MR. CHAIRMAN: I know. I'm saying that Clause 33, 120 has been passed.

MR. CORRIN: Mr. Chairman, on that point of order, I don't know whether you're contriving to be perverse or not, or you're just very tired from your responsibilities, these late nights. It may just be a confirmation that those who were suspect of the speed-up process and what it does to the affairs of this House. There is a motion of the floor of committee that Section 126 in Clause 33 of the bill be amended. We are in the process of debating that particular motion —(Interjection)— No we haven't. We are debating that, and that is what the members on this side and the Minister and all the other members who have participated have been discussing.

MR. CHAIRMAN: I have heard the amendments, that you, Mr. McKenzie, read out for 126, and we've passed it half an hour ago.

MRS. WESTBURY: On a point of order, Mr. Chairperson —(Interjection)— I came in fresh at that point . . .

MR. CHAIRMAN: You asked Mr. Corrin. You might freshen up your memory and go back and say, is it on division? You asked if it would be on division. And it was generally agreed by the committee. You didn't even have your three members present when you asked for it on division, and division will show you with three members present.

A MEMBER: We're on Section 120, subsection (7).

MRS. WESTBURY: Yes. Okay. Mr. Chairperson, that's what I was going to say . . .

MR. CHAIRMAN: You asked, it was you, your very self that asked can it be on division, and the members on the government side said yes, we agree to it.

MRS. WESTBURY: Mr. Chairperson, I came in fresh at this point so can I, on the point of order, just say the way — I'm confirming what you said, which I believe you said, we passed 120(6). Then Mr. Corrin mentioned about division, and my understanding was that we were then going on to 120(7). What you said at the beginning was that we are on 121.

MR. CHAIRMAN: Well, I was looking at the next proposed amendment.

MRS. WESTBURY: I think we're on 120(7).

MR. CHAIRMAN: You are right, Mrs. Westbury. I stand corrected.

MRS. WESTBURY: Thank you.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Thank you. I think 120(7) talks about the Minister obtaining monitoring reports. He says that it is sufficient to have the Minister request monitoring reports and that he's developing a system which is really very much responsory, and if he gets a number of complaints then he'll start determining a pattern. What he's really implying, is that you have to have a large number of complaints. If there are a large number of complaints, then justice may in fact be served, possibly; if you have a situation where there isn't alternative accommodation in an area, then possibly justice may be served.

But, if you have one person, say, complaining from one area, let's take St. Vital. One person complains from St. Vital, and the Minister says, well gee I haven't received too many complaints from St. Vital yet, I can't determine any pattern, I haven't launched any monitoring, I don't know. And that's really what

the Minister has been telling us. But think about it from the tenant's point of view. The tenant is sitting there, by the provisions of this Act, he has to file protest and something has to be launched within a month. Usually what will happen, is the tenant gets the rent notice, somewhat shocked, may be away for a week or two, looks at that rent notice, starts checking around, finds that this may be a very excessive rent and files at that particular stage and gets no response whatsoever from the government, because the government says, well we don't know what's going on there. If there's a lot of this taking place, that is if there's a lot of possible rent gouging, if there is a lot of unfair or a lot of massive rent increases in your area, I'll be in a position to respond to you, but if you're just an individual coming along, I really am not in a position to respond to you.

And that's what's rather strange about this monitoring provision. I would think that it would be very simple for the Rentalsman to have a list of all apartment units. A very simple thing, you establish it once and it's updated every year, every time the rent increases. It's a very simple procedure. We know what the apartments are, and it all exists, that's not a hard thing to establish, it would probably be very very simple for the Rentalsman's office to set that up. And then we could have a file of all rents, a file of rent increases. It would be very simple for the Rentalsman's office to have a computer program which would kick out rent increases of over 8 percent.

MR. JORGENSON: There is nothing in this legislation that prevents the Rentalsman from doing precisely that. (Interjection)— And I rather suspect that in the final analysis that's exactly what he will be doing.

MR. PARASIUK: Well, no, I'm saying, given this uncertainty — given this uncertainty and given the fact that the Minister has to request monitoring, what we're saying is, why don't we just put it into legislation that we will establish a file; that the file will be updated. It's there. It's known. People would feel far more comfortable. I've never known why we don't have a file of rents, anyway. It's very simple to have. We have a computer program that kicks out anything over 8 percent. (Interjection)— Well, not under consideration, we could quite easily move an amendment to that effect, that the Rentalsman be required to do that. (Interjection)— Well we're trying to set up stringent controls for energy, and that is a hypothetical situation, we're talking about a real situation here and we're not prepared to act.

So what I'm saying is, is why can't we try and take into account the concerns and the uncertainty of the tenant and make sure that we are in a position to respond quickly. And right now we're not in that position.

MR. CORRIN: If the Minister is sincere, Mr. Chairman, all he has to do to satisfy us on this question of monitoring — it's obvious that we can agree to disagree. We'll never feel that this is in any way comparable, or nearly as acceptable or beneficial as the rent stablization format, but we can agree that in order to ameliorate its impact, we can simply delete the provisions in 120(4) that require the Minister to request the monitoring and the compilation of the information. Because we're still dealing with the subject of monitoring, and its all in the context of this, and the debate is in the context of this. If the Minister is sincere and the Minister is telling us that this will be done, and that he intends to service this concern actively, then simply delete the words "on request of the Minister" and "as the Minister may require" and the word "Minister" in the last line of 120(4), and substitute the word "Legislature." In other words, we would require, we would oblige, by way of imperative legislation, that the Director of Arbitration monitor rents, compile the information and report them to the Legislature. So that way, there is no question about the bonafide, the sincerity of the government, the Minister or anyone else. Everyone in the Legislature will have access to those reports, and every member of the Legislature can make a decision as to whether those reports meet the standard that individuals feel is adequate, and those reports can become the subject of debate during the course of each session of the Legislature. To some extent, that will pacify the opposition, and it is not inconsistent with what the government has been telling us this evening.

MR. CHAIRMAN: Mr. Corrin, are you suggesting that we have an amendment to 120(4), because we are at 120(7), but if you do want to propose such an amendment, I will ask the committee if they would revert back for you. Is that what you want?

MR. CORRIN: We would like to know firstly whether the committee will, because there are alternative procedures. —(Interjection)— I take it, then, that the committee is not inclined to revert back. —(Interjection)— On that basis, we can indicate that it can be dealt with at the report stage.

MR. CHAIRMAN: To all members of the committee, we are on 120(7).

MR. CORRIN: I just wanted to indicate, for the record, that we would like to ask the legal counsel to prepare the amendment that will be required in order to make this particular revision to the section. This way, we are just simply giving notice that we want to raise it on third reading, and that way everybody knows that it is coming and the legal counsel is given some lead time in the preparation of it. In this case, because legal counsel services the committee and he is available this evening, we will make the request directly.

Just in dealing with 120(7), I wanted to make the point that we we are not unwilling to compromise. If you are willing to show good faith and willing to have reports presented each year to the Legislature, we are willing to pull back and we are willing to wait. As I said, we will agree to disagree on the question of which approach is more efficacious and better suited to the times, but the rent monitoring is the key to determining that issue. It is only when we see the effects of decontrol through monitoring that members of the Legislative Assembly will be in a position to assess which format is better. That is the key to this whole situation and that, Mr. Chairman, in short, is what this debate is all about.

MR. CHAIRMAN: Clause 33, 120(7) pass — Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, I just wanted to say that I thought Mr. Parasiuk's suggestion was very good, about having a centralized computer system where this information is on file. I would hope that the Minister will in fact accept the suggestion and put it forward as part of the regulations, or make a commitment. I think we would all feel a lot better about this whole bill if we had that kind of firm commitment from the Minister.

MR. CHAIRMAN: 120(7) pass — Mr. Parasiuk.

MR. PARASIUK: I think that Mrs. Westbury was asking the Minister for a commitment that he would do this. Will the Minister give us that commitment?

MR. JORGENSON: Mr. Chairman, I wouldn't want to make a firm commitment of that. I think one would have to look at the cost of what such a project may be. I would have to find out just exactly what the rentalsman is doing now. For all I know, it may be he is on the way to developing that kind of a system now. Before I give an answer to that one, I would want to know a great deal more about the present situation.

MRS. CHAIRMAN: Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, perhaps the Minister could find that out and advise us at the time of third reading of just what is available now and whether he is in a position to make a firm commitment, because I think all of us would feel a lot better about this bill if we had that commitment.

MR. CHAIRMAN: 120(7) pass — Mr. Corrin.

MR. CORRIN: I just want to make the point — and I know I am belabouring it, Mr. Chairman, — I want to make the point that the government is attempting to have its cake and eat it too. They're categorically opposed to rent stabilization. They're unequivocally opposed to any compulsory arbitration provision. They hold out the hope of rent monitoring, and I suppose they raise expectations on the basis of that. But, Mr. Chairman, and I say this with parliamentary respect, the government does not have the courage of its convictions; it does not have the guts to allow everyone to participate in the evaluation of the efficiency and viability of the two formats and that, Mr. Chairman, is to me the telling sign. Mr. Chairman, that indicates to me, and I think it will indicate to all Manitobans, that the government simply does not have the courage of its convictions, is not willing to stand the scrutiny of public disclosure and that, Mr. Chairman, is the key to the situation.

