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STANDING COMMITTEE
ON
STATUTORY REGULATIONS
AND ORDERS

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The Honourable Harry E. Graham
Speaker*



WEDNESDAY, 16 JULY, 1980, 2:00 p.m.

MANITOBA LEGISLATIVE ASSEMBLY
Thirty - First Legislature

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Name	Constituency	Party
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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON STATUTORY REGULATIONS AND ORDERS
Wednesday, 16 July, 1980

Time — 2:00 p.m.

CHAIRMAN — Mr. Warren Steen (Crescentwood).

**BILL NO. 83 — AN ACT TO AMEND
THE LANDLORD AND TENANT ACT
AND THE CONDOMINIUM ACT**

MR. CHAIRMAN: Committee come to order, please. We have a quorum. Might I point out to the members of the committee and to the large number of persons that are in attendance that the list that I have currently shows 73 persons that wish to make representation before this committee regarding Bill 83, An Act to amend The Landlord and Tenant Act and the Condominium Act. I would ask members of the committee, as well as the persons making presentations, to stick to the bill as closely as they can and to have consideration for others that would like to presentations and not to make their presentation any longer than they feel they need to, so that we can try and hear all 73 persons that have indicated, and I'm sure that there will be more persons as the time goes on that might wish to make representation. If you can keep the briefs as short as you possibly can, I think we can, in the next few days, hear as many people as possible.

To the members of the committee, I have a list before me and the first person on the list is Mr. Vic Savino. Is he present?

Mr. Parasiuk.

MR. WILSON PARASIUK (Transcona): Mr. Chairman, I'd just like it understood that if anyone isn't here, their names will go to the bottom of the list so that they might get a chance to present at the end of the hearings.

MR. CHAIRMAN: By all means.

Mr. Savino, would you like to proceed?

MR. VIC SAVINO: Yes. Good afternoon, Mr. Chairman, and members of the committee. If I may be permitted to remove my jacket, it's a little warm here. Thank you.

Mr. Chairman, it's with some amazement that I appear here . . .

MR. CHAIRMAN: Could I stop you, sir, and ask you, do you have a printed copy of your brief?

MR. SAVINO: No, I don't, Mr. Chairman. I just learned yesterday of the matter going to committee and I don't have a written submission, but I do have some material which I shall be tabling during my presentation to the committee.

Mr. Chairman, members of the committee, it is with some amazement that I appear before this committee with the bill that is before you, Bill 83, in its present form. This bill, of course, as I'm sure you know, repeals the Rent Control Program in

Manitoba, among other things. I intend to address myself to not only the provisions with respect to rent stabilization in Manitoba, but with other provisions of the bill which in my opinion fundamentally undermine the rights of tenants. When this bill first came out, I had a very close look at it and sketched out about 14 pages of notes which I will be referring to. I would like to initially refer to the last paragraph of those notes which were written in the last week of June. At that time I observed in looking at the bill and the Conservative policy in housing and rent controls generally, and concluded that when one considers the three full Conservative strokes of the abolition of rent controls, the abolition of public housing initiatives and the recognition of the supreme right of landowners to convert rental units into condominiums, one has to ask oneself where low-income people are going to live, and my observation at that time was perhaps the next Tory initiative will be to provide rail or bus fare to Alberta or British Columbia.

To my amazement, I didn't two weeks ago how prophetic that statement was. As I understand it, the Minister has now introduced amendments to the legislation which will permit the payment of one month's rent to tenants who don't like the rent increase and can be found by the Director of Arbitration to have been forced to move because of their rent increase. Presumably, the amount of one month's rent will get them to Calgary, or Edmonton, or wherever they are going.

I want to speak about three things today essentially. First of all, why I, myself, as a lawyer and a person who has been involved with tenants' concerns for a number of years and vehemently opposed to this bill, and in that portion of my presentation I will deal with the contents of the bill itself. Secondly, I would like to deal with the issue of why thousands of other Manitobans are opposed to this bill, and at that time I will be referring to some petitions and letters which I have received from individuals and groups who are very upset about this legislation. Thirdly, I hope through the process of this committee to suggest to you what the government could do if they really want to accomplish what they state they want to accomplish, and that is, the removal of rent controls with the protection for tenants from rent gouging.

Firstly, on what is wrong with this bill, I have stated before and I will state again before this committee, that this bill is the most savage piece of landlord and tenant legislation to come before any Legislature in many a year. In 1970, the government of the New Democratic Party abolished many of the 17th century notions of landlord and tenant law and brought Manitoba into the 20th century in this field. The amendments proposed by this government are truly reactionary and are an attempt to turn the clock back to some century past in the area of landlord and tenant legislation.

There are some minor housekeeping amendments which I don't think anybody has objection to, such as

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changing the sublet fee from 10 to 20, making landlord and tenant legislation extend to mobile home sites and so on. I don't think too many people have much objection to those kinds of changes. But the kinds of changes that I find most shocking are the changes that are buried between the lines of this legislation that affect fundamental economic rights as well as fundamental tenants' rights, as well as the right of a person to possession of his or her home.

For example, Section 24 of Bill 83 repeals Subsection 113(5) of The Landlord and Tenant Act and replaces it. Under the present legislation, Section 113(4) provides protection from eviction for families with school children during the school year, with only two exceptions. One is when the tenant is in arrears in rent, and the other is when the tenant is in serious breach of the tenancy agreement. For example, being a noise or a nuisance to other tenants.

With the amendment which the government proposes in this bill, a family can be evicted during the school year for the reasons I have already outlined, and also, if the landlord wants to turn your apartment into a condominium or if you are renting a mobile home site and the landlord wants to use your site for something other than a mobile home. Section 113 as it now is provides this protection, except in circumstances where the tenant is clearly at fault. This amendment recognizes the supreme right of property, which presumably is part of the philosophy of this government, that would permit a landlord to remove a family with school children where he wants to condominiumize, or maybe he wants to turn his trailer site into a shopping centre.

The question must be asked, why this change is necessary, and why landowners could not wait until the end of the school year in circumstances such as this. I don't know the answer to that question, and I don't know why this provision is in the bill. I have discussed provisions like these with people in the Rentalsman's office and I am informed that these kinds of amendments — and I'll refer to others — are not amendments that are being recommended by the people who are administering the legislation, but they are amendments that are in essence government policy. They have nothing to do with any recommendation that is being made by the Civil Service.

I was pleased to learn yesterday that Section 25 of Bill 83, which repeals Section 114, will be changed before this bill goes to final reading. That, of course, was the discrimination section where the government was proposing to repeal your right not to be discriminated against, not only on human rights grounds covered by The Human Rights Act, but on grounds of membership and attendance group, or association, and I congratulate the government for finally having the gumption to remove that terrible provision that would have set human rights in this province back several years.

I would point out in passing, though, that even The Human Rights Act does not provide protection against certain classes of discrimination in housing situations. For example, neither The Human Rights Act nor The Landlord and Tenant Act provides protection against discrimination on the basis of sexual preference or political association or political belief. I think it is time in Manitoba that citizens of

Manitoba had the right in housing rental situations to be protected from that kind of discrimination.

One of the most radical changes to the landlord and tenant relationship contained in this bill, and on which I believe will provide even further hardship for tenants who are facing stiff increases in October, is Section 26 of the bill, which provides an innocuous looking amendment to Section 116(1) of the present Act by inserting at the end of the sixth line thereof the words "by that tenant". Essentially, what the three-word stroke of the legislative pen does, is that it abolishes in Manitoba the one rent increase a year rule. Section 116(1) as it now is provides for one rent increase a year for each rental unit. This provides some stability in the market and that stability was there before The Rent Stabilization Act was introduced. Although with the repeal of the Rent Stabilization Act, your landlord could charge an increase of whatever the market will bear, at least with Section 116(1) before Bill 83, the landlord could only do it once a year for any particular apartment and as I indicated, that rule, if it's adhered to, applies or provides some stability in the rental market in that people are only facing one rent increase a year instead of two and three and four rent increases a year.

Now, with the amendment proposed by the government, every time there is a new tenant there can be a rent increase. When landlords did that in the past, it was called "rent gouging". Now rent gouging will be permitted under our Landlord and Tenant Act and will, in fact, be legalized by the government. I submit that this amendment is terribly inflationary and will be particularly harmful and destructive in the inner city, where the turnover rate in apartment rental is very high. Once again, it will be those who can least afford it who will suffer under this government policy.

I should point out two observations on that score. Number one, the report that was not tabled by the government having to do with decontrol pointed out that in the observation of the Rent Stabilization Board there were many instances, particularly in older blocks in the inner city, where landlords were taking more than one rent increase a year. In other words, they were violating The Landlord and Tenant Act and they were violating The Rent Stabilization Act. Those violations, which were not reported to the Legislature, are termed by the Minister as being insignificant. Well, I think it's significant whether or not the law is being complied with. The response of this government is not to try to enforce the Act, nor the response of this government is to change the law to suit the rent gougers. I would urge upon you to take that section out of this bill and at least provide some stability to the rental market in Manitoba.

Another provision which has been discussed publicly and in the House is the amendment to Section 103(9) of The Landlord and Tenant Act. Bill 83 will permit the rentalsman to mediate a dispute between the landlord and tenant with respect to continued possession and occupancy of residential premises. A dispute like this apparently, under this legislation, can also be referred to the Director of Arbitration.

I'd like to direct your attention briefly to Section 113(1) as it now is under The Landlord and Tenant Act. It now states, recovery of possession, unless a

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ant has vacated or abandoned rented premises, landlord shall not regain possession of the premises on the grounds that he is entitled to possession, except under the authority of an order of eviction obtained under Section 111. Section 111 provides a summary procedure whereby landlords obtain possession of premises through an order of the county court. Now what is being proposed is a fundamental change in the law. The Landlord and Tenant Act enacted in 1970 contained the provision that you had to have a court order to be evicted from your premises if you didn't leave, because it was the policy of the then government and it is the policy as far as I know of every other provincial government in Canada, to ensure that no one can be ordered from his home, except by an order of a court upon due consideration of all the evidence to establish that the owner or landlord actually has the right to obtain possession of the premises. This power is now being given to a civil servant who could be as easily as not be a political appointee.

There have been court cases in the provinces of British Columbia, Alberta and Ontario, in which the courts have held that legislative attempts to provide a rentalsman's office with authority to evict tenants is unconstitutional. It was found to be unconstitutional on the basis that the power to order someone out of his property is reserved to federally-appointed judges. These decisions held that the province could not delegate this power to a political appointee or a civil servant. This government is attempting to undermine this constitutional principle by permitting the rentalsman or the Director of Eviction to order tenants out of possession under a new authority. I, for one, am convinced that the effect of this change will be to speed up the eviction process which, of course, is what the landlords Association wants, and to deprive tenants, particularly the less sophisticated tenants, of their rights to remain in possession of their home unless ordered out by a court.

I would suggest to you that there is no reason for this change, and I would suggest to you that what is going to happen is that many tenants are going to be persuaded to go through the rentalsman process, simply because they have not the sophistication or the resources with which to fight a legal case in a court.

When we get to the final extinction of rent controls in Manitoba, the portion of this bill that has received the most attention and received the most protest from the public. Section 37 of the bill before you repeals the Rent Stabilization Act and it also repeals the 1978 legislation on decontrol introduced by this government. The repeal is effective on July 1, 1980, no matter when the bill receives Royal Assent. This is proactive legislation then, and I have no idea why it is found necessary to make this legislation proactive to July 1st. The government has proactively killed rent controls over the last two years. The removal of all suites outside of Winnipeg and the exemption of all suites in buildings built since 1973, a vision which rolled back from 1975 from this government, the exemption of all suites where rents are over 400, and of all suites where the tenants voluntarily vacated has resulted in a gradual process of decontrol in the province of Manitoba.

At that time, I recall standing before this committee and I recall the promises that the government made at that time. At that time, the government promised essentially two things. Firstly, that rents would be monitored and steps would be taken if things were getting out of line. The government promised, secondly, that tenants who were decontrolled, who felt they were receiving unconscionable rent increases could appeal to the Rent Stabilization Board.

Now, this government's record on those promises is a very sad one. In 1979, a tenant took the Rent Stabilization Board and the government to court, because he wasn't even notified that his suite had been decontrolled, despite the fact that the legislation contained expressed provisions that tenants had to be notified. The Rent Stabilization Board had been called on this issue by several tenants' groups and the Law Union and you will recall at that time that the board chairman, Mr. Chisvin, stated there was nothing wrong. When the tenant referred to, took the government and the Rent Review Board to court, he won. The Minister was asked, not by the court, the court dealt only with that particular situation, but that particular situation applied to a large number of cases because nobody had been given notice up to that time, and the Minister was asked to direct the board to change its practices to conform to its own legislation. The Minister refused, his answer to tenants who were affected was, anyone who is affected can take the government to court. Well, I don't know how many times you have to take the government to court to establish the same principle. Either you administer and enforce your legislation as you pass it, or you pass different legislation. Now the maladministration and the arrogance in the administration of the Rent Review Program has persisted, I would say, until this very day. The reports that were produced on monitoring were produced reluctantly, and I understand that the reports that were produced managed to be without some of the more controversial contents that were observed by the people working at the Rent Stabilization Board.

In light of all this, I find it very difficult to find a policy rationale for the provisions in Bill 83 that terminate the Rent Control Program in the way that they do. The Minister and the government can only be acting on, as far as I can see, their commitment to property owners and developers to remove controls, and they are not considering at all the realities of the rental market in Manitoba today. In fact, I distinctly recall the Minister stating that it didn't matter what was in the monitoring report, that report was not going to have any effect on the government, the government was committed as a policy to the removal of rent controls, no matter what the realities of the rental market in Manitoba are today.

A few brief words about those realities. At a housing seminar held at the University of Winnipeg in mid-June, a member of the Social Planning Council, who I believe will be speaking to you later, stated that the SAFER program which has been introduced by this government could be very inflationary, and that it encourages landlords to increase rents in the absence of controls, knowing that the government will pay the difference for low income people. The

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Social Planning Council has stated, or at least that member of the Social Planning Council stated at that time, that what is needed to stabilize the housing market in Manitoba today is a sound housing policy, a sound housing policy consisting of a combination of rent subsidy, because there are so many people on fixed incomes who have fallen so far behind; controls on rent, so that those subsidies don't get out of hand; and that those controls should be applied particularly in the high-demand, low-supply, low-income area, namely the inner city. And the third plank of any adequate housing policy is public housing.

This government has now eliminated public housing. They are now in the process of eliminating rent controls, and what do we have left? The most inflationary of all options — rent subsidy only, subsidies which will only line the pockets of landowners and financial institutions as the money goes from governments through the pockets of the tenants to these institutions, and in many cases they'll be going through the pockets of the Welfare Department to these institutions. The government claims that it is retaining, in Bill 83, a system of monitoring rents and arbitrating excessive rent increases. The system revealed in the legislation, I would submit to you, is a sham, an administrative quagmire, and will be totally ineffective, notwithstanding the amendments introduced by the Minister yesterday, which I have already referred to as possibly part of the government's program to depopulate Manitoba.

Insofar as monitoring is concerned, I would think that we can expect this government's performance to be consistent with that of the last two years, and particularly the last two weeks. The promised monitoring reports are never produced until two years after the fact, and when they are produced, we wonder what's really in them. There's no provision in this legislation requiring such reports or requiring such reports to be tabled in the legislature. That was one of the criticisms in 1978; it remains a criticism today.