You are telling us that the former government of this province brought in legislation that was inappropriate and unfunctional. You have said that. You said it during the course of the last election, but you didn't tell us how you were going out of rent control. I would indicate, Mr. Chairman, although it's tangential, I would indicate that you went out of rent control in two ways. You went out of rent control in a preferred way for high income tenants who are paying more than 400 a month rent; you provided compulsory arbitration for them, but you're not providing the same sort of recourse to lower income tenants, to modest and middle income tenants.

Mr. Chairman, that is unfair; it is unjust, and what you're now attempting to do is, you're attempting to provide a perfect stonewall, a perfect Catch 22, and that is the most apt way of describing it, to assure that no government or rather, no opposition and no member of the public can determine whether you have chosen the right course until this government is defeated. What you're doing is you're assisting to feather your own next by preventing the information from becoming public, and preventing public disclosure in debate, and that is the essence of free democratic process and that is what we should fight the next election in the city of Winnipeg on.

I regard this, Mr. Chairman, to be probably the focal issue of the forthcoming election, whenever it may be called, and I can assure you that that sentiment is shared by, I think, all my colleagues in the New Democratic Party. If this issue is to be dealt with in an adequate manner, and it's of concern to over 100,000 residents of this city who want to know which is better, which is the most viable approach, you must provide a mechanism that will provide monitoring reports in the Legislature.

MR. CHAIRMAN: Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, I have never heard more childish remarks in all the years I've been in the Legislature, than the remarks I've just heard from the Member for Wellington. I don't know what kind of a member of the Legislature he is or what he does in his spare time, but if I have a problem of any constituent in my constituency, he comes directly to me and lays the problem on my desk and if the problems and I recognize it's a matter that deserves attention, I'm at that Minister's door in almost hours, and if the Minister doesn't deal with that matter, it's brought into the Legislature. I can't understand this bureaucratic jungle that the Member for Wellington is dragging us into now, where I don't know what would happen under this.

What are our duties as members of the Legislature? We have problems with rent, or whatever it is in our constituency, which come to us, and we then bring it to the attention of the Minister and into the Legislature if it's not dealt with. What more can we do for the public than the provisions? I just can't see that it would work in Roblin constituency; it would be crazy to set up and running around with all these lists about who's paying rent. I just can't understand it at all.

MR. CHAIRMAN: 120(7) pass; 120(8) pass — Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, I only have one thing to say about this, and this is that, perhaps I wonder if there shouldn't be a time limit in there, "that the director of arbitration shall give written notice within two weeks" or something like that. Is there a reason why you can't have that in there — three weeks, whatever, as long as there's some time limit that's reasonable?

MR. CHAIRMAN: . . . I'm told — to Mrs. Westbury — that in 121, when you're dealing with an individual case, there is a time limit, but in 120(8) it's referring to groups of people, and that it would be rather difficult to put a time limit in.

MRS. WESTBURY: As long as it's covered under individual, I'll accept that.

MR. CHAIRMAN: 120(8) pass; 120(9) pass; 120(10) pass; 120(11) pass — Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, 120(11).

MR. CHAIRMAN: On 120(11).

MRS. WESTBURY: Mr. Chairperson, I would like to see the last word before (a), I would like it to be changed from "may" to "shall". The only word in the fifth line, could that be changed to "shall"? It's got "may" there, and then at the bottom it's got "shall give written notice".

MR. CHAIRMAN: Would someone make the motion who's a member of the committee?

MRS. WESTBURY: I'm not a member of the committee.

MR. CHAIRMAN: No. I'm asking someone if they will on your behalf. I believe the Minister is prepared to accept it. Is that right, Mr. Jorgenson?

MR. JORGENSON: Yes.

MR. CHAIRMAN: Mr. McKenzie makes the motion that the word "may" shall read as "shall". 120(11)as amended pass. Mr. Corrin.

MR. CORRIN: Mr. Chairman, I want to deal with 121(1).

MR. CHAIRMAN: Oh. Let me finish 120, okay?

MR. CORRIN: I thought you just passed 120(11) as amended.

MR. CHAIRMAN: 120(11) pass. The whole Section 120 under Clause 33 as amended in two cases, I believe pass.

Now Clause 33, 121(1) — Mr. Corrin.

MR. CORRIN: No, in 121(12) there is an amendment, not in 121(1). Mr. Chairman, this of course is the general clause that deals with the whole question of arbitration, and we would be remiss if we didn't address it.

We have said time and time again and in countless different ways, and I suppose we will for the next year or two, whatever time there is until the next election, continue to say at every opportunity, that we believe, if this format is to be adopted, there must be a compulsory arbitration provision built in. I don't want to anticipate the business of the House, but we've all read the amendment to 121(12) and we know that there is an attempt to deal with this that will be on the floor in a few seconds, and we know that there is no compulsory binding arbitration provided.

So I can say without any hesitation, that the government has refused to provide this sort of relief to tenants across the province. This, Mr. Chairman, is simply unconscionable, and I want to reinforce the fact that this format is completely different . . .

MR. CHAIRMAN: On a point of order, Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, on a point of order, let's deal with 121(1) please.

MR. CORRIN: That's what I'm talking about, that's what I'm talking about.

MR. McKENZIE: I fail to see the honourable member's comments relating to that section.

MRS. WESTBURY: . . . may object to the words he's objecting to.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: Mr. Chairman, the Member for Fort Rouge notes that the words in the sixth line "may object to the arbitration," I think that succinctly, Mr. Chairman, indicates the relevancy. Obviously there is no provision in this particular section for compulsory arbitration. The landlord can still get out. There is an amendment before the House which I'm sure members have looked at, which says that the Minister can, on request — and it's the most bureaucratic thing I've ever seen in my life — but the Minister can request that a dispute be arbitrated under this provision. Mr. Chairman, it is absolutely unworkable. The situation is left in mid-air; there is no effort on the part of the government to deal with it. It's inexplicable, and as I said, what really bothers me is that the government showed a manifest bias in favour of the high income tenants. In 1978 you adopted a format that was quite acceptable. If you would have brought in the 1978 formula for decontrol of the high income tenants into this bill, we would not have fought it. We said our piece in 1978 in the House. We disputed the decontrol then, but we accepted it because we saw that there was provision for a form of binding arbitration. But for some mysterious reason, you have chosen to abandon this particular approach in this final stage of decontrol and, if anything, Mr. Chairman, this is the time when you should have it.

These are the people who can least afford the increases. I have to presume that generally, not always, but generally a person who pays more than 400.00 a month in rent, is going to be able to sustain an increase. Your rent monitoring reports after 1978 showed that that was the area where there were the highest increases, and that has to be somewhat ironic and amusing in retrospect, Mr. Chairman, that it was the high income tenants that seemed to be the subject of the most exorbitant increases. Those are the ones that the rent monitoring report cited as being in excess often of 20 and 30 percent, and when you think of the effect of a 20 to 30 percent increase on a rent in excess of 400.00, you know that that's going to have a much greater impact than the same increase on a rent of 150.00 or 200.00. Everything is proportionate.

So, Mr. Chairman, it's absolutely unbelievable that the government has abandoned the approach that they formerly thought was most acceptable. No one has even attempted to to defend the abandonment. No one has explained, and no one will even touch on the subject in the House or during committee hearings, during Question Period, no Minister, and the Minister on this committee, has attempted to deal with why there has been a discrimination against the lower income tenant. This section simply can't go until we've received an explanation.

What was it that was found to be objectionable to the former approach? Under the former approach you had two kicks at the cat. If you felt that you had been the victim of an unconscionable — and that was the word that was used — of an unconscionable rent increase — and it wasn't defined — I must say that we've become very strict now, now that we're in that under 400.00 a month class we've become very strict about our definitions.

Formerly if you thought you were the victim of an unconscionable rental increase, you had a right to approach a rent review officer. The rent review officer could review the matter, could become involved in a mediation, and as I understand it, either party if aggrieved, could go to the Rent Review Board; that's provided in Section 20, I think it's 15 and 26 and 28 of The Rent Stabilization Act. As I said, it wasn't the best of all worlds, but at least it was a rational approach.

You assured the tenant and the landlord of a day in court. You didn't prejudicate, and nobody has ever suggested that these matters should be prejudicated, simply reviewed and regulated. But why have you abandoned that approach? You obviously went to a great deal of difficulty, you went to some pains to structure that sort of comprehensive review format in the legislation. That was something that somebody spent a lot of time drafting. It's much more refined; it's much more sophisticated than the approach you're using this year in that respect, and it's much more compassionate and humane. This is contemptible stuff. Bill 83 is contemptible stuff.

So what motivates the government to be so insensitive to the under 400.00 class and so concerned about the plus 400.00 group?

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, I have some difficulty following my honourable friend.

MR. McKENZIE: So do I — terrible.

MR. JORGENSON: The provision that was contained in the decontrol process, introduced in the House in 1978, provided that one of the class of apartments that could be decontrolled were those over 400.00 a month rent. There was absolutely no provision for a review, arbitration or anything, once that apartment had been decontrolled, nothing.

MR. CORRIN: 28.1(1).

MR. JORGENSON: Just as soon as that apartment applied for and received the decontrol order, and they had complied with all of the provisions, then they received the decontrol order, and the minute they received the decontrol order, then the landlord was free to charge the rents that he wanted to charge, and there was no restrictions placed on him at all. I can't follow my honourble friend, when he says that we went through an elaborate procedure to protect those tenants. There was nothing protecting them.

MR. CORRIN: You did, and I'll refer you to 28.1(1). I can't believe you're not familiar with the provision, because it's the most significant provision that you brought in in 1978. 28.1(1), which even has an asterisk in the legislative counsel's . . .

MR. JORGENSON: Well, is 28.1(1) part of Bill 83? Is there a provision in Bill 83?

MR. CORRIN: No, but you said in 28.1(1) of your Rent Stabilization amendments in '78: "Wherein an application made under Section 15(1) or (2)," and that's the decontrol section, "or on a complaint by a tenant occupying the residential premises before the effective date of the increase in rent, it appears to the board that an increase in the rent required by the landlord to be paid for residential premises after the regulation is made under Section 15 have ceased to apply to the residential premises, is unconscionable in relation to rents payable for other residential premises within the province, the board may request the Rent Review Officer to mediate a fair and equitable rent for the residential premises that is satisfactory to the landlord and tenant," and then you went through a whole series of provisions that provided for a report of the Rent Review Officer. If that was unsatisfactory, an enquiry by the board; then there was a hearing, a review of the board's order and notice of decision, and the decision was final.

So that is compulsory arbitration. There's no question about it. You built in mediation, and then there's an appeal process. So you've gone several tiers; you've built in a dual appeal process. So no one can argue with that. I mean, we may not like it, but we can't argue with it, and we didn't. In 1978 I don't remember anybody standing up and saying that this wasn't adequate. People just said, you shouldn't take off the controls, but nobody said that they took exception to this format. It was a very different debate.

MR. JORGENSON: I remember the debate correctly. Just as there is today, there were a number of dire predictions that were made as to how terrible the effects of that legislation was going to be. They never materialized, and I predict that the same will happen in this instance. My honourable friend is making a lot of predictions, and he's expressing a lot of great fears, some of which may be justified, but only when the legislation becomes operative are we going to be able to — my honourable friend is going to be able to say that it is not working.

We feel it will. If we were to base our legislation on all the fears that my honourable friend could conjure up, we would certainly have something more than compulsory arbitration. We wouldn't be able to move in this province. And that's not the basis that this legislation is drafted upon. The basis is, that because, as was indicated by the previous Premier of

this province, rent controls were going to be removed when wage and price controls were removed.

Wage and price controls were removed sometime ago, and upon the removal of wage and price controls, instead of removing rent controls completely, we announced a phasing-out program. We're now at the final stages of that phasing out. So don't let my honourable friend try to tell this committee that it was not the intention of the previous administration — unless he chooses not to believe a word of the previous Premier — because he stated very unequivocally that the duration of rent controls were not going to survive or would expire about the same time as wage and price controls.

I find it very difficult to understand why my honourble friend could take such a position in opposition to wage controls. That position I understood, because I supported that position. I was opposed to wage controls myself. How can you, on the one hand, take such a strong position opposed to wage controls, and on the other hand, want to impose controls in another sector of the economy? That I find very difficult and very inconsistent.

At least one member of the NDP party was honest in his statement, and that was Bill Jenkins, when this question arose in Committee of Supply, he made an inquiry about rent controls, whether or not we were going to phase them out, and we said we were. He said, well, I can't oppose that; I can't on the one hand be opposed to wage controls and then expect them to be imposed on other sectors of the economy. That was an honest position that apparently is not being shared by my honourable friend.

MR. CHAIRMAN: Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, I have another question. Maybe because I'm not a lawyer, I'm trying to act like one, or something, because I find this happens to people when they get into politics.

In the second line it says, "He shall in writing notify". Could someone tell me who "he" is? Because "he" can refer back to either the Rentalsman or the director, as I read this.

MR. CHAIRMAN: The legislative counsel to you, Mrs. Westbury, says that it's the director of arbitration that is being referred to.

MRS. WESTBURY: Can that not be worded in such a way . . .? Because I suggest to you that grammatically "he" can refer to either Rentalsman or director.

"Where dispute is referred by the Rentalsman to the director, he shall in writing," I suggest "he" can apply to either. Can it just be put, "the latter shall in writing." Anyway, that's purely a grammatical matter.

And on the rest of 121(1), Mr. Chairperson, I would strongly support the request that arbitration be made compulsory upon "receipt of a complaint." The landlords should not be able to avoid the arbitration, because no landlord in his right mind is going to submit voluntarily to arbitration, I don't believe; if it is made possible for the landlord just to say, I do not wish to submit to arbitration, I don't think we're going to have any arbitration. I don't think that's the Minister's intention.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: No.

MR. CHAIRMAN: Mr. Parasiuk, on 121(1)?

MR. PARASIUK: I would like to comment on the Minister's statements actually. He made some general statements with respect to rent decontrols, which I think can't go unchallenged. He is saying that the former Premier had unequivocally linked the removal of rent controls with the removal of wage and price controls, and yet the Premier at that time did not vote in favour of a Conservative amendment brought forward at the time, which did link the removal of rent controls with the removal of wage and price controls. That is clear, that's known, and that's historical fact.

MR. JORGENSON: That may be true, but his words are on the record.

MR. PARASIUK: His words are on the record in a number of other areas as well, which you again selectively avoid. Again, one has to deal with historical facts, and that's quite important in debates of this type. And let's deal with some specific, clear facts with respect to what we want.

What we are saying, is we want a system of fair rents. Very simply. We want a system of fair rents. The Minister is saying that any attempt to bring in a system that would ensure some fairness in rents, is rent control. Well everything is controlled to a degree. We've got a good brief here that was sent to us, and we've all got it. It was sent to us by a Mr. Einarson, Neil Einarson, not Henry Einarson, but Neil Einarson. He made some very good points. He said, my landlord has received a 97 percent increase in rent in five years, which he documents. A 97 percent increase in rent. He is a Manitoba government employee. He has received slightly over 41 percent in wage increases in five years. So we've had a system at work — supposedly the collective bargaining system, whereby you had something approaching moderation with respect to salary increases, 41 percent. But we do have rent increases of 97 percent, supposedly in a period of rent control we've had rent increases totalling 97 percent in five years. What we're trying to prevent is 97 percent in one year, or 50 percent in one year, and the Minister won't acknowledge that 50 percent in one year is unfair, or 97 percent is unfair. This fellow Einarson is on Osborne Street. But it was an excellent, documented presentation.

And, you know, when you start looking at a whole set of other areas, what's happened with respect to prices, with respect to wages, you haven't had these types of increases, because you do have greater competition when you have that type of competition, and we keep coming back to what the landlords themselves said, we will accept compulsory arbitration, on appeal. We think we can be reasonable. We think we are reasonable, and those landlords who are unreasonable should, in fact, have their rents rolled back. That's what landlords are

saying. Sidney Silverman said publicly, I've said that they shouldn't go above 10 percent. He said that. The Minister isn't saying, I don't think landlords should go above 10 percent, he's saying, I don't know, I can't comment on this, do whatever you want. That's our Minister of Consumer Affairs. And so when we come to him and say, what we want are fair rents, he keeps saying, well you know, the former Premier said in 1975, and he keeps trying to duck the issue of what we're trying to do. What we want are fair rents. That is what we want. And we don't see any system of providing that. No system at all. We see a number of checks and balances at work in society generally with respect to wages. Salaries, we know that, you look around, you see there haven't been any massive increases. But we have problems with certain types of prices.

We've asked the Minister from time to time to look at bread prices and other things like that. We're going to have problems with milk prices. We've asked that. We know that we've got difficulties there. But here when it comes to rents, we don't even speculate that we're going to have difficulties. We know for certain, we know for certain that we have difficulties. It's not as if we're speculating. We know. All of us know. The Rentalsman obviously knows. The Rent Review Board knows. The outpouring of calls — I have never received as many calls from constituents and non-constituents about an item as I have with respect to the whole issue of rents. It's just been staggering.