Then, of course, there is the arbitration system, the so-called arbitration system. There are many fatal flaws in this system, some of which have already been pointed out. Of course, if a landlord doesn't want to arbitrate, there won't be an arbitration. I think most tenants know what kind of protection that provides — literally nothing. Even if there were some method of arbitrating, one has to look at the meaning of excessive rent increase, which is the task that any arbitrator would have to apply. The meaning of excessive rent increase as it is defined in the proposed new Section 120(6) of The Landlord and Tenant Act states, "For the purposes of subsection (7), excessive rent increases mean increases that have the effect of making the rent charge for the residential premises substantially in excess of the rent charge for comparable residential premises in the same general area in which the premises are located."

Now, under the 1978 legislation there was a terminology "unconscionable rent increase." From experience with the Rent Stabilization Board, I can tell you that the Board has been unable to determine what is unconscionable, because there is no guidance in the legislation, and very few tenants

have gone to all the trouble of hiring a lawyer to find their way through the administrative quagmire created by this government in 1978. Now, taking this new definition, tenants would be wasting their time even more, asking for arbitration. It is well known that there are four, five, six major rental agencies in Winnipeg, the Smith Agency, for example, Mr. Morantz' Globe General Agencies, Martin Bergen's chain of companies, Shelter Corp., which has been making substantial acquisitions in the Fort Rouge area. I think it's fair to say that these major rental agencies control three-quarters to 80 percent of the rental market in Winnipeg. And, if these rental agencies decide at what level they are going to set their rent, then rent charged for comparable premises — which, of course, is the definition of excessive rent increases — will conform with rents being charged by the big four or five. There will then be no such thing as an excessive rent increase, as with the big four or five rental agencies controlling the market there won't be that much difference that something can be defined as excessive.

I do not wish to spend a lot more time on the arbitration procedure, other than to say that clearly the changes introduced by the Minister yesterday do not meet the objections of the vast majority of tenants in Manitoba. I would only point out again though, with respect to the role of the Minister in the arbitration process, that is the only arbitration that can be binding under this legislation and in order for the procedure to begin, the Minister must take action.

He must request the Director of Arbitration to monitor and compile information on rent levels, rent increases and so on and submit a report to the Minister. The Minister, upon considering a report, may direct the director of arbitration to appoint a Board of Arbitration to arbitrate. But the Minister can only do this if the following conditions are met. Firstly, in any part of the province, or in certain types or sizes or ages of residential premises, the report must indicate that rent increases that are being charged by a specific landlord or a class of landlord are excessive. And secondly — and of course we've already dealt with the question of what's excessive — the choice of alternate, comparable accommodation is limited in the same general area in which the residential premises are situated. So the arbitration procedure doesn't even come into being until after you've moved. The Minister has no authority to act if alternative comparable accommodation is not limited in the same general area in which the residential premises are situated. This has been this government's position throughout this bill; if you don't like it, move. That's the government's answer to tenants.

The tenant who has a rent gouging complaint must go to the Minister if he wishes to get binding arbitration under this legislation, and the Director of Arbitration's jurisdiction extends primarily over classes of accommodation or areas of accommodation rather than individual situations. Unless the particular situation can be related to a larger problem, there will be no report and there will be no arbitration.

I submit to you that the procedures set up under Section 120 of the Act as it's proposed will be ever more toothless than the procedure which was set up

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1978. There are no guidelines to guide the rector of Arbitration. There is no direction whatsoever as to what is or is not excessive. In fact, rent controls are repealed in this province and substituted with the discretion of the Minister. It is quite clear what direction the discretion of the Minister has taken in the last two years. There is no reason to suggest that it will take any other direction in the future. I believe that it is safe to conclude that the so-called arbitration process to be legislated in Section 120 of the new Landlord and Tenant Act will receive as much usage as the Parents Maintenance Act, recently revived by this government. It will receive as much usage as that legislation received in the last 50 years and I understand that that bill has finally been withdrawn from the House.

Rent control will be a thing of the past with this legislation and the watchword for tenants will be "Let the tenant beware" and land owners will charge what the market will bear if you don't mind me being a poet at this stage.

I want to deal briefly, again we're talking about what's wrong with this bill, with the changes that facilitate the conversion of rental units to condominiums. Section 38 of Bill 83 effects some substantial changes to The Condominium Act which I enable landlords to more easily convert rental units to condominiums, and thereby take more rental units off the market in Manitoba.

Section 5 of the Act now requires the landlord to have the consent of 50 percent of the tenants before the building is converted to a condominium and it further requires the landlord to give the tenant notice of his intention to buy his unit if the landlord intends to convert. And this option is exercisable only within 30 days after receipt of it.

As Section 5 now is in The Condominium Act, the rights of the tenant under any existing tenancy agreement are preserved until the end of the agreement. The proposed amendments to Section 5 permit the landlord to terminate the tenancy agreement on two months notice after the expiry of the option to purchase. In effect, it prevents tenants from organizing to prevent condominiumization because the landlord does not have the consent of 50 percent of the tenants. Now the landlord can evict those tenants who don't want to be condominiumized and simply not fill the suite, or fill the suite only with a tenant who will consent. And this, of course, is an abuse that has already been widespread and observed in the inner city area. I'm the Honourable Member for Fort Rouge has served the situation where landlords are requiring tenants to sign consent forms before they're allowed to take up tenancy in certain buildings. And we've seen a situation at 188 Roslyn Road, where the landlord is already advertising the sale of these condominiums, eagerly awaiting the passage of Bill

I say to you, this will have a disastrous effect on the rental housing market in Winnipeg, as more and more landlords will move to unload their property, one unit at a time, for a total purchase price that will realize incredible profits when compared to the original value of the property, and this of course will remove those units from the reach of low-income people and will force low-income people out of the inner city. To where? I don't know.

I don't know where the government proposes to put people that it's forcing to move. The government has terminated any involvement in public housing. I just don't know, other than if you've got your one month rent increase from being forced to move, perhaps you can catch the nearest bus, as I indicated earlier, to some other province where there is employment.

And again, we see in this section, the trade-off for the landlord's right to convert to a condominium and give notice to vacate and get rid of the tenant is that where a tenant is evicted by a condominium notice, the landlord has to pay the tenant the actual cost of moving or an amount equal to one month's rent, whichever is the lesser. This is a very small price to pay when you analyze the economics of condominiumization, and again we're looking at bus fare.

The amendment of Section 113(4), which I referred to earlier, of course, goes along with this policy thrust of the government "families with school children can be evicted during the school year." It matches up with Section 5 of The Condominium Act, so that not even families with school children will have protection where the landlord wants to convert the property into a condominium.

Now those, ladies and gentlemen, are some of the observations which I have on the legislation that is presently before the House and I have indicated to you the reasons why I personally am very opposed to those provisions which I have mentioned.

I want to spend a few moments now on the reasons why thousands of other Manitobans are opposed to this bill. I am, of course, the first speaker on this bill, and there will be many more; I believe that there will be many more who will be tabling similar material to that which I will be tabling for your perusal today. As of yesterday afternoon, I had received personally some 1,000 signatures of people who are objecting to this bill, particularly the removal of rent controls, and I know there are several other people waiting to speak who have several hundred or thousands of signatures which we hope will aid the committee in its consideration of the importance of this bill for the public. For your information, I tabled copies of the signatures of 1,000 Manitobans who care about this legislation significantly enough to put their name, address and telephone number and some of the reasons for their objections on paper.

While I am at it, I would like to table and read from some letters which I have received from individuals who expressed the desire that I express their concerns to you at this committee. A lady from 144 Roslyn Road states that she has a foot injury and needs many treatments by a chiropractor. Only 11 appointments are covered by Medicare. "I'm limping about, but I still think I could fill out about another two sheets, so you could send them out to me." Two sheets were sent out to that lady, and she returned two more signed petitions.

A lady from 70 Garry Street writes, "I am sending you a small contribution. I am running easy with my money because I had quite a bit of cash dished out for groceries, medicine, etc., and I don't want to run short before the pension cheque comes in, which is four weeks to wait. And I'm sorry I cannot go conversing to the committee, as my health is poor, but I hope strong that we will get things in order."

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A letter from a lady at 388 Wardlaw. "I am definitely opposed to Bill 83 being passed by the government under the five headings which have been stated in the paper, which I am including in this letter."

A Mr. Young, from 270 Roslyn Road. "I am writing at this time to add my support to defeating Bill 83. My rent here has risen from 234 to 270 beginning October 1st. These government pirates must be stopped or I will be getting a future raise in rent at the approximate same level of 36 and more per month, which is now my increase. Please add my name to petition list. I will be phoning to get on the list of speakers against Bill 83." You may be hearing from that gentleman later.

Another lady writes yesterday, "Please place my name on the list of people speaking against Bill 83. I believe ending rent controls is unfair, not only to the pensioner on a fixed income but to all tenants, as the rent increase is going up to an unreasonable rate, completely out of hand, out of control. The rent control was the only protection that I had, as I would have been evicted in the cold of winter, an unbelievable situation. I was 100 percent in the right. I don't want to go into detail or relive the experience, but thanks to the rent control and the office of the Rentalsman for their protection."

And I have here a letter which was attached to a petition from the Gloucester Apartments at 28 Woodrow Place, which is in the petitions which I have tabled:

"We the undersigned, being tenants of the above apartment building, are greatly distressed at the recent rental increases that have been applied here. Increases vary from 35 percent to 47 percent, far from the 10 percent that has been bandied about. This is quite an old building that has never had any substantial modernization and exterior work on the building seems to be the only form of improvement since its completion many years ago.

"We all realized that, with lifting of rent controls, our rents would be increased, but World Wide Management Services, of 473 St. Marys Road, Winnipeg, Manitoba, who manage our building, have simply overstepped the bounds of reason.

"The condition of the suites themselves are below standard and, in many cases, in need of dire attention and repair. Typical tenant complaints are: suites in desperate need of painting; badly cracked walls need plastering; rotting ceilings due to water seepage from steam-heat radiators; rusting pipes; porch extensions that are in poor condition and need to be properly insulated, many of which leak badly when it rains.

"We feel that, in consideration of the age and condition of these suites, the rental increases that have been allotted to us are totally unwarranted. One and two-bedroom suites are being rented anywhere from 200 to 375 in those conditions. For the sum being asked for these suites, we feel that utilities should be included in the monthly charge, as well as cablevision, better laundry facilities provided, as well as parking facilities made available — at this point, no parking facility at all — as well as the completion of repairs stated above. We feel very strongly that these increases are both unfair and unjust."

And with respect to the Minister's amendments, this group of people from the Gloucester Apartments

states, "If we wish to leave our apartments, let it be our decision in the first place, not because we are being forced to move from the result of these increases, which have no sound basis. Many tenants have lived here for some time and consider this their home. We would greatly appreciate any comments or assistance you can provide us in helping to deal with this problem."

A letter from a lady at Wilmot Place. "There are many aspects of Bill 83 which are regressive, and would support an effort to repeal the bill." And she states in her letter that her rent increase is reasonable — that's the only one so far. A letter from Mr. Fred Coleman. I believe that this letter has already been sent to the Minister, and there is no need to read it into the record again.

A very interesting letter from a lady living at 47 400 Assiniboine, a Mrs. Selinger. "I, too, am but another victim of a gouging landlord of the Camelot Block. As a matter of fact, this address should ring a bell" and she goes into a previous case. "Although I might be a bit more fortunate than some others who might have had even higher rent increases than myself, my own rent increase, beginning 1 October will amount to 19.5 percent, from 226 to 270 per month. In this suite live only my wife and I on the third floor up, furnished only with fridge and stove no elevator, rugs, drapes, nor parking facilities. We supply our own power, with coin-operated washers and dryers. So besides fridge and stove, we are supplied with heating without thermostats, meaning we are at the mercy of the landlord. We keep ourselves warm by fighting for heat in the winter. So now, with decontrols, it will be, stop complaining or 30-days notice to move. In all of my 11 years as a tenant in this suite I have supplied all decorating supplies and labour out of my own pocket. So what my 44.00 a month rent raise is all about and for, I do not know.

We just hope that the present cowboys under Wilk Bill Hickok Lyon in the next provincial election will be steamrolled to kingdom come, without any trace. In all truth in Soviet Russia, other than religion, the common man has more protection and rights against gougers and crooks than in much of our so-called free society. Attached I wish to add a few dollars which might help to defray costs. As my wife and I too, are older people, just short of pension or to be pensioned in the near future, just making ends meet.

I don't intend to read any more letters, I think that the letters that the Minister has received, and those letters indicate clearly — and I'll table those letters for the committee's consideration — indicate clearly that this is not a situation where the average general rent increase on the lifting of controls is 10 percent. This is a situation, as was indicated by the report that was prepared by the Minister's officials, that rent increases in the older buildings in the inner city are going to be very detrimental to senior citizens, students, nurses, people on fixed incomes, the low income people, who are living in the inner city, are the ones that are getting hammered by this legislation. I suspect, that members of the Conservative caucus, such as Mr. Wilson; such as Mr. Steen; such as the Minister of Health; such as the Attorney-General, if he's here, if he's in town long enough to get phone calls; such as the Minister of Recreation and Tourism; such as the Minister of

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community Services, all of these MLAs represent constituencies that have a majority, or at least a substantial number of tenants who are being effected by this regressive legislation and I'm sure that those of you that I mentioned have heard about this from your constituents.

Finally, ladies and gentlemen, I come to that part of my presentation where I would hope to persuade you to take another course. I think it is well known at the basic position that tenants would take is that rent control should remain in place, that there should be a maximum allowable increase beyond which landlords have to justify their rent increase to some administrative body.

Now, it would appear that this government is philosophically committed, in spite of the situation that exists out there, that the government in itsarrison mentality is philosophically committed to the removal of rent controls; philosophically committed to a particular group of people, I'm not sure who.

In that case, then the question has to be how? and the question has to be what kind of protection do you provide for individuals who are detrimentally affected by the process?

The legislation that has been introduced by this government, I submit to you, does not even meet the proposed policy statements of the government. The government is saying we are ending rent controls. The Minister has stated on many occasions that it is not appropriate to substitute another form of rent controls, we are terminating rent controls. The Minister has just as consistently stated, however, we want to provide protection in the gouging situations; we want to provide protection for tenants who are hit with unjustified rent increases. I say to you this bill does not provide that protection and I say to you, ladies and gentlemen, that if you really want to provide protection in the removal of rent controls, in the decontrol process, you have, on the statute books now, legislation that was passed in 1978 that could be altered a little bit and provide both of your policy thrusts. Now if I was Minister of Consumer Affairs in this government, and I was committed to philosophically removing controls and at the same time I wanted to ensure that the common person out there was protected, this is what I would do. First of all you take Section 15.5 of the Rent Stabilization Act, which was enacted in 1978 and you repeal that. Section 15.5 is the section that says that the regulations do not apply to any residential premises in respect of any tenancy agreement entered into for term commencing after a date which shall not be later than June 30, 1980, affixed by the Lieutenant-Governor-in-Council.

That would effectively leave the Rent Stabilization Act in place. The repeal of that section would ensure the continuation of the Act and the gradual decontrol process that was started under the 1978 legislation. Now why this process has to go from gradual to a complete taking the cap off in one fell swoop is beyond me. As of the dates of the reports that were tabled in the Legislature, that is the end of 1979, approximately 30 percent of units still under controls in Brandon and Winnipeg had been decontrolled.

The amendment that I'm proposing to Section 15.5 of the Rent Stabilization Act, would continue the gradual process of decontrol rather than removing totally, all protection, as Bill 83 proposes.