Now maybe the Member for Roblin hasn't received these calls and, in fact, what I find strange and surprising is the posse of Conservative urban members on this committee not attending this committee. You know, I heard Bob Wilson make speeches in the House about wanting a fair bill. I heard Len Domino make speeches saying he wanted a fair bill, but I've not seen them here listening to presentations. I'm sorry, Bob Wilson was here one night listening to presentations, but I haven't seen any of the other members. And you know, I don't think it's sufficient for the Member for Roblin to say, well I don't have these types of problems in Roblin so I can't understand why you're complaining about this bill.

I know that there are problems in Winnipeg, and I know that there are problems in Brandon with respect to this bill, but certainly the major set of problems are in Winnipeg. And if the Member for Rock Lake says he doesn't have problems, fine. The Member for Roblin says he doesn't have problems with respect to rent increases, fine. But I know that the Member for St. Mattthews has said in the House that he has problems with rent increases. I know the Member for Wolseley has said that he has problems with rent increases. I don't know about the Member for St. James, I don't know about the Member for Radisson, but I assume that they certainly do as well. And I assume that the Member for St. Vital would have a number of problems as well. They must be getting constituency calls, especially when you run into elderly people, where the only alternative, despite all the window dressing of the Minister's amendments, the alternative is that if you don't like the rent you move out, and right now he has made a change that says, well if you don't like the rent you have an option, you'll either get a month's rent or the actual moving costs. And this is the thing that I find completely incredible, it's going to be whatever's less.

MR. CHAIRMAN: Let's get back to the section.

MR. McKENZIE: On a point of order, Mr. Chairman, let's deal with the bill.

MR. PARASIUK: On a point of order as well, you never raise a point of order when the Minister goes off topic, do you? I'm quite willing to be consistent on that. I went slightly off topic, in response to what the Minister raised himself.

MR. CHAIRMAN: 121 pass — Mr. Corrin.

MR. CORRIN: You know, one of the things that I think should precipitate some consideration and review at the committee stage is, particularly in the light of the way the debate is now evolving and the comments made by the Minister and Mr. Parasiuk, there seems to be a misconception that control of shelter costs related to rents is somehow exceptional and unrelated to what normally goes on. We seem to regard this as an absolutely exceptional situation.

It seems to me, Mr. Chairman, that when we discuss this, we should have regard for the fact, that with respect to private home ownership, there are many regulatory mechanisms which everybody at this table has accepted for years. For instance, mortgages. With respect to mortgage interest rates, Mr. Chairman, there is nobody in this room who is unaware of the fact that the Bank of Canada has for years regulated the prime rate at which they provide money to the chartered banks and the other financial institutions of the country. Nobody here would consider the efficiency or viability of that approach.

MR. CHAIRMAN: Mr. Corrin, can I get you to refer to Section 121(1), notice of referral to parties, and not be talking about bank interest rates. I was very lenient to Mr. Parasiuk, because I did hear the Minister go off the topic, but I'm not going to let it carry on. I don't intend to stay here all night, and I would hope that we're going to finish.

MR. CORRIN: You don't have to stay here all night, we can come back in the morning, Mr. Chairman. We would never think of . . .

MR. CHAIRMAN: Would you speak to 121(1), or permit it to be passed?

MR. CORRIN: Well, I just want to make the point, Mr. Chairman, since we are not providing compulsory arbitration in this respect, since we are not providing this sort of regulatory feature, that we seem to be deviating from generally accepted regulatory processes. We're quite willing to see the private homeowners' interest rates regulated, none of us would think for a moment that they should be allowed to flow, and as a matter of fact, everybody on both sides of the House, were alarmed when interest rates started to soar over the course of the last year. Everybody seemed to have, with some degree of unanimity and consensus, demonstrated a concern for that situation. Everybody seemed to feel that the government should, in one way or another,

intercede. My honourable friends, as a matter of fact, on the federal level, were in the process of introducing a special program by way of legislation that I believed died on the order paper at the dissolution of the last parliament.

So, you know, nobody can say that on a philosophical basis regulation of living costs, or shelter costs, are beyond the pale. This seems to be, in certain select circumstances, well within the accepted terms of reference of both sides of this House, but for some mysterious reason, we can't take the same approach to shelter costs vis-a-vis tenants and landlords. We differentiate in our treatment. If you can tell me why you demonstrate such a concern with respect to the costs imposed by mortgage lenders, as against private home owners, and you can't show the same sort of sympathy towards the plight of the tenant, you know, I just can't understand it. I can't appreciate it. It seems to be inconsistent. What is the distinction? Otherwise, I think we should be able to have compulsory arbitration. Rather than it being ananthema to my honourable friends, it should be perfectly acceptable, and it was acceptable in 1978, Mr. Chairman, but not today. For some peculiar reason.

So what are we going to do about the plight of the burdened tenant? Are we just going to leave them to the wolves?

MR. CHAIRMAN: 121(1) pass; 121(2) pass; 121(3) pass; 121(4) pass — Mrs. Westbury.

MRS. WESTBURY: Mr. Chairman, with regard to 121(3), it's just a little clumsy, I wondered if this wouldn't be better "where the director proceeds to arbitration" and leave out "decides to" — "Where the director proceeds to arbitration he may conduct . . .".

MR. JORGENSON: No, I think that the wording you are proposing would imply that the director is going to go to arbitration himself, and that is not the case. I think the wording as it is here seems to be more appropriate.

MRS. WESTBURY: All right, it doesn't matter very much.

MR. CHAIRMAN: 121(3) pass.

MR. CORRIN: Mr. Chairman, I'm sorry, we're moving along here; you've cut me short, you recognized the Member for Fort Rouge, Mrs. Westbury, which was fine, except that she dealt with a different section. I thought she was going to deal with 121(1) and then she moved down as you called the sections.

I was going to move an amendment to 121(1), just as a matter of record, because I don't expect that you will find it in your hearts to accept it, but I want it on the record that the New Democratic Party provided a legislative amendment that would require compulsory arbitration of any disputes involving rents. I can submit this to you, Mr. Chairman, I'll just read it before I do so: Section 121(1) . . .

MR. McKENZIE: On a point of order, we've already passed that section. We'll have to have leave to refer back to that section.

MR. CORRIN: To the members of the committee, will you permit . . .

MR. CHAIRMAN: Will you give the member leave?

MR. JORGENSON: I have no objection to giving the honourable member leave, if that's all he intends to do, is move that motion.

MR. CORRIN: That's all. I just want it on the record.

MR. CHAIRMAN: Mr. Jorgenson has asked that leave be given to Mr. Corrin, is that agreed? (Agreed)

MR. CORRIN: I'll just read it and then we'll vote on it. It's very simple and straightforward:

Section 121(1) amended by deleting the section and replacing with following:

> 121(1) The Rentalsman may refer any dispute involving rents to the director of arbitration and Section 120(7)(d) and (e), 120(8), (9), (10) and (11) shall govern all such arbitration.

MR. CHAIRMAN: You've heard the motion.

A COUNTED VOTE was taken, the result being as follows:

Yeas 3, nays 5.

MR. CHAIRMAN: The motion is defeated. 121(4) pass; 121(5) pass. Mrs. Westbury.

MRS. WESTBURY: I was just going to ask if the word "may" in the third line could be "shall" — "may" in the third line.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: No, Mr. Chairman. I think that there has to be a bit of discretion on the part of the Rentalsman in this instance and I would like to have them that . . .

MRS. WESTBURY: I'm sorry, I can't hear.

MR. JORGENSON: No. I believe that there has to be a bit of discretion on the part of the Rentalsman under this particular section and I would like to see that it remains, or on the part of the arbitrator.

MR. CHAIRMAN: 121(5) pass; 121(6). Mr. McKenzie.

MR. McKENZIE: Mr. Chairman, 121(6). I move:

> THAT the proposed subsection 121(6) of The Landlord and Tenant Act as set out in Section 33 of Bill 83 be amended by adding thereto, immediately after the word "arbitration" the words and figures, "except as provided in subsection (12).

MR. CHAIRMAN: Mr. Cowan. Did you wish to speak to the motion that Mr. McKenzie has just put forward?

MR. COWAN: I would ask for some clarification on it, Mr. Chairperson. It would be my understanding that this was in the Act before in regard to the arbitration process that was stoppable by either one of the parties and since that seems to have been rectified, although not to my satisfaction, but at least an attempt has been made to rectify it in subsection (12), I would wonder why this whole particular subsection (6) could not be entirely deleted, because it would seem only to compliment the previous system which is no longer in effect. In other words, it's my understanding now that neither party can stop an arbitration just because they object to it, which was the earlier process.

Now I may be wrong on this but I would like some clarification in regard to why this is necessary, if we are not allowing one party to stop the arbitration angle.

MR. CHAIRMAN: Perhaps legal counsel can clarify the matter.

MR. BALKARAN: Mr. Chairman, 121(6) as printed, if left unamended, would close the door on arbitration with respect to rent increases. With the addition of the words "except as provided in subsection (12) will now permit compulsory arbtration by the director of arbitration under 121(12)".

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: I thank legal counsel for that information and would ask him if we could not accomplish the same goal by just deleting the whole subsection (6), because it seems to me that it was put in there before as a stay-patch — and that's my words and not the government's words — in regard to allowing an arbitration not to proceed. The government has decided to try to tighten that up and so we could, in fact, just delete this entire section because it was only intended to allow one party to stop the arbitration in the first place and the government assures us that that is no longer what they wish to see available to one party of the arbitration process.

MR. CHAIRMAN: Legisiative counsel.

MR. BALKARAN: Mr. Chairman, I think there's some merit in retaining 121(6) in that there may be certain rights accruing to a tenant to continue an occupancy while a dispute is being arbitrated.

MR. COWAN: I would ask if I could just have one minute to read that over. If I could seek further clarification, the amendment as read by the Member for Roblin inserts in after the word "arbitration" in the third line.

MR. BALKARAN: "Except as provided in subsection (12).

MR. CHAIRMAN: All right to proceed now? Proceed.

MR. COWAN: I'm not satisfied, but I can assure you that I'm not going to be abel to satisfy myself in a quick reading of it so I will accept the advice of legal counsel.

MR. CHAIRMAN: The motion by Mr. McKenzie pass; 121(6) as amended pass; 121(7) pass; 121(8) pass; 121(9) pass; 121(10) — Mr. Corrin.

MR. CORRIN: Mr. Chairman, I know that you're attempting to be fair and you're also attempting to expedite the affairs of the committee, which is recognized to be of some advantage to everyone, but it is very difficult to, I think amongst this number, for everybody to maintain that sort of speed during the course of review of the clauses. I can tell you that at least on the part of the opposition, we would like the opportunity to have a few seconds to look at each clause and reflect on what was said at the committee hearings and what was contained in the briefs that were received, because those are of considerble importantance to us and we want to reflect those concerns in our statements tonight.

MR. McKENZIE: You've had a week and four hours.

MR. CHAIRMAN: 121(10) pass; 121(11) — Mr. Corrin.

MR. CORRIN: Yes. I was wondering, the Member for Roblin says we had a week and four hours. Could he tell us what No. (10) is about, quickly?

MR. CHAIRMAN: 121(11) pass; 121, have we got an amendment?

MR. McKENZIE: Mr. Chairman, I'd move:

THAT the proposed new section 121 to The Landlord and Tenant Act as set out in Section 33 of Bill 83 be amended by adding thereto, immediately after subsection (11) thereof, the following subsections:

Landlord refusal of mediation or objection to arbitration:

121(12) where

(a) a landlord refuses mediation or the mediation of a dispute with respect to a rent increase under subsection 116(4) fails; and

(b) the rentalsman refers the dispute to the Director of Arbitration for arbitration; and

(c) the landlord objects to arbitration thereof under this section:

the Director of Arbitration

(i) if he is satisfied that the rent increase is excessive and alternative comparable accommodation in the same general area in which the residential premises are situated is limited, may request the Minister to direct that the dispute be arbitrated in accordance with Section 120; or

(ii) if the tenant terminates his tenancy agreement and the tenant satisfies the Director of Arbitration that he terminated the tenancy agreement because the rent increase is excessive, the Director of Arbitration shall order the landlord to pay to the tenant the actual cost of moving incurred by the tenant or an amount equal to the monthly rent paid by the tenant for the month immediately preceding the date of the order of the Director of Arbitration, whichever is the lesser amount.

Right of tenant to terminate tenancy agreement.

MR. CORRIN: Why are you doing (13)?

MR. McKENZIE: It's all the one section. 121(13).

MR. WALDING: It's all in one motion.

MR. CORRIN: Excuse me. Normally we go clause by clause and we've been dealing with them section by section, debating each one. Are we now going to do (12) and (13) together?

MR. JORGENSON: Well, the motion is all inclusive. It's an all-inclusive motion.

MR. CHAIRMAN: Let Mr. McKenzie proceed and at least read it into the record, please.

MR. McKENZIE: Right of tenant to terminate tenancy agreement.

> 121(13) Where a dispute with respect to a rent increase within the meaning of clause 116(4)(a) arises and the tenant has executed a renewal, extension or revision of his previous tenancy agreement, the Director of Arbitration may include in an order for payment of moving expenses made by him under subsection (12), a provision that the tenant has the right to terminate the renewal, extension or revision of the tenancy agreement upon giving to the landlord a notice in writing at any time within one month from the date of the order of the Director of Arbitration in which case
>
> (a) the renewal, extension or revision to the tenancy agreement shall be deemed to be terminated one month from the date of the notice; and
>
> (b) the tenant shall no longer be obligated to pay rent to the landlord under the renewal, extension or revision of the tenancy agreement after the date on which the tenancy agreement is deemed to be terminated or the date on which the tenant vacates the premises, whichever is the later date.

MR. CHAIRMAN: Do you want a few moments to digest it?

MR. CORRIN: No. This, Mr. Chairman, this is the ultimate in the course of this whole debate. This probably is now the — what's the word — whatever term would describe the low point of the rent decontrol debate, we have now reached it.

We now have a situation where the Minister is attempting to accommodate his critics. He is trying to provide some mechanism that will allow tenants, or afford tenants an opportunity to have a matter arbitrated by the Director of Arbitration. What he's done is, he's set up a situation, he's set up a mechanism that is so complicated, has so many pre-conditions, that this is truly the — I suppose it's the litigation lawyer's dream and the citizen's nightmare. What the Minister is providing is a provision that will first of all require that the Director of Arbitration be satisfied that a rent increase is excessive.

Now, that's the first thing that the Director must concern himself with. How he does that, I don't know. It's unclear where that informatin is supposed to come from, because he has no power to obtain information, so no one will be able to argue that the Director will be in a position to establish with any degree of judiciousness or fairness when a rent increase is excessive. So what we're doing is, we're now asking the Director of Arbitration to act on some arbitrary impulse. If the Director of Arbitration is satisfied, though, that a rent increase is excessive, then he must determine whether or not there is alternative accommodation available in the same area — the same area where the tenant lives — so that's Step 2.

I don't know what he's supposed to do, Mr. Chairman, it's almost laughable. One could contemplate, one could foresee the Director of Arbitration pacing up and down the streets of the locality trying to establish whether or not there's a vacant suite available of a comparable nature to that currently occupied by the tenant. If he determines that alternative accommodation is not available, then and only then can the Director of Arbitration at his discretion, because this is all discretionary, ask for Ministerial permission to arbitrate in accordance with the arbitration section.

Can you imagine, Mr. Chairman, how this is going to work? We're going to have a staff — I think we know that we're down to about five or six people in the Minister's office from the former 40 Rent Review Officers — we're going to have a staff presumably of five or six dealing literally with probably thousands of complaints. I believe that the HUDAM people chronicled — and they were not inclined to support rent controls, but even they were able to chronicle that on the basis of the first stage of rent control, the first three-month period up to and including October 1st, that there would be a thousand complaints. So we know that on the basis of just that first period, not including the period from October to November, November to December, we had a thousand complaints. So we can easily multiply those thousand by 12 and we know that at the very minimum this office is probably going to have to deal with probably 12,000 complaints in the forthcoming year.

So we have a situation where five or six people are supposed to determine, on the basis of no information whether rents are excessive, whether there's alternative accommodation available, and then they have to go to the Minister, and the Minister keeps insisting in all this legislation that everything be routed through his office. I've never seen legislation of this sort in the three years I've been here. The Minister is responsible for everything. Not the Cabinet, not the Legislature, not a senior civil servant, but the Minister. The Director can't do it on his own, even though presumably he'd be a senior civil servant. He's got to go to the Minister and get a stamp of approval. So, we're going to have 12,000 cases perhaps dealt with on that basis. It can't be done. It's a bureaucratic nightmare. I just can't imagine it. This is indeed just a cosmetic sort of approach, presumably designed to mislead the public with respect to the government's intentions in this regard.

There's also a provision in the same subsection for payment of moving costs, up to a month's rent. Well, we've heard from countless delegates, not countless but a number of delegates, that it's highly unlikely that a month's rent is going to be sufficient in most

cases to provide people with sufficient funds to move. Not only is there a considerable hardship, particularly upon the seniors, Mr. Chairman — and they, I think made the most plaintive case in this regard — but it's just impossible. And we don't even know whether that is the new rent that's requested by the landlord or that's based on the old rent. That's still not really very clear.

So, Mr. Chairman, with respect to this section, it does nothing. It does absolutely nothing. If it was to be effectual it would be a nightmare of the greatest proportions and I cannot believe that the Minister is going to sit there as the reports come into his office and review each one. And if he says he's going to delegate his authority as he has with respect to other provisions, he's going to delegate his authority to senior bureaucrats, then why isn't that spelled out in the legislation. Why do we have to have this very special format. Everything over the Minister's desk. You know, it's absolutely absurd.