In addition, there are some amendments which I would propose to Section 28 of the Rent Stabilization Act. Under Section 28 as it now is, as it was passed by this government in 1978. The procedure is fairly simple. Where a suite has been decontrolled and its decontrolled with the Rent Stabilization Board, and its decontrolled for a particular reason and the rent that's going to be charged is monitored by the Rent Stabilization Board, where that decontrol occurs and where the tenant feels that he has received an unconscionable rent increase, the tenant can take his case to the Rent Review Board. A rent review officer then investigates his case and he attempts to mediate. He attempts to mediate between the landlord and the tenant and if the rent review officer can come up with a solution that is fair and equitable, in both the eyes of the tenant and the landlord, then the mediation works and a rent is set by agreement on the mediation. However, if rent review officer is unable to mediate a satisfactory solution, he is then obligated to write a report on the situation and the report is forwarded to the Rent Stabilization Board; and it must be done so within 30 days. The Rent Stabilization Board then has the authority, under the Rent Stabilization Act, to make a decision, a binding decision, a decision that is binding upon both the landlord and the tenant, as to what the rent will be for that suite.

Now this is the legislation that this government is repealing. This is this government's own decontrol legislation. I ask why? Why is that legislation being repealed if the objective is to get out of controls and at the same time provide protection for tenants who are being gouged? Well the only reason is because you don't want to provide any controls, because if you did you would stick with the legislation that you've got and you would improve the procedure that a tenant has under Section 28 of the present Rent Stabilization Act to get a binding arbitration from the Rent Stabilization Board.

The Minister has introduced all kinds of fluff to try and slough off the binding arbitration issue but that, ladies and gentlemen, is still the issue. That is still the issue for the many many thousands of tenants in this city who have received notices of unjustified rent increases, and unless and until you are prepared to keep the legislation that you have or, through this legislation that you have introduced, provide for a binding procedure whereby tenants can get some justice, you are going to have thousands of upset tenants on your hands.

Again I remind the Honourable Members for Crescentwood, Wolseley, Radisson, River Heights, Fort Garry, Osborne, Fort Rouge —(Interjection)— I think the Honourable Member for Fort Rouge is on the right side of this issue — St. Matthews — yes, Mr. Domino. I remind you of the numbers of voters in your constituencies that are concerned about this legislation and I would hope that you can set aside the ideology of the front benches for sufficiently long to persuade this government that they are making a very fatal mistake with Bill 83.

That concludes my presentation ladies and gentleman and I have for you copies of the amendments which I spoke of.

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MR. CHAIRMAN: Order please. Mr. Savino, we thank you for your presentation. If there are questions pertaining to your presentation are you prepared to try and answer them?

MR. SAVINO: I certainly am, Mr. Chairman.

MR. CHAIRMAN: Are there any questions from any members of the committee?

Mr. Parasiuk.

MR. PARASIUK: Mr. Chairperson, I have some questions for Mr. Savino. In your opinion, if a landlord has jacked up the rents by 50 percent or so, which is not that unusual, given the documentation that you provided us and the type of calls we've received from constituents, would you think that there would be a great likelihood that the landlord would volunteer for arbitration having jacked up the rents by 50 percent?

MR. SAVINO: No, I think the answer to that question is fairly obvious. Why should anyone consent to a procedure which may result in him losing something if he doesn't have to? I think the answer is evident on the factual situation that you have given. Unless the individual is a very benevolent fellow who for some reason feels that he should take a loss, otherwise why would he give a 50 percent notice in the first place?

MR. PARASIUK: I would like to just pursue this question of the economic incentives that are built in for landlords not to go with arbitration, that are built into this legislation and have been built into the amendments brought in by the Minister. In a situation that we've seen in the paper today, where I think the former provincial coroner has had his rent increased from 190 to 300 per month, that's an increase of 110 per month, which ends up being an amount in excess of 1,300. In that situation, if this former provincial coroner then tries to go for arbitration and the landlord refuses you find yourself in a situation where the landlord would be making an extra 1,200 or 1,300 but he then can, under the Minister's formula, buy out the tenant without the tenant having any redress whatsoever, and it's not clear to me yet whether in fact he buys him out for 190 which was the old rent, or whether in fact he buys him out for 300 which is the new rent. But certainly you then run into a situation where it's to the economic advantage of the landlord to jack up the rents. He'll be making an extra 900 at least if this happens. Is this the argument that you were presenting?

MR. SAVINO: Yes, I believe that provision which the Minister has introduced as what I would call, window dressing, not only works to the disadvantage of the tenant in that kind of situation, but it also acts as an incentive for landlords to evict low income tenants. And when you are talking about the condominiumization situation, and when you are talking about the situation that is developing in many of the three story walk-ups in the Fort Rouge area and in the Osborne area and in the Assiniboine area, the situation that's going to develop there is these 50 percent increases will be imposed on the senior

citizens and the students; they will have no choice but to move. The landlord will pay the month's rent and again it is not clear at what amount, the old rent or the new rent that he pays, nor is it clear how the tenant exercises that right. It sounds like another administrative quagmire to me, but the net result is that the landlord is then able to replace that low income tenant with someone who can afford to pay and a few years down the road, or a few months down the road, the landlord may want to condominiumize and convert that rental payment to a mortgage and again the low income person is out on the street. And again I ask you, where is that person going to go?

MR. PARASIUK: Mr. Savino, I am certain you must be aware of the fact that there are many areas in the city that have vacancy rates that are in the order of 1.4 percent, 1.7 percent, and these people really don't have too great an option. Do you believe that people who live in apartment blocks, as tenants, indeed contribute to the neighbourhood, indeed contribute to the community, and would in fact their forced wholesale move by this type of legislation to areas outside their neighbourhoods which may have greater vacancy rates, do you think this will be detrimental to the fabric of that neighbourhood, to the fabric of that community?

MR. SAVINO: Oh, certainly, I've encountered in the last couple of weeks numerous people who have lived in the same building for ten or twelve years and who are part of a community within that building. That's one of the reasons why tenants are fighting so hard against this bill, because many of them like where they are living and they like the communities where they are living and they would like to stay where they are and that's why they are fighting, because if this bill is passed they feel that many of them will have to move, and there are young people out there fighting for senior citizens who have been resident in a block for 15 or 20 years and that's part of the community thing that is going on. Yes, Mr. Parasiuk, I think that is a correct observation.

MR. PARASIUK: I would like you to inform us as to whether, in fact, the Conservative government cut out funding for the Manitoba Landlords' Association which it used to get, I think, two or three years ago, and the Landlords' Association — sorry, the Tenants' Association. I think there was a Manitoba Tenants' Association. This was a group that was funded by the government in order to provide some assistance to single tenants who found themselves somewhat powerless and often unsophisticated enough to deal with landlords and they were able then to receive some assistance from the Manitoba Tenants' Association. Can you confirm that this government indeed cut off funding to that group?

MR. SAVINO: Yes, that is correct. In 1977, I believe it was, the Associated Tenants Action Committee received two grants. One from the provincial employment program which I understand doesn't exist any more, and the other from Canada Manpower, and both those grants were cut off at the end of 1977. In addition to that some of you may remember I was here last year on the Public Utilities

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board legislation, where this government terminated the appeal, specifically by legislation, terminated the appeal of the Associated Tenants Action Committee on the rate structure of Manitoba Hydro.

MR. PARASIUK: Mr. Savino, is legal aid available to tenants who are involved in landlord disputes, or disputes with landlords?

MR. SAVINO: That's a very difficult question to answer. I was in legal aid myself a couple of years ago and at that time legal aid was available on both an individual and a collective basis, to groups of tenants as well as individual tenants. I am not aware that legal aid has been active under this government on the group representation, although I believe that if a person is poor enough to qualify for legal aid, and whether or she is facing some kind of a court proceeding, then the legal aid plan will act, but as far as people who require advice or immediate assistance in a dispute involving the Rentalsman or the Rent Stabilization Board or something like that, it is very difficult to get legal aid in that kind of situation.

MR. PARASIUK: In your opinion, as a lawyer, looking at the proposed legislation and the amendments, do you feel that many of the tenants at you have come across will in fact require some assistance, either from an organization or from lawyers in trying to deal with landlords who have tenants at their disposal, especially if they are large landlords with two or three thousand suites and it's to their benefit to get an extra 10 or 20 per month. That starts amounting to a very very substantial sum of money for them.

MR. SAVINO: Yes, especially when you are dealing with as many as 3,000 or 4,000 suites as some major owners are. Yes, the changes introduced by this legislation are so fundamental that I would anticipate that there is going to be some considerable litigation surrounding these changes. I have already indicated the possible constitutional problem. There is also the problem of what happens in the hiatus period between the time that this government is going to proclaim this Act in force, namely July 1st, 1980, and the time that the Act is passed. That's going to create a lot of legal problems. The Minister keeps jockeying around with various permutations and combinations of directors of arbitrations and the Minister. Again there, that's going to be a little bit of a legal quagmire for quite some time until people are able to understand what the Minister's policies are going to be. That is one of the reasons why I have urged that Bill 83 be abandoned insofar as its treatment of rent controls is concerned because you have already got the legislation in place and people now understand how that system works and there is a fundamental disruption that occurs at the beginning of this kind of program. Instead of just continuing the mechanisms that we now have which would eliminate that disruption and make it more clear to people what they can do, what is being proposed is a very disruptive process where that whole mechanism that has been monitoring and controlling tenants in this province for five years is being

disbanded and some other mechanism is being set up, and I don't know how that mechanism is going to be structured, or who those people are going to be.

MR. CHAIRMAN: Mr. McKenzie.

MR. J. WALLY MCKENZIE: Mr. Savino are you a renter?

MR. SAVINO: No, I am not. I rent office space downtown. I pay a high price for that, believe me.

MR. MCKENZIE: Have you had any complaints or phone calls from people like in my constituency, Roblin or Rock Lake or Swan River?

MR. SAVINO: To tell you the truth, Mr. McKenzie, I have to admit that no I have not had any complaints from rural constituencies.

MR. MCKENZIE: Thank you.

MR. CHAIRMAN: Mr. Green do you wish to ask a question?

MR. SIDNEY GREEN: Mr. Chairman, there were a couple of areas that I wanted to discuss. Referring to the mediation procedure and the arbitration procedure, you gave your opinion that these were ultra vires, as infringing upon the federal government to appoint judges of superior jurisdiction who are the only ones who have authority to evict a tenant. Am I correct in the summary that I took?

MR. SAVINO: There is just one point you are not correct on, Mr. Green. I am suggesting that this could lead to constitutional problems. I am not making the categorical statement that it's ultra vires, I am suggesting that there have been cases to suggest that this kind of legislation is ultra vires.

MR. GREEN: For the reasons that I have given.

MR. SAVINO: Right.

MR. GREEN: I believe that you were suggesting that this legislation could be ultra vires. All right if that is the qualification, but if it is ultra vires it is for the reason that I have cited back to you, that it's a superior court's right, appointed by the federal government, to remove a person from their home.

I don't wish to agree or disagree with the legislation for the moment, the mediation or arbitration, because we had been pursued during our years in government to try to have sort of the "good offices" type legislation which people could submit to before going to court, but as I read the two sections in the Act, neither would be binding if the landlord or the tenant chose not to make it binding. Is that correct?

MR. SAVINO: Yes, I believe that the provision requires, the provision for that kind of arbitration requires the consent of both parties.

MR. GREEN: If both parties consent to have something arbitrated, even if it is a matter which could normally be submitted to a superior court judge, arbitration, under those circumstances, and

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The Arbitrations Act in the province of Manitoba, have not been held to be ultra vires. There are numerous provisions where people can submit a dispute to arbitration even though that dispute could normally, without the consent of either one of them or both of course, could only be decided by a superior court judge, but arbitration is a procedure which some considerable to be desirable, and to my mind has never been held to be ultra vires if both parties concurred in it.

MR. SAVINO: The argument that you make, Mr. Green, is an argument that might very well be advanced by government lawyers in a constitutional case. I don't think that the law is clear one way or another on that particular point involving this particular type of legislation; there have been some conflicting decisions. All I am saying is that it could lead to some constitutional problems and I don't really see why that particular power should be taken away from the courts; why the power to remove someone from their home should be given to any body other than a court.

MR. GREEN: As I see it, again as I read it, Mr. Savino, and I am interested in this now from a professional point of view, if I may be. The provision, first of all, has to be either acquiesced in, or agreed to by both parties, and the authority that is given is to come to a binding agreement. There is no authority, given either the arbitrator or the mediator, to remove somebody from their home or to obtain a sheriff to remove somebody from their home, that still would have to go to court.

MR. SAVINO: That is an interesting observation and perhaps an oversight in the drafting of the bill. The present legislation requires, first of all, a court order of possession and then, if the tenant does not move, at that point then the applicant in the court must go for an order for eviction. Now if the Rentalsman were to give an order for possession, the provisions covering orders for eviction would still be in the Act, and I don't know whether that order would be enforceable.

MR. GREEN: Mr. Savino, I see no order, no power, with the greatest of respect, I see no power in either the Rentalsman or the arbitrator — and I want to qualify, I am not suggesting that this is a good procedure — but I have heard it suggested by so many people, of all political persuasions, particularly those who identify with what I thought was my political persuasion, that this type of good offices, this type of negotiation, this type of facility on the part of the government was preferable to court, that I am not questioning that or approving of it, but I see nothing in the legislation giving either the Rentalsman or the arbitrator the power to evict anybody. I see the arbitrator as being entitled to come to a decision which forms then a decision which, if I wanted to evict a tenant, I would have to sue on the basis of enforcing that arbitration award which is normal in arbitration proceedings. Am I correct in at least in my professional thinking?

MR. SAVINO: I believe that is correct, Mr. Green, but of course you realize, as well as I do, the lengthy

procedure that would be involved there, and if a tenant did move after the order of the rentalsman, that would be the end of it.

MR. GREEN: Mr. Savino, having enacted legislation which some court has subsequently ruled to be ultra vires, I'm aware of the dangers. I also am aware that the courts are sometimes wrong, particularly when they find against a position that I'm advancing. But I'd like to proceed, Mr. Savino, because I am worried about riding crest which is going to take me to a place from which there is no return. I ask you, Mr. Savino, whether it is now the case, which I believe to be the case, that the law at present requires landlords to be governed by a certain rent and to keep tenants at that rent without the power of evicting them, except for limited reasons as defined in the Act; that that is what we are attempting to maintain. Because if you have rent control, you must have possession control; one cannot go without the other. Is that correct?

MR. SAVINO: Yes.

MR. GREEN: Therefore, at the present time, I gather, the tenant can move any time he wants to and frequently do, but the landlord is required to keep a tenant at a rental set by the government.

MR. SAVINO: No, he's required to keep the rental for that suite at the same rent for a period of 12 months after the last rent increase.

MR. GREEN: Yes.

MR. SAVINO: It doesn't matter how many tenants there are in that particular suite, the rent remains the same for 12 months.

MR. GREEN: And he's required to keep that rental, which I have indicated, by a law set by the government. That is correct?

MR. SAVINO: Under the present Rent Stabilization Act, if the suite has not been decontrolled, he can only increase the rent by the allowable percentage or apply for more.

MR. GREEN: Then you tell me where my statement is correct, because I don't wish to be incorrect, that a landlord is required to keep a tenant at a rental which is fixed by law by the government. Is that correct?

MR. SAVINO: I would say that is not correct.

MR. GREEN: Tell me where I'm wrong.

MR. SAVINO: The percentage increase for some suites is set by regulation under Section 15 of The Rent Stabilization Act.