So, I'm sorry, it's wholly unacceptable, it doesn't solve the problem, it's not going to work, it's unrealistic, it's nothing but a ruse and it's a very misleading approach. And this sort of deception is simply not going to be acceptable to the people and they're going to appreciate, the people who attempt to take advantage of this particular section, are soon going to appreciate that it doesn't work. And frankly I think we're going to destroy the credibility of the Director of Arbitration. I don't see how that person can liaise with the community and supposedly be in an objective quasi-judicial position and have to weigh the interests of landlords and tenants, day-to-day, month-to-month, year-to-year, in the context of this legislation. You are asking the impossible. What you're doing is you're setting that person up. The people are being induced to go to the Director of Arbitration, they're being told that there will be some relief if they do that and then you're putting that person in a perfect trap. That person has no authority, he can't initiate any proceedings. That person has no staff, as far as we know right now. You've cut the staff dramatically. You did that in anticipation, you could have at least waited to see what happened, but you started cutting staff before you even knew where you were going with any degree of finality. So you've put the Director of Arbitration really in a highly vulnerable, precarious position and you have very tight control over his office.

I would hope you couldn't have done that to the rentalsman. We didn't do that. Why didn't we choose to do that with the rentalsman? It's the same sort of situation. Why didn't we require that the rentalsman, whenever he wished to act, had to acquire ministerial approval? Rather than do that, we delegated authority through the legislation, so that it was clear what the rentalsman was able to do and what matters fell within his purview. But you haven't done that and I would like to know, frankly, I would like to know what's going to happen to this position. I think it's just going to become a farce. Everybody in Manitoba is going to hate the Director of Arbitration. He's going to be regarded as the most iniquitous, wicked bureaucrat in the province and presumably the Minister hopes, hiding behind that particular cover, he hopes that he's going to be seen — well he hopes he's not going to be seen. He's going to pull the strings, he's going to tell him, you're not going to review that, I'm not going to help you, you're not going to get the staff to go on the streets. You know, you're going to tell him that he's not going to be allowed to monitor. You're going to make him a complete laughing stock. He's going to become a fool.

And the members of the public aren't going to come down to the legislative library and read the provisions of the Act. They're not going to know that you have that sort of control. And you're playing hard-ball politics with a very sensitive and important issue. And I say this, it's a politically opportunistic method of dealing with this particular concern. You are continually playing it in such a way that you will have the best of all worlds. The structure of this thing is designed to protect you from public criticism and that's recognizable to us and through us it's going to become recognizable to the public, because this issue is going to be raised with the media, in private members' hour, question period, every possible opportunity this is going to keep coming back.

MR. CHAIRMAN: Mr. McKenzie you have a correction in your amendment.

MR. McKENZIE: Yes, in the subsection 121(13), the third line, where a dispute with respect to a rent increase within the meaning of clause 116(4)(a) arises and the tenant has executed a renewal, extension or revision of his — and the word "previous" should be struck out — his tenancy agreement, and the rest of it is in order, sir.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Mr. Chairman, now that the media and other people have gone, I want to take a sort of Will Rogers, or Morris McGregor approach to this thing and I would wonder if I could solicit from the Legal Counsel that is here, or possibly the Minister. The Member for Wellington is at a large pile of gravel here and I've got a screen and I'd like to be able to feel that most of the things that the Member for Wellington had were very political, feathered-type of words that didn't mean anything and what I mean is I'd like to go over some of the things that he said, because if there's any truth in any of the types of things that he said, then I would express some concern.

He's alleged that the Minister is going to have to handle 12,000 complaints in a year, that he's only to have a staff of five or six. I don't know how the Member for Wellington can determine what the Minister is going to do. And he says that the Minister will be handling this himself only. And I know there's going to be some complaints, I don't think there'll be 12,000. I wonder if the Minister could put on the record that he himself is not going to be the only one involved, or is he? And it says that the Minister and/or his staff cannot determine that rents are excessive. I mean, I as a layman could determine if they were excessive, if I had simple figures in front of me. (Interjection)— The Member for Wellington says that the whole Act can't be done, that it's cosmetic, he says it's a nightmare, he says that it's misleading, he says that it's impossible, he calls the

Minister engaging in deception, he calls him other uncomplimentary words, and he says it's going to be a litigation, a lawyer's dream, and that is the one thing that I was hoping for by having this Director of Arbitration, was that we weren't going to be creating another windfall for Legal Aid, because we've already had 4 million. If what the Member for Wellington says is true, I would like the Legal Counsel for the government or the Minister to tell me that this system is not complicated.

The Member for Wellington says it is a nightmare. It is vastly complicated. I was hoping that it was not complicated and I'm concerned about the one month's rent as being too low, because what happens if you only have a 1.5 or 4 percent vacancy rate in the downtown core? What are you going to do for alternate accommodation for the people whose entire lifetime has been molded into a certain community? And that is one of the concerns that I express, is that we've got to force the landlord to the table and I would like somebody — and I just raise these as I say, from a layman's point of view, somebody explain to me tonight, before we vote on this thing, that the Member for Wellington is dead wrong, that it is not a nightmare, it is not complicated.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: I'll pass.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I want to raise a couple of points, partly in response to what the Member for Wolseley has said. Right now, if we have a situation where a tenant gets a massive rent increase, that person has to, within one month of receiving that rent increase notice, has to file a protest with the rentalsman, who then has to refer it to the Director of Arbitration, and the Director of Arbitration has to make some judgments about whether there's sufficient alternative accommodation in the area, whether the rents are high, what the general state of rents are, without having any monitoring done on an ongoing basis. And then after the Director of Arbitration makes all those judgments, he then may request the Minister to direct that the dispute be arbitrated in accordance with Section 120. All this has to be done within a month.

And this is a situation where you're going to have a lot of things dragged out and the Member for Wolseley knows, that a lot of tenants downtown will make a complaint and they would assume that when you make a complaint that something will be triggered and movement will take place. And nothing is guaranteed. I would like a system whereby if you launched a complaint, and if the rent, for example, was over a certain guideline, 10 percent, that it automatically goes into an arbitration hopper and it's dealt with and everyone knows it's dealt with and you don't have to worry about making judgments or not making judgments. That's a system of compulsory arbitration. Which, when the Manitoba Landlords' Association made their representation to this committee, Mr. Smethurst, the lawyer for them, said that they would be willing to have compulsory arbitration provided that there was an appeal beyond that. Well, that's what tenants want, that's what the Landlords' Association has said they want, that's what I want, that's what my colleagues want. I wonder if the Member for Wolseley wants that as well?

It seems reasonable. Pop it into a quick system of compulsory arbitration with an appeal. Then anyone launching a protest about excessive rents would automatically have it dealt with and know that it's dealt with without requiring a whole set of judgments on the part of the rentalsman, without requiring a whole set of judgments on the part of the Director of Arbitration and without requiring a whole set of judgments on the part of the Minister. Because you never know if that's going to happen or not. We've been told, for example, that we've had one case before the courts for two years. So I don't know if tenants are that happy about a system being triggered off that well and they're uncertain about that. Especially right now, a lot of them have received all these rent increases, and when my colleague says that we could have 12,000 complaints, we've had about 1,500 complaints for the rents due October 1st. What happens as of November 1st, when a lot of people get rent notices for November 1st? We get another round of complaints. What happens for December 1st, when rent notices become due? Another round of complaints. What happens January 1st, what happens February 1st, what happens March 1st, April 1st, May 1st, June 1st, July 1st. That's where if you add a thousand for each month, you end up with 12,000.

That's why, when you say we've only had 1,000 complaints, we've had 1,000 complaints, or 1,500 complaints with respect to the rent increase notices for October 1st —(Interjection)— well, there are many leases in September as well and there are many leases in May, there are many leases in June. So, I'm not saying that 1,500 is a magic number and that'll stay, but you're going to be much higher than 1,500. Guaranteed.

Now the point, and this is a small point, but I think it is rather revealing about some of the sort of the cosmetic whitewashing of these amendments. Amendment 2 says that if the tenant terminates his tenancy agreement and the tenant satisfies the Director of Arbitration that he terminated the tenancy agreement because the rent increase is excessive, this is, if you don't like it and if the landlord doesn't want arbitration, you move out, because that's the way the situation reads right now, unless it's completely plugged up. If a person's lived in a flat for a long long time, and old person, they are told, fine, there are some other apartments in the inner city. You don't like paying 50.00 a month extra or 75.00 a month extra as of November 1st, tough luck, there are some other apartments in the city, you move out. That's your option.

Then it says the Director of Arbitration shall order the landlord to pay to the tenant the actual cost of moving incurred by the tenant or an amount equal to the monthly rent paid by the tenant for the month immediately preceding the date of the order of the Director of Arbitration. This is a great clause coming up.

A MEMBER: The old rate.

MR. PARASIUK: The old rate, right, not the new rate, whichever is the lesser amount. So you're either going to get the cost of moving or the cost of one month's rent, whatever is the lesser amount. Now that is the magnanimous amendment of this government.

We raised objections in committee and I know you raised objections in committee. We don't think it's fair in the first instance to say, pay up or move out. I don't that's a good enough option. But excepting the Conservative position that they say, pay up or move out, at least if you're going to force someone to move out, pay the actual cost of moving. Because I asked many groups when they appeared before us in committee, if they move, these apartment dwellers, will one month's rent pay the actual cost of moving? They said, no, it would pay about a third of it. And then other people said, the psychological costs of moving, especially for older people, are pretty pretty high.

So if you're a landlord, the way things are right now, what's it going to cost you to force a tenant out? One month's rent. It comes down to the bottom line, is that it only costs you one month's rent to force someone out. And what constitutes sufficient vacancy in the area? CMHC does studies saying, 4.4 percent, or 1.4 percent. HUDAM comes before us and says, no, it's not 4.4 percent, it's 13 percent. Public Housing says it's 8 percent. The Landlords Assocation says it's 15 percent. It's a complete confusion. —(Interjection)— What is the vacancy rate downtown?

A MEMBER: 5.2.

MR. PARASIUK: Okay, 5.2. Do you think old people have a lot of options to live with?

MR. CHAIRMAN: Mr. Parasiuk, would you direct your comments to the Chair, please.

MR. PARASIUK: Sure, I'll direct them to the Chair. My point is, that when all is said and done with pay up or move out, the move-out provision is ridiculous. You just can't accept a situation where people are forced to move out with one month's rent as a moving expense. Now if, in fact, you're going to have the Members for St. Matthews or Wolseley supporting that type of proposition, then obviously they don't understand the urban people very well. I've asked people. I've asked people coming before us in committee. Is it a big cost to you psychologically to move? They say, a terrible cost. They say that it's a terrible cost financially as well.

The only movement I see in this whole Act is with respect to condominiumization. We are putting in protection for, frankly, quite articulate, well-heeled people — and I'm not saying that pejoratively — who have come before us in committee and they said, look, we don't want to move. We don't think we should be forced out by condominium conversion, because someone wants to make a lot of money selling these apartments as individual housing units and the government says, oh, in that situation we sympathize with your predicament. We'll give you a two-year guarantee, we'll do a number of things.

MR. CHAIRMAN: Mr. Parasiuk, the condiminium section is a little further on in the bill. We're dealing with the mediation section. Can I get you to speak to it, please?

MR. PARASIUK: Yes, I am, because the point is I'm trying to point out what you are doing on the one hand and what you're not doing here with respect to the average tenant, because what we're trying to protect are those people who aren't that well-heeled, who aren't that articulate, who aren't that powerful, the group that Mr. Shapiro talked about. Those that are powerless who tend to be kicked, when kicked they want a bit more.

When you start talking about elderly people especially — and elderly people in the inner city — elderly people in a place like Transcona, for example, where the vacancy rate is 1.4 percent, where people have lived in that community since 1911, because that's when the community started. Most people lived there. There are three, four, five generations of family and what this bill is saying right now, if you don't like rent increases — and we've had rent increases of 75.00 a month for older people and we've had elderly senior citizens housing projects cancelled by this government in Transcona. But those people are now given the option, pay up or move out. If you move out you move somewhere else in Winnipeg, away from their family, away from their relatives, away from where they've grown up, lived and contributed a lot to the community, tremendous psychological costs, it's a financial cost as well. And the magnanimous government says, well, in your case we will, in fact, give you one month's rent or the actual moving costs, whichever is the lesser amount. I find that just totally astounding.

MR. CHAIRMAN: Mr. Kovnats.

MR. KOVNATS: Mr. Chairman, on a point of order. The Honourable Member for Transcona mentioned that the community of Transcona started in 1911? I would just like to bring to the attention of this committee that my father settled in Transcona in 1906.

MR. CHAIRMAN: Thank you, Mr. Kovnats, for that important information. Mrs. Westbury.

MRS. WESTBURY: Yes, Mr. Chairperson. You know, a lot of what Mr. Parasiuk said is correct. I just wanted to say that all of the people who appear and speak for condominiums are not well-heeled. I just wanted that on the record in response to what was said, but I'm not going to talk any more about the condominium section.

This attitude, if you don't like it, move out, it's not something that's been invented by the opponents of this bill. It is an attitude that has been prevalent amongst the landlords and I have had constituents who have been forced to move and in looking for comparable rental accommodation, they are telling me — and I was meeting them after they'd given notice or their leases had run out and they were getting ready to move — and they were having to move over to East Kildonan. There's nothing wrong with East Kildonan, but it is not where they have spent their lives and it's not where their friends and

churches are and they don't want to move to the other side of the city. Part of this, of course, is — and I've talked about this in another context — part of this is because the number of rental apartments in the Fort Rouge area is diminishing because of their conversion to condominiums, so there isn't as much competition for the available rental spaces as there used to be.

So people are just not finding the apartments here in their group — and I'm not talking about the poorest rental accommodation, I'm talking about clean and decent, but not luxurious accommodation — and they're finding that they have to move right out of the area in which they've lived all their lives, Mr. Chairperson. Now these people are entitled to some protection, because the neighbourhood that they moved into as a rental neighbourhood is changing from a rental neighbourhood to an ownership neighbourhood.

I referred to that in introducing my Bill 88, where we asked for the planning authority of the city to be involved in this whole planning matter. But I do think in considering this whole matter of pay up or move out and the alternatives that are available to the tenants, we have to consider the fact that they can see rates in rental accommodation in certain neighbourhoods do not conform to the overall Winnipeg rate and why are we forcing people to move from one part of town where they're happy, their friends, children, churches, all their lifetime experiences are, to another part of town where they don't know anybody? This is a relatively, in terms of Manitoba, this is a big city and when you have to move from one end of the city to the other to find comparable accommodation, you don't have to be elderly to object to that. It's like being in a rural area and having to move to another town 20 miles away, 30 miles away, which is not the town where you've been living and where you don't feel as much at home. So this is why I'm asking the government to have another look at the fact that you can't go by an overall Winnipeg vacancy rate, because you have to look at comparable accommodation in the neighbourhood, in the area that the person has lived in.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: Mr. Chairman, I want to indicate with respect to the question of dislocation and moving, and I think that this whole area has been surbeyed and canvassed very well by the Member for Fort Rouge and the Member for Transcona, but I want to indicate that the former government made substantial efforts to provide tenants with the same sort of security of tenure as has always been afforded private home owners.

I want to remind people that the experience of the 1970s was such that the NDP government provided that landlords could not arbitrarily remove tenants from their suites. First of all, we've brought in provisions that guaranteed security as long as a tenant paid his rent and did not default on a lease. In other words, it didn't do something that was clearly in breach, such as cause damages, and then we tied the whole package together with the Rent Control Program because then we said that the landlords' last weapon was subject to a binding review and that was the weapon of arbitrary rental increase, which was such that it forced the tenant into the street.

So, Mr. Chairman, I think it's important for the record, if no other reason, to state that prior to this piece of legislation, this bill in this province, tenants had been afforded the same rights as property owners, many of the same rights. They had what amounted to a form of security of tenure and that, Mr. Chairman, notwithstanding what my honourable friend, the Minister, says, was part of the rationale for rent controls and continues to be the reason that members in the opposition are so adamant about the retention of those controls.

I just want to say that I completely concur with what Mrs. Westbury and Mr. Parasiuk said about dislocation in the urban context. We are not living in the city. We are not living in what, I suppose, many might view as the ideal world of the small town and village. It isn't possible if you have children in school, in church and community club or if you're an older person or for that matter, any person who lives in a community and who cherishes the community and cherishes the identity that a neighbourhood or a community gives an individual, it is not possible to suggest that a person can with equanimity and without what I regard as undue stress and strain, relocate and remove themselves from one area to another.

It is not enough to say that there is housing stock available of a comparable nature in, for instance, the Maples where there is a high vacancy rate, if a person is dislocated from a suite in Transcona where there is an exceptionally low vacancy rate, and it's not fair and that's again what it's all about. It's just not fair to ask somebody to be exposed to that sort of situation and we as legislators should not pass laws that fail to protect people from that sort of consequence and predicament. There are going to be a lot of tragedies as a result of this.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Thank you, Mr. Chairman, I'll be brief. I wanted to put on the record that, as a landlord, I wanted to assure the Minister and members of this committee that most suites, a lot of them were decontrolled anyway before decontrol came off. I just wanted to say that the editorial people of the Free Press must have got hold of my notes pertaining to my address to Bill 83, when they called it decontrol without abuse. Because, I think you can press on with decontrol now, but put in place a workable mechanism for arbitrating increases which are significantly above normal. And let me give you the example that what is created by the leader, namely, Globe General Agencies and other, is the sort of gouging mentality amongst the landlords. I'm one myself and I'm all of a sudden finding myself saying, well the other guy is doing it . . .

MR. CHAIRMAN: Mr. Wilson, would you please continue to direct your remarks through the Chair?