MR. GREEN: For those suites then — I mean I want to find out where our differences are — which are set by the regulation they're referring to and which are presently occupied, a landlord is required to keep that tenant with certain exceptions which are specified in the Act, at a rental which is fixed by law.

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MR. SAVINO: At an increase over last year, which is fixed by law.

MR. GREEN: Exactly. Well, that rental, whatever it may be, is fixed by law. It's set out in the statute. He does not have the unilateral right to set it.

MR. SAVINO: I think I see the point you are driving at, Mr. Green.

MR. GREEN: I don't know that myself, I'm really trying to find out whether I am right that there is a present law requiring a landlord to keep a tenant at a rental which is fixed by law.

MR. SAVINO: There is a present law which enables the government to do that, but the government has chosen not to do that. The government has not enacted any regulations in 1980-81.

MR. GREEN: What you're proposing, Mr. Savino, and if it will comfort you any, although it may not, what I have agreed with in the Legislature is that the present bill not be enacted and that the old one be continued. Under the old bill, the one that is in existence today because there is no new law, a landlord can be required to keep a tenant at a rental which is set by law.

MR. SAVINO: Yes.

MR. GREEN: Okay. You would not, at least I think you would not, and I would not — and I am sure I would not — want to require a tenant to be required to stay in a premises at a rental and under conditions which are set by law. The tenant is now free to move.

MR. SAVINO: Yes.

MR. GREEN: You would not agree to an additional control added to the rental control legislation, which said that no tenant can leave premises if the landlord accepts the rents as set by law.

MR. SAVINO: I don't know what the purpose of such legislation would be.

MR. GREEN: There is such legislation where controls have reached the ultimate. You cannot move without the authority of the state.

MR. SAVINO: I don't think I would favour that kind of legislation, if that's what you're asking me, no.

MR. GREEN: As a matter of fact, I said I think you wouldn't and I said I know I wouldn't and, therefore, I am worried as to where controls ultimately go, because I had seen them go far and beyond what the crest of the immediate takes them. Therefore, I ask you, Mr. Savino, now that we have reached this position, do you or do you not ultimately believe in controlling rents as between private landowners and private tenants?

MR. SAVINO: I believe, and I believe that this is a position that is supported by not only political observations but by observations of sound housing policy, that rent controls have to remain in place,

once you have put them in place, until there is a sufficient supply of adequate affordable housing. What I said at the outset is that this government has abandoned any efforts to maintain the supply of public housing. When you do that and you take rent controls off at the same time, you have a very volatile market.

MR. GREEN: I couldn't be more in agreement, Mr. Savino, and therefore I ask you whether you would concur in what is my view — and I will state it to see whether you do concur or not — and I'll make it a big one so there will be no argument, a 15 percent general vacancy factor, which covers all forms of accommodation, you don't need controls and if you have a zero vacancy factor, controls will not work.

MR. SAVINO: Will not work to what?

MR. GREEN: That if you had a zero vacancy factor, controls will not work. Both the landlord and the tenant will figure a way to avoid the controls.

MR. SAVINO: That may be so, but where you have a zero vacancy factor, what you need in your housing policy is development of more public housing, as well as controls, until you've got that housing in place.

MR. GREEN: Mr. Savino, I agree with you entirely. So isn't the ultimate solution to this problem the provision by the public of sufficient forms of accommodations of all standards, which would make the vacancy factor sufficient to provide for a free — and I underline that — a real free choice as between the landlord and tenant, where they both can do what they want to without state interference.

MR. SAVINO: Sure, absolutely.

MR. GREEN: Thank you.

MR. BRIAN CORRIN: Thank you, Mr. Chairman. Mr. Savino, I just have a few questions. Mr. Parasiuk asked you questions relative to legal aid provision for tenants who wish to avail themselves of the provisions of the rent control program and Act. You mentioned in your submission that a number of large management companies had been able to secure a substantial portion of the rental market and in such a way that you felt that they effectively could control, I guess, hundreds, if not thousands, of units in particular communities and neighbourhoods.

MR. SAVINO: Yes.

MR. CORRIN: And you indicated that it was very difficult, particularly having consideration for the provisions of this particular Bill 83, it was very difficult to imagine how an individual tenant could effectively make a case when confronting that sort of raw power.

MR. SAVINO: Yes.

MR. CORRIN: You've also told us and we all know that you've had considerable experience working with tenants' associations and presumably with The Rent Stabilization Act, as well, and the board. Presuming Bill 83 is to pass, and I'm presuming that

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it will, on that presumption do you think it would be of any utility for the government to consider, prior to giving assent to this piece of legislation, provisions that would enable tenants and tenants' associations to bargain collectively with these large management associations? If you do, can you tell us why; can you tell us what advantage you see in that and how that would help tenants?

MR. SAVINO: Yes, I believe that one form of control, of course, that can work is collective bargaining. Unfortunately, the present system that we have with regard to tenancies in that respect involves much more the individual contact between tenant and landlord than it does collective contact. I would think that in the absence of rent controls, if tenants were to organize in much the same way that trade unions organize and to have the authority under legislation to do so, and to have the authority to bargain collectively under that legislation, that could act as a form of control upon the market. But as the law now is, tenants who did that would probably be penalized. Tenants who did that, the organizers of that kind of thing, I'm sure, would be the recipients of the largest rent increases. They would be larger and larger until they were gone because there really is no protection for individuals who would attempt to do that.

In short, my answer is yes, I think collective bargaining can exercise some restraint in the marketplace, but unless there is some statutory framework within which collective bargaining can operate, as it does in the trade union field, it's not going to work.

MR. CORRIN: I see. So you're satisfied that within the context of this particular bill and the amendments it's going to make, it will be relatively insignificant, but if there were provision made to the law that would make if effective, that the collective bargaining approach might, in fact, enhance the position of the tenant.

MR. SAVINO: Yes, but I feel quite strongly that this bill just doesn't go anywhere near meeting the needs of tenants in the situations that they find themselves in right now. Okay, you're talking about a collective bargaining situation. Remember that in any kind of collective bargaining situation it involves organization, volunteers, time, people getting other people together.

What tenants in this province, in this city, are facing today is that a very large number of them have leases which legally they must sign by the first of August, and that doesn't leave very much time if this House is going to pass some collective bargaining legislation between now and the first of August. That doesn't leave very much time for those tenants to deal with the particular situation that faces them now. I believe that the kind of thing you're talking about might be a long-term approach to the problem, but the immediate problem has to be addressed by some form of control over the unjustified level of rent increase that we have seen since the government has announced this bill.

MR. CORRIN: My concern immediately is that Section 12(1), the provision that enables a referral

to be made to the Director of Arbitration, could be made more effective if there was some provision for collective bargaining as opposed to what I construe to be individual disputes, bargaining built into that. I don't like it for the same reasons you have mentioned in your submission. There is no compulsory requirement requiring the landlord to submit to arbitration, but it seems to me that in some cases it may well happen that a landlord will submit. But in those cases my concern, and I have expressed this in the House and now I ask you what you think, is that in those cases it will be of little avail to the individual tenant to arbitrate through the director of arbitration with the landlord, and of course its rental agent, unless the tenant can become apprised of all the relevant circumstances with respect to the entire apartment complex in which he or she lives.

MR. SAVINO: That's one of the reasons why I am urging before this committee that The Rental Stabilization Act decontrol provisions be continued because the structure is there for the Rental Stabilization Board to monitor whole buildings rather than just an individual situation, and to look at the expenses and income of an entire building as an entire operation. This bill just does not give any authority for that kind of an investigation and it's correct to point that out, but I would say the solution is not to amend Bill 83, as it now is, but to retain The Rent Stabilization Act and work through the mechanisms that already exist.

MR. CORRIN: Have you, Mr. Savino, in your considerations, been able to understand why the government seemingly has discriminated, as between the class of tenants that were the subject of 1978 decontrol legislation and those who will be affected by 1980's Bill 83? Can you understand why the government would choose to deal alternatively and seemingly in a rather discriminatory fashion, as between those two groups of tenants within the province.

MR. SAVINO: No, I am baffled by that. As I say, the 1978 legislation is directed towards the purpose which the Minister has indicated is the policy of his government, the removal of controls; he's indicated that his other policy principle is to protect tenants from gouging. His legislation is there from 1978 to provide that protection, and no, I have no idea why the Minister wants to now change the whole ballgame in midstream, other than, as I indicated, land owners and developers come first.

MR. CORRIN: Do you remember, Mr. Savino, can you tell us from your knowledge of the former provisions, which tenants were taken out of decontrol in 1978? What sort of tenants were they and how was the decontrol effected?

MR. SAVINO: You have all your newer buildings, the buildings that were built after 1973, under the previous Rent Stabilization Act buildings built after 1975 were exempt — and that's a very important point to note. The government, and I imagine you will have a representative from the Housing and Urban Development Association of Manitoba or Canada

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come before you and tell you the same thing, has been talking about high vacancy rates in the suburban areas and has been talking about the need to remove ourselves from controls because this has a detrimental affect on the construction of new housing, etc. It is important as members of the committee to understand that the rent control program that we have had in this province has not applied to new construction. It has not applied to new construction under the NDP program and it has not applied to new construction under the Conservative program. I cannot for the life of me understand any justification for the removal of rent controls that states that because of rent controls we have inhibiting factors on new construction, because the controls simply have not applied to new construction. To use that as a justification to get out of controls, that we have to uncontrol the rest of the market because the new construction market is not controlled doesn't make any sense to me whatsoever.

MR. CORRIN: Am I not right, Mr. Savino, in my recollection that in 1978 we decontrolled all units where the rent was over 400.

MR. SAVINO: That's correct.

MR. CORRIN: I am wondering, in view of that, whether seemingly we have created an inequity, an injustice as between high income tenants who were decontrolled pursuant to what you have described as the more desirable provisions of The Rent Stabilization Act, and the lower income tenants who are now being decontrolled and who were seemingly being given little recourse. I am wondering why, can you fathom, because I can't, can you fathom why the government would want to give preference to presumably higher income tenants as opposed to lower income tenants? Why wouldn't they accord the same rights now, in 1980, as they accorded the more wealthy tenants of this province in 1978?

MR. SAVINO: That's a very good question, and I am not the Minister of Consumer and Corporate Affairs, so I can't really answer.

MR. CORRIN: Mr. Savino, I wanted to ask you also about some technical provisions in the bill. There is provision in Section 1039, this is 21 in the bill, 1039 of The Landlord and Tenant Act, this is the provision that amends The Landlord and Tenant Act and essentially enlarges the classes of disputes which the Rentalsman may intervene in. This provides an expanded class of areas where there can be mediation by the Rentalsman. In 121(1) which is on page 12 of the bill, and there has been controversy in the House about this, and I was wondering if you could provide us with your legal advice. There is a provision and I will just read it. It says, "where a dispute is referred by the Rentalsman to the director of arbitration for arbitration, he shall in writing notify the landlord and the tenant accordingly; and together with the notification 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 the notice of objection with the director of arbitration not

later than seven clear days from the date of the notification."

There has been concern that the provisions of 1039 are not sufficiently broad as to allow a Rentalsman to mediate a dispute involving rent, because nowhere in those four sub-sections is there specific reference to such a case. There has been a controversy and I believe, with all due respect to the Minister, I believe he has said that if necessary he will make an amendment to make this clear, but do you feel that it is clear now that a Rentalsman can mediate a dispute involving rent and thereby send it on to the director of arbitration or do you feel there should be a clarifying amendment?

MR. SAVINO: It's clear now that the Rentalsman has no authority to mediate a rent dispute. The only body with that authority under our present law is the Rent Stabilization Board. The Landlord and Tenant Act contains an innocuous section that refers to the ability of, I believe, the Lieutenant-Governor-in-Council to give jurisdiction to the Rentalsman over certain things but that I suppose could be a route by which the Minister could give jurisdiction. But unless there is a specific reference in this Act to the Rentalsman's authority to adjudicate rental disputes, I think it's quite arguable that the Rentalsman has not got that authority unless he's expressly given it, and he is not expressly given it by this bill. But it was my understanding that was one of the amendments that the Minister was talking about yesterday, but I haven't seen it.

MR. CORRIN: Another amendment which the Minister has introduced generally, we haven't, Mr. Savino, for your information, we have not got drafted amendments at this point, with respect to the four points that were made public yesterday by the Minister. He has provided us kindly with a copy of his speaking notes but there are no actual legislative amendments before us at this point so I think we are all rather unclear as to the specific details of those amendments. But speaking generally, because we have enough to discuss this matter on a general basis, the first provision that we were told of that would more or less offset the failure of the government, or the decision of the government not to provide for any sort of compulsory binding arbitration, was the amendment that will allow, if a landlord refuses arbitration, the director of arbitration to impose a penalty upon the landlord in the amount of up to one month's rent. This is expressed to be in order to assist the tenant in paying moving expenses.

In his speaking notes, and I want to read this to you, it says, "provided the director of arbitration is satisfied that the reason the tenant is moving or has moved, is because the rent increase is excessive. So two things have to happen, firstly, the tenant has to decide to break the lease; and secondly, the director of arbitration has to make a decision, a determination that the reason is that the rent increase is excessive. In other words, he has to subjectively somehow get involved in the case to such an extent that the director himself, or herself, could actually determine that was what motivated The Tenants Act.

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You talked earlier about bureaucratic provisions with respect to the other Clause in the bill, 126, and the problems that would be entailed in determining when a rent increase was excessive. I am wondering what you foresee will happen with respect to this section. For instance, do you think that the director will be inundated with requests for such penalties, for the imposition of such penalties and do you think that this is going to be bureaucratically difficult to administer? Do you think it will be possible for the director of arbitration to fairly arbitrate this sort of matter as between a landlord and a tenant.

MR. SAVINO: To tell you the truth, no. I mean, I haven't seen the legislation, none of us have, that is proposed in the press release. With respect to the whole issue of the director of arbitration imposing this penalty, I don't see how he is going to be able to do that, given that if the landlord posts a letter with his notice of objection the arbitrator has no authority to do anything. If the landlord objects there is no arbitration and so how is the director of arbitration going to come to the conclusion that the rent increase was excessive if he has no authority.

With respect to the leasing agreement and the breaking of the leasing agreement, that had better be very express in the legislation or else we are going to find some very very difficult situations where tenants believe that they can get out of their lease and somebody ends up in court and finds out that the legislation isn't sufficient to do that. That has to be very express.

MR. CORRIN: In the speaking notes that we were provided, Mr. Savino, we are told that the only tenants that have the right to terminate signed tenancy agreements are the ones whose requested rent increases take effect up to October 1st of this year. I am wondering whether you think that this provision for the tenants unilateral withdrawal, the tenants voluntary removal from the premises will have any effect, given the fact that it only is going to apply with respect to rent increases that will take effect on or before October 1st, 1980.

MR. SAVINO: Quite frankly, we haven't seen this legislation. I really can't believe that what is being proposed is anything more than a knee-jerk reaction to the opposition to this bill to try to cover up its deficiencies and I think in trying to cover up the deficiencies, or trying to give the appearance of covering up some of the deficiencies, the Minister is creating an even greater administrative quagmire than he created with the original bill. We come back to very simple point, what the majority of tenants are concerned about is that there will be no procedure by which they can get a binding ruling on an unjustified rent increase and, until that provision is changed, tenants have no protection.

MR. CORRIN: Thank you, Mr. Savino.

MR. CHAIRMAN: Mr. Wilson.