MR. WILSON: Well all right, let me give you the example of what I call the amendment is nowhere near enough when you're talking about paying only one month's rent. Let me give you the example of

the case that I have. Rent is 180 a month, the landlord increases it 70 to 250 a month. Okay? Now he gets a brand new tenant in there. He collects 250, namely a 70 increase, he collects 125 damage deposit, he puts 195 in the bank, he throws out the person and pays them 180 moving expenses. He makes a profit, throwing someone out. And that's the thing that is giving that type of mentality in this section, if you don't like it, move out, and that's the thing that completely turns me off because most of the people affected, the letters you've received, are from the Wolseley constituency. There are a few in Fort Rouge as well.

So the editorial that says, if the increases are as moderate as spokesman for the landlords say, they should present no great problem. In other words, for the next period of a year or six months, let's put something in there that if there is no problem out there, if it's a sudden mentality to follow Globe General Agencies and other's increases, above and beyond 15 percent, if they're taking people from my block, the Pamela Apartments, right across from Mulvie School. Globe took that over 15 years ago and they've done very limited repairs, the people do all the repairs themselves. And they come in there with the type of increases that they come in with. These people have to be stopped and they have to — if they're stopped the mentality will change, because as I say, most landlords receive, I think, 34.2 percent, or 8 percent compounded increase in rent during controls. Decontrol is coming off, let's have decontrol without abuse, let's set an example and stop these people. And I say that the amendment certainly doesn't go far enough. My example shows how a landlord can make a profit by only having one month in the clause. If you had 300 in there, you'd force the landlord to think twice and to go to arbitration.

MR. CHAIRMAN: 121(12) as moved by Mr. McKenzie pass; On division? Be it recorded as on division.

A MEMBER: No, I'd like us to vote on that.

MR. CHAIRMAN: Okay, a vote has been called. All in favour of Mr. McKenzie's motion.

A COUNTED VOTE was taken, the result being as follows:

Yeas 5, nays 3.

MR. CHAIRMAN: 121(12) pass; 121(13) as moved by Mr. McKenzie pass; 121.1(1) pass; 121.1(2) pass; Section 122 as amended pass; Now Clause 34, can I deal with the full clause? pass; Clause 35 pass; Clause 36 pass; Clause 37 pass; Now Clause 38 The Condominium Act. I believe, Mr. McKenzie you have a motion.

MR. McKENZIE: Mr. Chairman, I move;

THAT Section 38 of Bill 83 be struck out and the following section substituted therefor:

Amendment to Condominium Act

Section 38 Subsection 5(1.1) of the Condominium Act, being Chapter C170 of the Revised Statutes is repealed and the following subsections are substituted therefor:

Special requirements for tenants

5(1.1) Where the property to which a declaration relates contains rented residential premises that are occupied by tenants on the date the declaration is submitted to the registrar for registration, the declaration shall not be registed unless

(a) it is accompanied by a statutory declaration that each tenant in occupancy on the date the declaration is registered has received written notice from the owner of his intention to file a declaration, that the notice

(i) was given at least 3 months before the declaration is submitted to the registrar for registration to each tenant who has been in occupancy more than 3 months, and

(ii) was given at the time the tenant agreed to occupy the premises to each tenant who has been in occupancy for 3 months or less before the date the declakation is submitted to the registrar for registration;

and that a notice of the registration of the declaration will be given to each tenant who enters into occupancy after the date the declaration is registered at the time he agrees to occupy the premises;

(b) it contains a statement that each residential tenant who, on the date of the registration is in occupancy under a lease of any kind and who is still in occupancy on the date of the giving of the option, has been given or will be given an option, exercisable at any time within 30 days after the date of receipt of the option, to purchase as a unit the premises that are the subject of the lease at a price not exceeding the price at which the unit will be offered to the public and on terms that are not less favourable;

(c) it contains a statement that the rights and duties of each tenant who, on the date of registration, is in occupancy under a lease of any kind are continued in accordance with The Landlord and Tenant Act; and

(d) it is accompanied by a statutory declaration that each tenant in occupancy on the date on which the declaration is registered has been offered an agreement which provides, in addition to the rights under clause (c),

(i) that notwithstanding subsection 103(4) of The Landlord and Tenant Act, the tenant may continue in occupancy of the premises he occupies on the date of registration of the declaration for a period of at least 2 years after the date of registration of the declaration or, subject to subsection (1.2), at the option of the tenant, for a period equal to the number of full years the tenant has been in occupancy of any premises in the property as of the date of registration of the declaration,

(ii) that the rent for the premises shall not exceed the rent charged for comparable residential premises in the same general area in which the premises are situated.

(iii) that any dispute between the landlord and the tenant as to the rent charged for the premises shall be determined by arbitration in accordance with the procedure prescribed and

authorities given under subsections 121(8)(9)(10)(11), 121.1(1) and (2) of The Landlord and Tenant Act,

(iv) that the tenancy may not be terminated by the landlord except for cause as provided in The Landlord and Tenant Act but the tenancy may be terminated at any time by the tenant on giving 3 months notice to the landlord, or one months notice if the tenancy is terminated under subsection 103(13) of The Landlord and Tenant Act,

(v)that the agreement is binding on the heirs, succcessors and assigns of the landlord, but is not assignable by the tenant.

Arbitration of period of continued occupancy

5(1.2) Where a tenant wishes to continue in occupancy for a period longer than 2 years as provided in subclause (1.1)(d)(i) and the landlord alleges that the granting of such period of continued occupancy would seriously reduce the economic viability of the conversion because of the small nsumber of units in the building, if the parties are unable to agree on the matter, either the landlord or the tenant may refer the matter to the rentalsman appointed under The Landlord and Tenant Act for mediation who may subsequently refer the matter to the Director of Arbitration under The Landlord and Tenant Act; and the matter shall be determined by arbitration as set out in subclause 1.1(d)(iii), and it shall be the duty of the rentalsman and the Director of Arbitration to consider, in addition to the allegations of the landlord, the possible physical, mental or psychological harm that may occur to the tenant due to age or physical impairment if the tenant's wish is denied.

MR. CHAIRMAN: Clause 38, The Condominium Act, Mr. Kovnats.

MR. KOVNATS: Mr. Chairman, I just want to make a correction. In the third line on the top of Page 6, on the motion, the word "continued" was read as "contained".

MR. CHAIRMAN: The correction is noted. Section 38. Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, I would like to congratulate and thank the Minister for making the changes in the condominium sections of this bill, along the lines that were requested by a number of the people who came to the committee last week, I think it was. I only have one further request to be considered. Reminding you that in New York, elderly tenants, and they say elderly as in 62 years and over, who choose not to purchase, may not be evicted if they have been tenants for at least two years and have a total income of less then 30,000 per year. Now I'd settle for 65 years, if you'd eliminate the income provision, 65 years being the usually accepted age in Canada for senior citizens. I just wonder if the Minister would consider adding a provision that tenants who choose not to purchase condominiums should not be evicted if they have been tenants for at least two years and if they are over the age of 65 years.

MR. CHAIRMAN: 38, The Condominium Act pass.

MRS. WESTBURY: Would the Minister not reply to that request, Mr. Chairman,

MR. JORGENSON: Well that's a suggestion I would have to consider. If my honourable friend is willing to want to propose such an amendment at the report stage, that is entirely possible and it can be dealt with in the House, if she'd like to do that. At this moment I don't think I would want to . . .

MRS. WESTBURY: Could the Legislative Council prepare that please so that it can be presented at the report stage? Is that a legitimate request for me to make?

MR. CHAIRMAN: Yes, except for one thing Mrs. Westbury. I would hope that you would meet with Legislative Council and give them the background information in order to assist them in drafting such an amendment. And then you could move it at third reading, in the report stage.

MRS. WESTBURY: All right. Thank you. But I do want to say that I believe the changes that have been made to this section do give the tenants the protection that they had before.

MR. CHAIRMAN: Section 38 as amended pass; 39 pass. Before we report the bill and so on, we've got to go back to Clause 29 in the proposed amendments.

Back on Clause 29, there was a motion, I'm sure if you look back through the list of amendments. Call the question now? Clause 29 as amended and moved earlier by Mr. McKenzie pass. Mrs. Westbury.

MRS. WESTBURY: Well, Mr. Chairperson, I'm sorry I wasn't here then, does that provide protection for the tenant against having a requirement for renewal put into the new lease, a requirement for consent to conversion put into the new lease. And anything else such as, somebody suggested that sometimes a landlord tries to put in the lease that you can't put a sign in the window saying, I'm a Progressive Conservative and I support the Conservative candidate and things like that. Is there provision for that sort of protection as well, under 29?

MR. JORGENSON: Yes.

MR. CHAIRMAN: The Minister says yes to your question, Mrs. Westbury.

MR. JORGENSON: That provision is in the bill.

MRS. WESTBURY: I don't want to put that in my window. —(Interjection)

MR. CHAIRMAN: Preamble pass; Title pass; Bill be reported pass.

Committee rise.