MR. ROBERT G. WILSON: Thank you for your presentation, Mr. Savino. We on this side feel that we are going to be coming up with an arbitration and rentalsman type of operation, a department within

the government that will work to alleviate the concerns of tenants with regard to rent gouging and unfair increases. I might have missed it, and I apologize for being slightly late, but you have said that the arbitration and rentalsman scheme that we have won't work, and I think I am correct in saying that they won't work and that they are basically sort of phoney. Are you committed then to rent controls vis-a-vis this system?

MR. SAVINO: I thought I made my position quite clear. Personally, I would be committed to the retention of rent controls at this particular time in the housing market in Manitoba and, as we discussed with Mr. Green, when you have a situation where there is sufficient affordable housing that people won't be gouged, then is the time that rent controls can be removed and free market forces will operate positively. I'm sorry, you wanted to interject there?

MR. WILSON: Yes, except that I wanted to, if I could at this time, inform you that back on May 10 of 1976, the Honourable Ed Schreyer said that there was never any question about that, that the matter of rent control was tied in with the matter of anti-inflation guidelines in Canada; this is a necessary part of the program and our commitment is with respect to the period of that program. In other words, if the anti-inflation guidelines have disappeared and we're committed to end the control program and, at the same time, express a concern, if what the Member for Roblin has said, that this is a unique city of Winnipeg problem, so to speak, and basically dealing a lot, in a case, with the older sections of what we call the city of Winnipeg, the old city of Winnipeg, then what I am keeping the faith in is that we are going to have an arbitration and rentalsman type system that is going to work. I am willing to listen to your criticisms, that you say it contains a lot of fluff and won't work and may be phoney, and I want to get back to the fact that here we have Ed Schreyer saying, "We're going to get out of rent controls," and then we have you saying that we should be back in them. I'm rather concerned. Do you have any criticism of what Mr. Schreyer said?

MR. SAVINO: No, I have no criticism of what Mr. Schreyer said. I would point out two observations: Number one, Mr. Schreyer made that observation when the New Democratic Party of Manitoba was in government. At that time, the New Democratic Party had built 18,000 units of housing in its term in government. In 1978, at the New Democratic Party Convention, Mr. Schreyer adopted the policy position of the party and that is that rent controls must remain in place until there is sufficient adequate affordable housing for all Manitobans. That was the policy position then and it changed in the intervening period of time because the Conservatives stopped the construction of public housing.

MR. WILSON: Thank you.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: Mr. Savino, there was one point, and maybe I wasn't in the room for the entire time. There has been some suggestion that the tenants need in

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the legislation, and this always bothers me a little bit, some right of collective bargaining. Is there anything that you now know of which prevents, by law, tenants from engaging in collective bargaining with their landlord?

MR. SAVINO: The repeal of The Rent Stabilization Act, because I have seen it happen with people that I know in my neighbourhood. The people who are the activists in the block, who organize — and you've seen it, I'm sure, Mr. Green, in trade unions — are discriminated against by receiving the highest rent increases or the most number of hassles.

MR. GREEN: But is there a law which takes away from them the right of collective bargaining? Collective bargaining, I am talking about, because Parnell bargained collectively on behalf of the Irish tenants in the mid-1850s without a law giving him any right to collective bargaining, and the unions that you are talking about bargained for many years without some law giving them the right to collective bargaining. As a matter of fact, their problems started when politicians started to give them laws guaranteeing these rights, which actually took them away.

Right now, what prevents a group of tenants from going to their landlord, all of them, and saying that, "If the rents go up, we are not going to pay them and we are going to stand outside your block with signs urging people not to rent these premises." That law prevents them from doing that?

MR. SAVINO: The Landlord and Tenant Act.

MR. GREEN: How does it prevent them?

MR. SAVINO: Because they would be evicted for not paying the rent demanded by the landlord, which is a legal rent because there is no control on the rent.

MR. GREEN: Mr. Savino, there was never a law saying that an employer could not dismiss an employee, but nevertheless the employee and the trade union said, "You dismiss us and we will stand outside your plant; we will urge other people not to buy from you," and what Parnell did, he said, "We will go to the sheriff's sales and urge people not to buy the goods that are distrained in rent," and all of this was done 100 years ago, before any politicians thought of a right to collective bargaining. And it worked, by the way.

MR. SAVINO: Well, it may work again, too.

MR. GREEN: Okay, don't say that it won't.

MR. SAVINO: But what I am pointing out, Mr. Green, is that, in that kind of a situation, it would be legal not to pay your rent and you could be taken to court, and you could lose your tenancy.

MR. GREEN: There is no doubt that a person who decides that he is going to go on strike could lose his job. Collective bargaining always implied that. A tenant who decides that he is going to defy his rental agreement could lose his suite, but if they bargain collectively and they say that, "We are going to

stand together and we are going to ask other tenants not to accept premises in this place," the landlord will have second thoughts about imposing those rents. That's the meaning of collective bargaining.

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

MR. MCKENZIE: Mr. Savino, these amendments that you are proposing here today, should they apply across the whole of the province of Manitoba?

MR. SAVINO: Well, you have already exempted the rural part of the province from controls. These provisions would apply only in those situations where units are presently under controls or have been decontrolled through the auspices of the Rent Stabilization Board. I am not sure, from the reports that have been tabled, what the rental situation is in the country. Apparently, it is not as bad. That being the case, these provisions would probably only apply to the city.

MR. MCKENZIE: The other question I have, Mr. Chairman, is you mentioned several times in your explanatory notes on Page 1 that rent increase is unconscionable and that would be difficult, and you mention again on Page 2, and then on Page 4, you mention something about it, that it might be in the old Act, the word "unconscionable." Have you got a definition for that, because I don't think we could live with that in an Act; it would have to be spelled out. What is an unconscionable rent increase?

MR. SAVINO: Well, you tell me, Mr. McKenzie. Your government passed that piece of legislation that used the term "unconscionable." As I indicated, the board is to have a very difficult time to determine what is an unconscionable rent increase.

Mr. Silverman and Mr. Jorgenson have both said that they are confident that landlords won't increase the rents more than 10 percent. If they are so confident, then why don't they make that the bottom line, that rents will increase by a maximum of 10 percent and if you want to increase above 10 percent, you go through the very fair procedure of justifying those increases before a public tribunal.

MR. MCKENZIE: Am I assuming, then, that it will be different, every situation could be different? You couldn't take a broad figure and place it in there, rather than the word "unconscionable," 15 percent, 20 percent, or a figure of that nature, or have you have got a figure?

MR. SAVINO: It leaves a lot of discretion up to the people who are administering the Act, is what it does.

MR. MCKENZIE: Thank you, Mr. Chairman.

MR. CHAIRMAN: Mr. Malinowski.

MR. DONALD MALINOWSKI: Thank you. I would like to ask you about the letters which you are reading to us, and also the petitions which are you tabling. Are they from a certain part of the city, or from the whole of Winnipeg, or more than Winnipeg?

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MR. SAVINO: They are all from Winnipeg. The majority of them are from the area in which I live, that is the Fort Rouge area which, of course, has the highest concentration of tenants in the province. But there are, you will observe in looking at the petitions, signatures from all over the city, and particular blocks in the city that are experiencing incredibly high rent increases.

MR. MALINOWSKI: But nothing like from Brandon or Dauphin, or any other cities?

MR. SAVINO: I haven't received any correspondence from Brandon but it may be that some of the other speakers that will come before this committee will have something on that.

MR. MALINOWSKI: Thank you.

MR. CHAIRMAN: Thank you very kindly, Mr. Savino.

MR. SAVINO: Thank you, Mr. Chairman, and members of the committee.

MR. CHAIRMAN: The second person, Hilda Peiluck. Is Hilda Peiluck available? (No response.) Tom Wojcikowski. (No response.) Janet Paxton. Is Janet Paxton here? (No response.) M. Dolin from Klinik.
Mr. Corrin.

MR. CORRIN: Yes, I am just wondering, in view of the fact that some of these people now seem to be missing, could we be advised, Mr. Chairman, whether the Clerk was successful in notifying these people, in the time between yesterday evening at 10:30 and commencement of the meeting? Could we find out which of these people the Clerk actually could contact, because there hasn't been much time.

MR. CHAIRMAN: Mr. Corrin, the Clerk's office did their very best to telephone all these people. What we have decided to do is that if a person isn't present when I call their name, they just go to the bottom of the list and we just keep working down the list. The only names that will be stricken are those that have made a presentation, until we run out of people wishing to make presentations. We will do everything as a committee to give each and every person a fair opportunity.

The next person is an A.W. Mudge. Mr. Mudge.

MR. A.W. MUDGE: We were speaking of signatures; Mr. Malinowski asked for some. I have 1,550 here and they are from . . . I must say I didn't collect them all myself.

MR. CHAIRMAN: Before you carry on, may I ask you if you are representing yourself or are you representing a group.

MR. MUDGE: No, I am representing myself, Sir, as a private individual.

Another question Mr. Malinowski asked was, were they all from Winnipeg? Most of these are, from various parts of Winnipeg, not just one area. They cover pretty well all of Winnipeg. So I will table these for your information.

First of all, Mr. Chairman, and honourable members, allow me to thank you for this opportunity to speak on Bill 83. I would like to present some reasons why I feel that this bill should not be passed in its present form. I have already tabled 1,500-odd signatures of people who feel exactly the same as I do.

It has been said that Bill 83 sounds as if it has been drafted by The Landlord's Association and I must agree because, Mr. Chairman, it contains absolutely no protection for tenants. For years, landlords have been actively working towards the erosion of tenants' rights and it looks as though they are at last succeeding.

The right to appeal an excessive rent increase, as it is laid out in Bill 83, means nothing, since the landlord must agree to arbitration. We have already been over that point several times this afternoon. Naturally, no landlord is going to submit to arbitration which will lower his eventual income.

It is highly unlikely that the Minister will order binding arbitration in most cases, when you consider his track record thus far. Lately, there have been suggestions from the government that some amendments will be made, but so far nothing concrete has come out that will give tenants some relief from this bill.

It has been suggested that the disgruntled tenant move, but at today's prices, anyone with any amount of furniture and personal possessions, say someone living in a three or four room suite, or seven or eight room house, is looking at something between 500 and 1,000 just to move across the city, and I know this for a fact from personal experience. As far as this amendment that will allow or force a landlord to give the tenant one month's rent towards his move, it's not very much. Another question arises in my mind, how are you going to force the landlord to do this?

My experience with landlords is it's pretty hard to force them to do anything they don't want. So the tenant will probably accept the increase and learn to live with it if it's at all possible. Now landlords are fully aware of this situation and many of them are going to take advantage of it to their own advantage.

For those on fixed incomes, the elderly, the sick, the blind, the disabled, and others who are disadvantaged in our society, it will be worse. Some pensioners have already received increases of up to 50 percent. Where, Mr. Chairman, are they going to turn? Can an 81-year-old man be expected to go out and find a job in order to pay the 71 a month increase on his rent, or is he simply going to reduce his other expenditures or perhaps even swallow his pride and go to welfare? Does the government have an answer for this man? I doubt it very much. Ever since this government came to power, the poor, the sick, and elderly, and others unable to fight for themselves have been victims of the restraint program, while those who drafted the program, as well as their political friends have — well let's just say the rich got rich and the poor got poorer.

I recall a couple of years ago when one of the government members who had a large part in drafting the restraint program announced that he was happy with the progress of the program. I asked him publicly then, and I pose the same question again, if the people who patronize his posh hotels

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d been affected by the restraint program to the extent where they had to reduce that patronage, could he have been so happy?

My point, Sir, is that from the time the present government took power it has waged war, in the name of restraint, on those least able to fight back. A single example, among the many that come to mind, was when Mr. Lyon announced that he was saving 40,000 by cutting out a day camp for disadvantaged children in the core area; and then a few weeks later created a position of executive assistant for a political friend at the salary of 15,500.00. This is restraint? And I say, those least able to fend for themselves have all along been the victims of the restraint program, and Bill 83, Mr. Chairperson, is just another giant step in the same direction.

Let's talk for a moment about The Landlord and Tenant Act. Manitoba's Act, gentlemen, is one of the best in existence but is being greatly downgraded by Bill 83. In its present form it is reasonably fair to both sides. Some landlords claim that it is unfair to them and that the Rentalsman always seems to favour tenants, however, this is just not true. But, Bill 83 puts the shoe squarely on the other foot. For instance, a landlord will be able to evict a tenant for any number of reasons without a court order, thus moving the tenants right to contest an unfair eviction. Examples would be where a tenant is occasionally and unavoidably late with the rent; where a tenant complains about conditions in the block, however justified; if the landlord should happen to dislike a tenant for personal reasons he will be given short shrift with no chance to appeal; if a landlord decides to convert his block to a condominium he will be able to evict on short notice those tenants who do not wish to buy their suite. I already know some elderly persons who have lived in the same place for years are faced with this problem as landlords jump the gun.

If Bill 83 is passed gentlemen, what rights will tenants have? None that I can see of any consequence. Further, if and when the landlords in this province get their blacklist organized, excuse me their referral system, tenants who do not mind their manners will find it difficult to find accommodation anywhere and will no doubt be denied access to this place, another example of democracy at work in a free enterprise system.

You may wonder, Mr. Chairman, at my seeming antipathy towards landlords. It's a result, Sir, of being a tenant most of my adult life and having to deal with grasping landlords. Not all of them are that way but many of them are and it's showing up now as they anticipate the passing of Bill 83. I would like to cite a personal experience which backs up my contention that Bill 83, should be withdrawn. In the spring of 1975 I moved into a highrise in North Wollaston. I sublet from a senior citizen at the reduced rate he was enjoying because, as the manager said to him, I have 30 vacant one-bedroom suites now and I don't want any more so she couldn't allow him to get out of his lease.

Knowing that rent controls were in the offing I stated that The Rent Stabilization Act would protect me from a hefty increase. When I received my new lease I found that not only had the rent been adjusted to the regular rate plus the 10 percent

allowed by the board, but that another 7 or 8 percent had been added on. The Rent Review Board disallowed all but the 10 percent. The landlord appealed but the Rent Review Appeal Board turned him down. He then proceeded to take the Rent Review Board to court, contending that he had not had a fair hearing. The case dragged on for months and he lost it, whereupon he appealed but lost again and was finally ordered to rebate the extra rent he had all along been collecting. He stalled, making various excuses, until the board finally set a date beyond which he would penalize if he did not pay the rebate and we finally received our money, about a year and a half after it all started. He was ordered to pay us interest but he never did and he never will. Two years ago in the summer of 1978, when I received my lease, I found that the Rent Review Board had granted him — we are still talking about the same landlord by the way — equalization so he was finally able to adjust all rents upward to the same level. Incidentally this landlord was the only one at that time that was granted this privilege of equalization, so one has to wonder why. He was allowed to equalize and was given the allowable increase and because of his financial statement to the board was allowed another 5 or 6 percent. This produced a whopping 48 percent increase on my suite so I appealed. The Appeal Board decided to review the rent structure for the whole block rather than just my suite and at this point the landlord attempted to buy me off. He made me an offer which I couldn't refuse, that is until I talked to my lawyer and he said no, don't do it because under The Rent Stabilization Act it's illegal for a landlord and tenant to enter into an agreement outside the Act. So, of course, had I taken the offer, once the time had gone by for me to appeal the landlord could have just said shove it, and I would have had no recourse.

As I say they decided to review the rent structure for the whole block. My lawyer discovered a number of discrepancies in the landlord's represented expenses and brought them to the attention of the board which in turn uncovered more duplicity and, in short, I won the appeal. Incidentally this landlord owns about 20 or so highrises and another 100 or 200 townhouses and appeals were going on at the same time in several of his highrises and the tenants won them all. The landlord was ordered to roll back the rents and give us our rebates. That was two years ago, Mr. Chairman, and to date we have not received any money. We have not received our rebates, and the rents have not been rolled back. Obviously, somebody is holding back until Bill 83 is passed and The Rent Stabilization Act is dissolved. The Rent Stabilization Board has already been cut in half the other day, and they get rid of the rest of them and then there will be no Rent Review Board to bother this landlord, so the problem will solve itself by disappearing and the landlord will have thousands and thousands of dollars of his tenants money to keep.

Anyway, by now, most of those living in the block involved have moved and he doesn't know where they are because, in some cases, and I know personally of several, the manager refused to accept the departing tenants forwarding address; so of course they don't know where these people are, and that of course was not an oversight, it was done

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deliberately. Even if he was ordered to make rebates which he may yet be, we don't know, a lot of these people will never see their money. He has been collecting rents in excess of what he was allowed on upwards of 1,000 suites for almost two years, and also adding the allowable increase last year and this year on the original inflated figure. The present government, Mr. Chairman, is not doing a damn thing about it except passing Bill 83 which will give him complete freedom. Is this democracy in action?

Incidentally, in all honesty, I must admit that I was finally evicted. Right from the time I questioned the new lease in the summer of 1975, I was a marked man. On a number of occasions I received an eviction notice when I happened to be a little late with the rent, but I would ignore it. One time he did take me to court to get an order of possession and I beat him. In December of 1978 he took me to court again and he won on a legal technicality. I appealed and I lost again so I moved out. Now you might say he was justified if I was late with the rent occasionally, although it was never more than a couple of weeks at a time, but once a couple of years ago his rental manager stated publicly that at any given time approximately one-third of their 6,000 tenants were in arrears, and she did not deny this when it was mentioned in court. I have to wonder why they were not all turfed out the way I was. The answer of course is simple. I was a troublemaker just because I demanded my rights under The Rent Stabilization Act and The Landlord and Tenant Act, and since this particular landlord does not believe tenants have any rights they had to get rid of me before I infected too many other tenants with my philosophy.

As far as the legal technicality, was that one order of the Rent Review Board, on an adjustment of rent — I owed the landlord 107.00. It took me all of three weeks to pay that, but in the meantime the court action was held and the court held that I should have paid it within three days and that therefore I had been in arrears and the landlord was given an order of possession, so that's what happened there. The saying that there is one law for the rich and another for the poor is certainly justified in that case.

As I said, this landlord considers that his tenants have no rights. He has constantly been at odds with his tenants through the Rentalsman and the Rent Review Board and indeed at odds with the Review Board itself on occasion. He uses his tenants money and pays no interest on it. He has falsified his records, and this is on the papers, this is a fact, to obtain a higher increase than that set by the Act. He almost never returns the damage deposit without a fight and, in fact, somebody at the Rentalsman office told me that they had a lot of trouble with this particular landlord on that account. The list of counts against this man is endless. He once sent an elderly couple who had moved out, a bill for 200 for redecorating their suite. This was over an above the damage deposit which he had not returned yet. They went to the Rent Review Board and the officer they contacted called the rental agent, the rental manager, and informed her that she couldn't do that — of course she knew that already. The upshot was that the bill was cancelled and the damage deposit repaid in full. One has to wonder however how many

times this trick was pulled in the past and succeeded.

Frankly, gentlemen, I have no use for those who prey on the elderly. Of course an incident like that, when exposed, is passed off as a clerical error, but who believes that. And in case you are wondering how I know about this, the Rent Review officer himself that handled the case told me, so I have to assume it's true.

In my business I have talked with literally hundreds of tenants over the past few years and have found that this particular landlord is not alone in his infamy. Others, before rent controls were imposed, were raising the rent every three months in order to have a higher base to work on when rent controls did eventually come in. Some neglect repairs and maintenance and when the tenants complain, they are told, "if you don't like it, move out." In fact, that's what a lot of tenants are hearing right now when they are protesting the high rent increases that will take effect October 1st.

Some, and I know personally of several, caring nothing for The Landlord and Tenant Act except when it favors them, will enter suites without a tenant's permission, change locks on the suite as soon as they are a few days in arrears, and even remove their belongings and lock them away, all of which is strictly illegal, but somehow they get away with it.

Many, of course, refuse to return the damage deposit until the Rentalsman orders them to do so, then they retain part of it as a cleaning fee, whether the suite needed cleaning or not which, again, is illegal under The Landlord and Tenant Act.

My point in telling you all this, Mr. Chairman, is twofold. First, to show that I know whereof I speak, through personal experience, and secondly, to show that landlords like this cannot be trusted if Bill 83 is passed and rent controls leave them free to do as they please.

The government has said that landlords have agreed that increases will be minimal if they are allowed to operate without controls, but many of them have already given lie to that statement.

Mr. Chairman, Bill 83 can only further demoralize those who have been oppressed by this government's restraint program. One gentleman, the manager of a government agency, was reported as saying, "Few renters are likely to hurt as controls end." Well, it's about time for him to wake up and smell the coffee, because already there are reported increases as high as 50 percent. And when the increase is 71.00, from 139.00, up to 210.00, that does hurt, especially when the tenant is over 80 years of age.

I know that this government wants to get out of controls, Mr. Chairman, but it must be done humanely. Incidentally, it is rather an anomaly, I think, the government wants to get out of controls but they are talking about an arbitration board. You can't have both. You either are in controls or you are out of them, one of the other, completely. I can't see how the two are compatible.

Those who will be hurt most by Bill 83 have already been hurt by runaway inflation and can only be hurt more by the effect of Bill 83. I know from experience how a few dollars a month added to your already overloaded budget can topple it. I, at least,

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can still work, and work a few extra hours, if necessary, to get a little extra money, but what about the elderly, the sick, the disabled, what are they going to do?

Under Bill 83, landlords will be free to try and recoup what they feel they lost under controls. In fact, it is obvious that many of them are already doing that. In fact, it was in the paper last night. The Minister himself admitted that some of them are trying to do this. But it must not be allowed to happen because the effect will be to add to already inflationary levels. If it is allowed to happen, Sir, The Rent Stabilization Act will have served no useful purpose.

Throughout the time of control, landlords would have us believe that many of them went broke as a result. In fact, if one were to believe the figures quoted at one point by the president of the Landlord's Association, there would eventually be no rental accommodation in Manitoba because it would all have been abandoned by bankrupt owners. Of course, Mr. Chairman, this gentleman's credibility leaves much to be desired whenever he speaks out on behalf of his association.

It is true that some landlords were caught with their rents down when controls were imposed, and perhaps some even went under, but I suggest, Sir, that in any event, they might have been among the hundreds of businessmen who go bankrupt every year in Manitoba for a variety of reasons. I don't think it is fair to blame it on rent controls, as many landlords are doing.

As you know, Sir, there are a small number of landlords who control the largest part of the rental market. Several of these have already hit their tenants with large increases, to the point where some of the elderly renters on fixed incomes are desperate and have no idea which way to turn. In fact, there are stories of seeing elderly people crying in the hallways, and I can well believe that because I have seen it myself a few years ago when this landlord I spoke of before started to raise his rents. One elderly lady got a 75.00 increase and she didn't know what she was going to do. So I can believe that the same thing is happening again to some of these elderly people.

If Bill 83 is passed, what is to prevent these landlords, these half-dozen or so, from getting together and agreeing to, say, a 30 percent increase in all their blocks, and especially where they control, like the Roslyn Road area and areas like that where they control 75 to 85 percent of the accommodation, what is to prevent them getting together and setting this 30 percent increase or whatever they want? This will completely invalidate the section of the bill that has been discussed already today, that deals with arbitration and compares rent increases in one block, any given block, with rent increases in the area.

In fact, Sir, as I said at the beginning, there is nothing at all in Bill 83 for tenants, but there is a possibility of a windfall for landlords. In fact, in my opinion, Bill 83 is a licence to print money.

Since Bill 83 can only reap hardship on those in our society least able to help themselves, I ask you, gentlemen, to search your hearts and, in all conscience, withdraw Bill 83 and replace it with more equitable legislation.

In closing, Mr. Chairman and honourable members, I want to thank you again for your attention and remind you that 1981 is not far away and that there are far more tenants in Manitoba than there are landlords.

Thank you very much.

MR. CHAIRMAN: Thank you, Mr. Mudge, for your presentation. Would you answer questions, if there are questions?

MR. MUDGE: I will if I can, Sir. Don't throw anything technical at me; I'm not a lawyer.

MR. CHAIRMAN: Mr. Barrow.

MR. THOMAS BARROW: I enjoyed his speech very much. I think he really lays it on the line and it cuts the bone of the matter; it's the tenant that is taking the beating.

You mentioned you won your case with that block after he raised the rents, and you won your case.

MR. MUDGE: I won the appeal case, yes.

MR. BARROW: Yes, but for two years, nothing happened. The raises still went on . . . ?

MR. MUDGE: It's a bit of a difficult situation to talk about, sir, because it is still before the courts. I am going to take a chance. We are not supposed to talk publicly about what is before the courts, but I am going to take a chance and explain that he took the Rent Review Board to court again, as he had previously, and it dragged on until April 8th this year, almost two years, when we finally appeared in court, myself and the Rent Review Board. The judge reserved his decision. That was three months ago, Sir, and that decision has not been handed down yet. Why?

MR. BARROW: And you are still paying the high rate of rent?

MR. MUDGE: The people there are still paying the inflated rent, plus last year's increase, plus this year's increase, on top of the rent that was supposed to be rolled back.

MR. BARROW: So, if the case is in your favor, you will gain all this retroactive.

MR. MUDGE: Retroactive, yes, if the case was . . . But here again, and maybe I'm speaking out of turn because it is still before the courts, but it has come up so I'll take a chance again, it is my opinion that if — I'm not saying who it is but I'm sure that some of you have guessed already — if the judge . . . Usually a judge gives down his decision in a week or two. This has been held for as long as — over three months. Now, I am convinced, gentlemen, and I'm sticking my neck out when I say this, but I am convinced that this judge has been asked, or told, to reserve the decision until after Bill 83 goes through, by which time there will be no Rent Review Board. So if he does find in favor of the Rent Review Board and ourselves and orders the Rent Review Board to give him another hearing, or orders him to rebate the rents, if he orders the Review Board to give him

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another hearing, there will be no Review Board. If he orders the landlord that the Rent Review Board acted properly and that therefore the landlord has to abide by the Rent Review Board's decision, who is going to enforce that? There will be no Rent Review Board left and the only person that might enforce that would be the Attorney-General, and I don't have too much faith there, frankly.

But as I say, I am sticking my neck out by talking about this but I am not a lawyer so they can't hold me in contempt of court, at least I don't think so.

But this is what has happened with one landlord and I happen to know from talking to many people that much the same sort of things have happened with some of the other big landlords.

MR. BARROW: My second question: Is it customary for you to pay a month's rent in advance?

MR. MUDGE: Yes, you pay on the first of each and every month. This is what your lease says.

MR. BARROW: In advance?

MR. MUDGE: In advance. You are allowed three day's grace and after that they can give you an eviction notice, if they want to.

MR. BARROW: So even though you were seven days late, he would still have three week's rent ahead?

MR. MUDGE: Yes. I am not a lawyer but that is a question that has come up. You would have to ask a lawyer about that, but that question has come up, that you are actually not in arrears until the end of the month, but your lease calls for the payment of, let's say 300.00, on the first of each and every month, in advance. Therefore, the minute you don't pay that rent on the first of the month, you are in arrears, according to your lease. However, that is a question that might be argued in the courts sometime.

MR. BARROW: It should be.

MR. MUDGE: It should be. Yes, I feel that way, too.

MR. BARROW: Now, we'll go back to the Arbitration Board. There would be one arbitration board, and you say you have 1,500 signatures. Don't you see an enormous rush to here, an overload; they would never get caught up? The Arbitration Board would be almost put in a ridiculous position.

MR. MUDGE: Exactly.

MR. BARROW: You know, it just wouldn't work.

MR. MUDGE: It wouldn't work, of course not.

MR. BARROW: And they know it won't work.

MR. MUDGE: And there is one man, the Minister, who is the only man who can order arbitration, binding arbitration, and that one man, along with his other duties, with all due respect to him, cannot possibly handle 1,500, or 2,000, or 5,000 arbitrations.

MR. BARROW: So this arbitration board is utter stupidity?

MR. MUDGE: I think so.

MR. BARROW: Thank you.

MR. CHAIRMAN: Mr. Jorgenson.

HON. WARNER H. JORGENSEN: Just one question, Mr. Mudge. You suggested that the judge had been instructed by someone, who has, up to this point, remained nameless, to delay his decision.

MR. MUDGE: I'm sorry, sir, I can't hear you.

MR. JORGENSEN: You suggested that the judge in this particular case that you have mentioned has been instructed by someone to delay his decision.

MR. MUDGE: That's the only reason I can figure out why he would hold a decision for over three months.

MR. JORGENSEN: May I ask you, do you know of any judge that would accept that kind of an instruction from anyone?

MR. MUDGE: I am not going to stick my neck out any farther, sir. I have already said too much and I'll probably have the court down on my neck if this gets to be made public but, no, to answer your question, no, sir, I don't know of any individual judge that I know for sure has ever done that.

But my question is then, why has this particular court held this decision for over three months, a simple litigation. It is not a complicated court case that goes on for years sort of thing, it's a simple litigation.

MR. JORGENSEN: Well, I suggest, sir, that you should ask the judge that question. He perhaps has his own reasons.

But you indicated that one of the reasons that it was being held was until the phasing out of the Rent Control Program. You are perhaps unaware that we are going to continue the cleanup operation on the Rent Stabilization Board for several months, to ensure that all of the orders that have been issued will be taken care of.

MR. MUDGE: I wasn't aware of that, sir, and I am certainly glad to hear it, because this is one case that should certainly be cleared up before the Rent Board is completely dissolved and becomes no such animal. I am glad to hear that.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Mudge, I don't want to ask you any questions about the judgment or about why it hasn't been made to date, but I am interested in the fact that the Rent Review Board, I gather, was in a legal dispute with, and I'd say in this instance, Edison Realty, as far as I can tell, and that the case took almost two years to be heard. Did the Rent Review Board remand the case or was it Edison Realty? Did the Rent Review Board make its best effort to ensure that the case was heard as quickly

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as possible in order for the tenants to have a decision made?

MR. MUDGE: That I don't know, sir, because my only knowledge of what went on through those years is that I would phone my lawyer up and say what's happening, is anything happening? He would say, "No, it's still out in limbo somewhere," or something like that. I was content to go by whatever he answered, so I really don't know, sir, and I would hate to make — I have some ideas, but I would hate to make any more comments. I have stuck my neck out too far already.

MR. CHAIRMAN: Any further questions? Mr. McKenzie.

MR. McKENZIE: Mr. Mudge, the problems you have had, are they all with the one landlord, or have you had them with two or three landlords?

MR. MUDGE: No, these problems were with one landlord, the ones I described. I did have a slight problem with my previous landlord. After I moved out and the rent controls came in, I found that he had been overcharging me because they were retroactive, so I went to him and asked for it and he told me to go fly a kite. I went to the Rent Review Board and they eventually got it but it took something like a year and a half for me to get my 38, including interest. No, it was always this one landlord.

MR. McKENZIE: Thank you, Mr. Chairman.

MR. CHAIRMAN: Any further questions? Seeing none, thank you, Mr. Mudge.

MR. MUDGE: Thank you, gentlemen.

MR. CHAIRMAN: Is Grant Wichenko present?

Yetta Gold, Executive Director of the Age and Opportunity Centre, is Yetta Gold present? Judy Hannibal, is Judy Hannibal present? Val Stubbs. Ben Berkal. Is Mr. Ben Berkal present? Edith McKay. Betty Rodway.

I have been going through the names fairly quickly so perhaps you could tell me which one of those you are?

MRS. BETTY RODWAY: I am Betty Rodway.

MR. CHAIRMAN: Do you represent a group or are you here as a private citizen?

MRS. RODWAY: I am representing the tenants in the block that I live in.

MR. CHAIRMAN: Would you give the name of the block and the address please.

MRS. RODWAY: Yes, it's Guelph Apartments, 778 McMillan Avenue.

I am here to protest Bill 83. The government has produced a piece of legislation that is both a sham and unacceptable to the people of Manitoba. This Bill 83 does nothing for the tenants, no matter what Mr. Jorgenson says in caucus or to the media. The landlords are the ones being favoured and the

renters cannot allow this to happen. Concrete legislation must be taken to protect the tenants from the horrendous rent hikes and abuse.

I live, along with the other tenants, in an 80-year old block at 778 McMillan. The place is owned and managed by Globe General Agencies. Last year about this time the tenants and I were filing complaints against Globe because of rents in excess of the 5 percent guidelines set up by the Rent Control Board. The issue case was dragged out over a five-month period and after numerous meetings with the board and Globe some decisions were made that definitely favoured the landlord. This was with rent controls still being in effect. The decontrolled suites were subjected to 15 percent increase while the controlled suites were granted an incredible 11 percent increase. Yes, 11 percent was given to those who were supposed to fall under the protection of the controlled rent.

Leases for this coming October, 1980, were distributed this month of July. The letter from Globe reads this way. "Dear Resident: Enclosed herewith please find your new lease in duplicate for the lease term commencing the first day of October 1980. We must receive the executed lease in duplicate from you on or before the 1st day of August, 1980, or we will assume that you do not intend to renew the lease and accordingly we will endeavour to re-rent the suite for October 1st occupancy."

There was no warning, we expected at least a 10 percent increase but when the reality of it was printed on the leases we were all shocked indeed. I will take the time to share with you some of the increases people have been subjected to over a two-year period.

First of all we will look at the controlled suites. I have just used a couple of them here. In one instance last year they got the 11 percent increase; their apartment went up from 189 to 210, which is a 21 a month increase; effective October 1980, it's going from 210 to 253, that's a 43 increase. The total percentage is 31.6 percent, a 64 a month increase. Another apartment also subjected to the 11 percent — their coming lease is going from 186 to 244, a 57.50 a month increase which results in 31.2 percent for this coming year and the total there is 43.3 over a two-year period. I would like to note too, that this person I was talking to in this particular block, in July in 1975, had a rent of 120.00. Today, October 1980, their rent is 244.00. This is more than 100 percent increase over a five year period and the bulk of that has been gathered over these last couple of months.

Another apartment, a one bedroom basement suite, controlled — 11 percent increase last year. This year her rent is going from 163 to 218.00. That's a 55 a month increase and 33.7 percent, a total of 44.8 over a two-year period; and the list goes on.

Now let's look at some of the controlled suites. First of all my suite, it's a two bedroom. When we first moved in it was 187, subjected to the decontrol it went up 15 percent to 218 which was a 29 a month increase. This time in October 1980 it's going from 218 to 253 which is a 35 increase, 16.1 percent. All told we are looking at a 64 a month increase. Total percentage over the two years is 31 percent.

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Here's a one bedroom, 15 percent last year, another 17.9 percent; total of 32.9 percent over a two-year period and they are subjected to a 35 a month increase this year.

Here is another two bedroom. Theirs went from 184 to 217.00. They had a 17.9 percent increase last year, even though it was supposed to be a 15 percent. That was a 33 a month increase. Now they are subjected to another 27 increase which puts them up to 30 percent increase all told or a 60 a month increase over two years. Once again the list goes on.

Now I ask you if these increases are not outrageous. Our paycheques have not increased at such an alarming rate nor has the cost of living. Where does this landlord and others figure they can get away with this? From the government of course. Jorgenson's Bill 83 only encourages this kind of behaviour. The bill must be stopped. The apartment owners need to be kept at bay. The tenants must have legal protection from unjust rent hikes. A ceiling has to be put on rents; let's say 10 percent or less. Now if the landlord believes he or she is entitled to receive a larger percentage then let him or her call for arbitration measures; let them have to justify their claim to the rent control board and the tenants for their higher rates. The present situation is not satisfactory for there is not set and fast rules on the procedures and the ridiculous statement that the landlords will pay the moving costs for those who must leave because of high rents. In the first place why should anyone be forced to leave under those conditions and, secondly, I can't see a group like Globe agreeing to such a gesture.

If the landlords have the right to refuse arbitration then how can the government get them to pay for moving costs. What a joke. The whole thing is a ploy on the part of the government to rush the bill through. Well your plans are not going to work. As renters, taxpayers and a large sector of the voting populace we say no to Bill 83, and we demand that you reinstate the protection of the Rent Control Program. Thank you.

MR. CHAIRMAN: Would you submit to questions?

MRS. RODWAY: Yes I will.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: I just wanted to ask you, have you, or the tenants in your block submitted a protest to the Rentalsman office?

MRS. RODWAY: We are just getting that organized now, because they are trying to decide whether they are going to sign, if they can afford it, or whether they have to move due to the high rents.

MR. JORGENSEN: May I suggest that you submit that protest to protect yourself?

MRS. RODWAY: Yes it will be in there.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I just wanted to follow up and ask you if you are aware that the Rent Review staff has been decreased by 50 percent after this legislation

was brought in place, so that I do hope you appeal to the Rentalsman. I do hope the Rentalsman will have the capacity to look into your claim because there are literally hundreds coming in, if not thousands.

I would like to ask you if, in the name of fairness, and in the concept of fairness, if you believe that if someone is forced to move by this legislation — you said that you didn't believe that Globe would pay the moving costs — even if Globe did pay the moving costs, do you think that 230 would cover the moving costs that a family would have to incur, especially elderly people who could do no moving themselves, would that cover the moving costs that they would have to incur if they were forced by this legislation to move from one apartment to another?

MRS. RODWAY: Not in the least. No one can afford to move for 250 nowadays.

MR. PARASIUK: And yet that is the only provision that is allowed for in this legislation, so what they are doing is saying that for a third of the costs or something like that, you can get basically . . . I think, one of the previous speakers have said, that this legislation says if you don't like it move, or if you don't like it, lump it, and this is a very pale sugar-coating to that, being given an amount which is really far under what it would cost to move.

MRS. RODWAY: Right, and the like it or lump it attitude has been taken to us as a group, because we are known to have protested last year and gone through the Rent Review Board.

MR. PARASIUK: Is that the attitude that the agency that runs the blocks has taken?

MRS. RODWAY: Very definitely, in fact, I personally think that they wouldn't like anything better than if the agitators were out.

MR. PARASIUK: You were saying before, earlier in your brief, that you thought that possible a 10 percent guideline would be something that would be fair and that if the landlord felt that this wasn't enough then that landlord could then go to arbitration. Is that what you had said before, because I don't have it written?

MRS. RODWAY: Yes, most definitely, because last year we had to go through the works and we had to call him in. They had to get in touch with him and I think that perhaps it's time that the landlords were placed in a position where they have to defend rather than us, all the time, having to say roll it back, it's too expensive.

MR. PARASIUK: As a general principle then would you then agree that a landlord should have the opportunity to make presentations and, if they are able to prove to an arbitrator that they require something a bit more to make what the Utility Board might call a fair return on investment — I think it's something like 8 percent — that they might be afforded the opportunity to do, not possibly all in one year. There may be people who may come before us as landlords that find they themselves have

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been caught in a very unconscionable position, that some of them have lost money. You might be talking about a group that have owned the block for some time and have money. There are some smaller landlords that possibly aren't in that situation.

I think the tenants, you as a tenant, would you want fairness afforded those landlords who are able to show that the situation is such that possibly they need more than 10 percent.

MRS. RODWAY: Oh, for sure. I am sure that some are hurting the way tenants are hurting but I would just like to hear their cases.

MR. PARASIUK: What you are looking for is fair rents and a fair process.

MRS. RODWAY: For sure.

MR. PARASIUK: Thank you.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: Mrs. Rodway are you familiar with the provisions in the new bill that will enable the Minister to direct a final and binding arbitration relative to rent? Are you aware that there is a provision in this bill, beyond the other one that is usually discussed, beyond the Rentalsman's mediation one that has to be agreed upon by both parties?

MRS. RODWAY: Yes, because I have been in touch with the Rentalsman and the Rent Review Board, and I haven't got it all clear because I don't know if they do themselves, but yes I'm aware.

MR. CORRIN: The reason I am asking you that is because just a few moments ago the Minister suggested to you that you contact the Rentalsman. I gathered that one of the purposes of coming down here today was to inform the Minister of the plight and position of yourself and the other tenants in your particular block, and I want to tell you, and I asked you whether you were aware that the Minister is in a position to direct a final and binding arbitration which shall be obeyed and abided by by a landlord. I want you to know that provision exists so that you can forward a letter, although I wouldn't imagine it would be necessary, to the Minister, asking that he direct such an arbitration in this case.

MRS. RODWAY: The only key right now is we are short of time. We have people in that apartment block that can't afford those increases, and you go through the letters, you go through the process, which is fine. We need something done right now to perhaps put the lid on it and then allow us to go through the arbitrations. It took us over five months last year and, like I say, there are a good number of people in the block that just can't afford to wait and pay the increases.

MR. CORRIN: I guess you are saying much the same thing as Mr. Savino said. You are suggesting that the provisions relative to arbitration are of not much utility in the circumstances that you and your fellow tenants are in?

MRS. RODWAY: For sure. I mean, you are dealing with people who are going from month-to-month and have to make payments. You are not dealing, like, we are going through the boards, we know which processes to take and we're going to do that, but we're talking about right now. Something has to be done within the next couple of weeks to protect these people, or before October, to protect these people. I don't think, the way it's set up right now, I can't see how they can get through all the protests that are coming through to their office. It is impossible.

MR. CORRIN: Did you hear Mr. Savino discuss the provisions that were accorded tenants who were the subject of decontrol in 1978?

MRS. RODWAY: Yes.

MR. CORRIN: Would you be satisfied, given the fact that obviously you would much prefer to have rent control prevail, but would you be satisfied, as Mr. Savino was, that that would be a more humane way of going out of controls?

MRS. RODWAY: For sure, yes, a much more humane way. Even the letter we get, it was technically sign up or get out. That's easier said than done. We've got old people, we've got students, we have got people living in the area because it's convenient, and we haven't been given a break at all.

MR. CORRIN: Thank you very much.

MR. CHAIRMAN: Any further questions?

MR. McKENZIE: Mrs. Rodway, are there any vacant suites around the city?

MRS. RODWAY: Yes.

MR. McKENZIE: Have you looked at them?

MRS. RODWAY: Yes.

MR. McKENZIE: Comparable to what you are paying today?

MRS. RODWAY: Depending on what area you are looking in. In our area, you can get things that are lower, but I am not prepared to move. I mean, I am settled there. There should be some sort of legislation where I can retaliate and at least be heard and if the decision is made for the landlord, fine, but right now I am not prepared to move. It may be a transient area but I would like to see if something can be done, and there are old people in that block that can't move, 80-year old people subjected to a 64.00 a month increase. They are on limited income, but they also can't move either. What is going to happen to these people?

MR. McKENZIE: Have you had problems continually with Globe?

MRS. RODWAY: Have I had problems? Could you repeat that, please?

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MR. McKENZIE: Have you had continual problems with your rent or the looking after the apartments with Globe, or is this . . . ?

MRS. RODWAY: Oh, yes. I have been in there for going on three years now and it is just horrendous.

MR. McKENZIE: Thank you.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Mrs. Rodway, from where I sit, I have been given an indication, and I listened to your presentation and it is extremely valid except that if we have an arbitration procedure and if we add staff as needed, as the demand comes in, and if there is binding arbitration and the landlords have to justify their increases, then surely, I am asking you, would you not have faith in Bill 83 if the landlords have to justify the increase, and your presentation is that they in no way can; that's what I gather, you say the block is 80 years of age. I find the phenomena of the increases of these blocks, 75 and 50 and 80 years of age, the increases coming in, I also find them very distasteful. I am saying that I am convinced that we have a mechanism in which the landlords will not be able to justify these increases, so therefore binding arbitration will see to it that these increases do not take effect.

I am asking, what do you see wrong with that procedure, from where you are sitting? Do you think there won't be enough staff to handle the complaints?

MRS. RODWAY: I don't think there will be enough staff to handle the complaints, no. Secondly, is this binding arbitration actually in the bill? From the sounds of it, you have to go through incredible processes. The way the Rent Control Board was set up before, you contacted a member of the board, he contacted your manager of the block, and you both appeared and you discussed. Now they have to ask the landlord if he would like to appear and Globe would be crazy to turn up again. I mean, we fought him last year. If he has the right to say yes or no, I guarantee you it will be no, and then what kind of processes are you going to guarantee that you will get him to that table to discuss with us?

MR. WILSON: Thank you.

MR. CHAIRMAN: Any further questions? Mr. Green.

MR. GREEN: I want to make sure that I have understood you correctly. You have indicated that there is accommodation in your area at lower rent than you are paying?

MRS. RODWAY: Some, yes.

MR. GREEN: Available. You have indicated that for the last three years, conditions between you and your landlord are horrendous?

MRS. RODWAY: Yes.

MR. GREEN: Your landlord is now required by a law not to increase your rent now, before we change anything, and except under certain rules, he cannot

cause you to leave. You understand that. At least, I believe that to be . . .

MRS. RODWAY: We'll see.

MR. GREEN: But you have a right to leave anytime you like.

MRS. RODWAY: That's true.

MR. GREEN: He can't require you to be his tenant, as you can require him to be your landlord.

MRS. RODWAY: Yes.

MR. GREEN: It's like the story of the fellow who says, "The sandwiches are unedible, that's my first complaint, and that there's not enough of them, that's my second complaint." If conditions have been horrendous for three years and there is accommodation in the area at a lower rent, how do you take the position, I am not prepared to move?

MRS. RODWAY: Because it's the principle of the thing. You haven't been listening to what I am saying. Did you listen to my speech, or were you out?

MR. GREEN: I listened very carefully.

MRS. RODWAY: We have been subjected to 30 percent increases; 15 percent when we were under control. Now we are getting another 15 percent. It gets to the point, I'm not going to move, I'm going to fight him. I'm not going to give up.

MR. GREEN: I would prefer not to control you and I would prefer not to control your landlord, but I am concerned that your landlord not be in such a position as to be able to raise your rents unreasonably, but you say that in your area there is accommodation that is equal at lower rents.

MRS. RODWAY: Equal at lower rents and equal at the same rent.

MR. GREEN: You also say that you have a horrendous relationship with your landlord.

MRS. RODWAY: That doesn't mean I'm going to move out and get the bug out of his bonnet.

MR. GREEN: That's fine, I understand you entirely.

MR. CHAIRMAN: Any further questions? Seeing none, thank you very kindly.

Mr. Robert Smethurst. Is Mr. Smethurst available?

MR. SIDNEY SILVERMAN: Good afternoon, Mr. Chairman, and gentlemen.

MR. CHAIRMAN: No, Mr. Silverman, you are further down on the list.

MR. SILVERMAN: I realize that. I would like to make a comment. Would you permit me to make a comment?

MR. CHAIRMAN: No, I have got to follow . . .

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MR. SILVERMAN: Well, I want to withdraw that number in place of number 35 and that's why Mr. Smethurst isn't here this afternoon.

MR. CHAIRMAN: How do I know that you and Mr. Smethurst represent the same interests?

MR. SILVERMAN: If you live in the city of Winnipeg in the province of Manitoba, you should be aware by now.

MR. CHAIRMAN: It's up to the committee if they want to give up Mr. Smethurst . . . —(Interjection)

MR. SILVERMAN: I didn't fire him. Why should I fire him?

MR. CHAIRMAN: Mr. Silverman, I am told by Mr. Jorgenson that Mr. Smethurst is your legal counsel. Is that right?

MR. SILVERMAN: That is correct.

MR. CHAIRMAN: And he is not going to make a representation?

MR. SILVERMAN: He will on number 35. We have 35 and 36 to make representations.

MR. CHAIRMAN: Can I have agreement from the committee that the two switch places? — (Interjections)— Mr. Silverman, if you take Mr. Smethurst's position on this order paper, and he can have yours, which is 35 — you are listed both as 35 and 36?

MR. SILVERMAN: Correct.

MR. CHAIRMAN: Are you going to make two presentations?

MR. SILVERMAN: Yes, I will make my own, on my own behalf, and Smethurst will be making a presentation on behalf of the Manitoba Landlords.

MR. CHAIRMAN: Order please. Mr. Jorgenson.

MR. JORGENSON: If I understand Mr. Silverman correctly, he is just suggesting that Mr. Smethurst is not going to appear at this time; he will appear in place of Mr. Silverman on number 35 on the list that we have. Following that, Mr. Silverman will appear on his own behalf.

MR. SILVERMAN: That's right, on number 36.

MR. CHAIRMAN: Is that agreed? (Agreed) All right, carry on, Mr. Silverman.

MR. SILVERMAN: I'm not making the presentation now. I'm number 36.

MR. CHAIRMAN: The next person on the list is Arni Peltz. Is she present? (No response.) Ralph Gutkin. (No response.) Mary Guilbeault. (No response.) Ernest Shapiro. (No response.) Ms Ruth Krindle, representing 55 Nassau Tenants' Association. Is she present? (No response.) Gertrude McCance. Madam, would you tell us whether you are

here as a private citizen or representing a group and if you do represent a group, please tell us who it is.

MS GERTRUDE McCANCE: I am here as a private citizen, Mr. Chairman.

Mr. Chairman, Mrs. Westbury, and members of this group, I come to present my own personal concern, yes, I will go so far as to say my fear over one of the particular sections in Bill 83, and that is the part that deals with the conversion of apartment buildings into condominiums, and particularly that clause which does away with the 50 percent of tenant protest clause.

I am a lifetime member of the province of Manitoba, and for over 30 years a member of the Civil Service, where I acted in the capacity of the Director of Educational Broadcasting. During those years, I saved as much as I possibly could. It's not too easy on the kind of salaries we had over the past 30 years. I saved with the idea that when I should reach retirement age, I would be free of major responsibilities, I would have money to travel, that I would have opportunities to support, to enjoy and to participate in those religious, social and cultural agencies with which I have long been associated.

I am now retired and I have lived for over 20 years in a small apartment building on the north side of the Assiniboine River, where I have been comfortable; it has been a very pleasant place and I have been treated with reasonable consideration by my landlord. It is a 12-suite apartment and it does not have an elevator; it does not have undercover parking, nor does it have laundry facilities on each floor. I have reached the age when some of these services are very important to me; in fact, they are necessary. So I have begun to consider a move. I should like, of course, to move across the river to the Roslyn Road area where the facilities and services that I want and need are available. I have looked forward to this with some kind of interest, looking around, but now I fear, I anticipate such a move with both apprehension and fear, for even if I should find a suitable apartment I would have no assurance that soon after I moved in I would faced with a condominium conversion.

I see my choices now as two. Either I pour my life's savings into a condominium or I try to get accommodation in a senior citizens' apartment. I have absolutely no interest in purchasing a condominium, an investment of this kind is of absolutely no interest to me at my age, and I don't wish to move into a very small senior citizens' apartment, certainly not now. I saved my money to be able to choose a way of life, to live in a comfortable apartment in the central area of this city and to be free to spend my money the way I wanted to in those special areas and in those special interests which I have mentioned. I did not plan to pour my money into providing a permanent roof over my head to enrich already rich investors. It just doesn't make sense to me to be faced with these choices. A condominium on top of everything else would be a financial burden and it would certainly be a burden in other ways as well.

My concerns have led me to consider something that I have never considered before and that is the possibility of leaving the province of Manitoba. I don't want to do that but I find it quite frightening

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even to consider my future if Bill 83 is passed in its present form. My concerns, Mrs. Westbury and gentlemen, are personal ones but I know that my concerns are shared by a great many people who are in the same position as I am and it's my sincere hope that this government will listen thoughtfully and sympathetically to the very real concerns that are being presented here today, and that, as a result, necessary amendments will be made to Bill No. 83 that will relieve the anxiety and the fear being experienced by many good citizens of this province, of which I consider myself one. Thank you.

MR. CHAIRMAN: Would you, madam, permit questions?

MS McCANCE: I will try to answer them if there are some.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Just one question. You suggested that we were removing the provision that conversion to a condominium required a 50 percent vote of the tenants. That provision is not being removed.

MS McCANCE: I beg your pardon.

MR. JORGENSON: You suggested that Bill 83 is removing the provision that requires a 50 percent vote of the tenants of a block to convert to condominium.

MS McCANCE: That's my understanding.

MR. JORGENSON: No, that provision is not being removed.

MS McCANCE: Is that a fact?

MR. JORGENSON: Yes.

MR. CHAIRMAN: Madam, he's the Minister.

MS McCANCE: I would like to just ask this question. I have friends in 188 Roslyn Road and I understand the condominium sign is up without a 50 percent approval of the tenants of that block.

MR. JORGENSON: No, that provision remains.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Thank you. Ms McCance, despite what the Minister says, Section 5 (1.2) of the new Act does not assuage your fears and that what happen is that if a landlord is trying to get 50 percent all he does, if there is no tenancy agreement between the landlord and the tenant, the landlord can give two months written notice of termination to the tenant at any time, and you can use that as the means of insuring that over a short enough period of time, if you have any turnover within your block at all, you will get into a position where you can get 50 percent agreement or you don't give a person a lease. If look at Section 5 (1.2) of the Act, I think it does create the fears that you in fact have, does create the uncertainty.

MS McCANCE: That is quite true. It's a real anxiety, a very serious anxiety.

MR. PARASIUK: Ms McCance are you also aware that last year I tried to get the Conservative government to agree to an amendment to The Condominium Act whereby pensioners, or people on fixed incomes, would not be forced to either join a condominium or be evicted from a condominium if they chose not to do so. I felt that it was important that older people be afforded protection. There is enough insecurity as one gets older without having to compound this insecurity with respect to your shelter over a period of time.

I tried to get the government to include, in their amendments, one which would in fact provide sanctuary or provide continued accommodation for senior citizens or people on fixed incomes within an apartment that was, in fact, converted to condominiums, because you may convert an apartment to condominiums. You don't necessarily have to sell all the units as condominiums, people can still rent them. Were you aware that that is an alternative that in fact could meet some of your concerns? Were you aware that was proposed and rejected last year?

MS McCANCE: No, I wasn't.

MR. CORRIN: I believe the Minister has some questions. I would cede to the Minister and let him go first. Did you have your hand up?

MR. JORGENSON: No.

MR. CORRIN: Yes, I wanted to indicate, Mr. Chairman, that I too would disagree with the submission presented to the delegation by the Minister. I agree that there is no change with respect to the 50 percent consent rule, but certainly it is much easier to reach the 50 percent threshold because there are provisions that will enable tenants to be put out when condominium conversion is proposed. I think that there is a substantial distinction as between the present legislation and what is proposed. I just wanted to put that on the record, that's all.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: Yes, Ms McCance, as I understand what you have told the committee, and I wish you will correct me if I am wrong, you are not interested in investing money in ownership of an apartment or a house . . .

MS McCANCE: Right.

MR. GREEN: . . . because it would be a foolish investment. You would prefer to use your money at your age rather than make that kind of investment and you don't wish to go into a senior citizens' home, and you say that those are the only two choices available to you.

MS McCANCE: Yes, what other are there?

MR. GREEN: You said that there are two.

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MS McCANCE: I have looked at this rather carefully and it seems to me that's the way it is.

MR. GREEN: You are therefore telling me, as a member of this committee, that there is no third choice, that there is no suitable apartment accommodation that you could now find which would not require you to buy the apartment.

MS McCANCE: What I am saying is that I have my eye on an apartment block right now where I would like to go, and I am afraid to move into it because after I move into it I could be faced with that apartment block being turned into a condominium, and this is the thing I fear and that I am anxious about.

MR. GREEN: But you are looking at one particular block, is that the only one? Do you think, Ms McCance, that a person should not also have the choice of buying a condominium?

MS McCANCE: That's somebody else's choice. I am explaining my choice; this is what my choice is.

MR. GREEN: I appreciate that but what you are saying is that you are looking at a particular block; you want a suite in that block and you feel that we should tell the owner of that block that he cannot make it into a condominium.

MS McCANCE: No, I am not saying that at all. I am saying that I would like to live, as a senior citizen, in the central area of Winnipeg for the many reasons I have mentioned and because of the interests I have, and because of what's happening in that area, with the conversion into condominiums, I have a fear which I believe is founded. I appreciated this chance today to make my fears known, as a citizen of Winnipeg, that I don't think a person like myself and others in my position should find that we are forced between these two choices because we don't want to be out in the boondocks. As we get older there's a certain advantage in being downtown and that's where we would like to be.

MR. GREEN: What you are saying Ms McCance is that you would like this committee to conduct itself in such a way as to give the greatest possibility that there will be rental accommodation available in the central part of the city to people who wish to rent it and not buy an apartment or a house?

MS McCANCE: I think you have expressed that, fairly well.

MR. GREEN: Thank you very much. I understand that clearly.

MR. CHAIRMAN: Are there any other questions? Mrs. Westbury.

MRS. WESTBURY: Thank you, Mr. Chairperson, and to Ms McCance, I just wanted to preface it by saying my children and I used to listen to Ms McCance's educational broadcasts and it's a pleasure to hear you again.

This is a point of order, Mr. Chairperson. The Minister has made a statement to the effect that 50

percent of the tenants still must agree to the conversion. I had this checked by a lawyer who was of the opinion that did no longer apply and I would just like to read, if I can, and try to get some clarification.

MR. CHAIRMAN: Mrs. Westbury, would you just ask the delegate questions relating to her brief?

MRS. WESTBURY: The delegate has been given information which I am challenging, Mr. Chairperson.

MR. CHAIRMAN: We will have ample time to debate the bill Clause by Clause.

MRS. WESTBURY: Mr. Chairperson, the delegate has been given information which I am challenging and I don't want people who are here to make presentations go away under an impression which may not be accurate.

MR. CHAIRMAN: Mr. Green.

MR. GREEN: On a point of order, I think that the Member for Fort Rouge has a point, but not one that can be cleared up through, Ms McCance. I think that what she is saying is that the Minister has told her that the 50 percent does not apply. The Member for Wellington and she both say that there is disagreement on that point and, therefore, the delegation and all of the people here will be aware, through the two statements, that there is disagreement amongst members of the Legislature as to whether the 50 percent apply. The Minister says one thing; the Member for Wellington, the Member for Fort Rouge, apparently with legal advice say something else. I don't see how we can ask Ms McCance to deal with that. Both members have made the point that they disagree with the Minister.

MRS. WESTBURY: Then I will ask a question of Ms McCance, Mr. Chairperson, if I may.

MR. CHAIRMAN: Yes, would you please.

MRS. WESTBURY: Ms McCance, do you know that the new bill reads, "where there is a tenancy agreement between the landlord and tenant the owner may give written notice of termination to the tenant two months before the expiry of the tenancy agreement", but the notice is not enforceable before two months after the expiry of the option given to the tenant under Clause 5(1.1)(b) and that Section 5(1.1)(b) says "the declaration relating to residential buildings shall not be registered unless it contains the statement that each residential tenant who, on the date of registration, is an occupant under a lease of any kind, *tra la*, has been given or will be given an 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", so you can make your own judgment on it.

MR. CHAIRMAN: Are there any further questions? Mr. Filmon. To all members of the committee, regardless who comes here . . . Ms McCance, I think Mr. Filmon would like to ask you a question.

MS McCANCE: I'm sorry.

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MR. CHAIRMAN: I'm just saying to all members of the committee to ask the person making the presentation a question pertaining to their presentation, and we will debate the bill at a later date.

MR. GARY FILMON: Mr. Chairman, I too would like to say that as a child I enjoyed Ms McCance's school broadcasts a great deal and I hope that I learned something from it. I wasn't a parent at the time, I was one of the children you referred to, Mrs. Westbury —(Interjection)— No, not with you.

My question is that if, by way of clarification of what is stated in the Act, or modification if necessary in the legislation, we provided the same protection for tenants, with respect to condominiumization of their apartment blocks, would that then satisfy your concern Ms McCance?

MS McCANCE: Yes, this is what concerns me and I think a great many other people, men and women who are in the same kind of position as I am.

MR. FILMON: Okay, I'm sure that the committee shares the concern and will attempt to either clarify or modify it and ensure that that is done. Thank you.

MR. CHAIRMAN: Any further questions? If not, thank you, Ms McCance.

MRS. WESTBURY: Mrs. Rodway forgot to table the petition, so it's been handed to me to leave it with the committee.

MR. CHAIRMAN: It being almost 5:30 and that we're averaging about 4 delegates for a three-hour period, rather than go on to another one right now, is it agreed that we call it 5:30 and we'll start at 8:00 p.m.? (Agreed)

I'll read off the names of the first few persons that would be asked. Dr. Myrtle Conway would be the first person that would be given an opportunity to speak tonight. She represents the 188 Roslyn Road Tenants' Association. Jean Carson; Mrs. Hart Green Jr. and Sylvia Sims. Those are the first four on my list. If they are present, I would ask them if they could return at 8 o'clock and the committee would reconvene at that time.

Mr. Parasiuk.

MR. PARASIUK: Mr. Chairperson, I'd just to ask if the Clerk's Office has had the opportunity to phone a number of people on this list, indicating that the Law Amendments Committee is meeting and hearing briefs. I think that a number of people weren't here this afternoon and they may not have had the opportunity.

MR. CHAIRMAN: Mr. Parasiuk, that question was asked earlier, I think, when you were out of the room for a moment . . .

MR. PARASIUK: It wasn't answered, you didn't answer.

MR. CHAIRMAN: The Clerk's Office said that they did everything in their power to phone all the persons but, as I agreed from the start of the

meeting, that the names would just go to the bottom of the list and keep working their way up.

Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, some of these people that are next on the list were here at the beginning and have left. Would it be possible for the Clerk's Office to phone them and tell them that they are coming up second, third, fourth or whatever; the next half-dozen people?

MR. CHAIRMAN: Mrs. Westbury, the secretarial staff in the Clerk's Office has gone for the day.

MRS. WESTBURY: We had one person take two hours and some of these people left.

MR. CHAIRMAN: Their names will just go on the list and start over again.

Committee rise.