THE LEGISLATIVE ASSEMBLY OF MANITOBA
8 p.m., Thursday, March 4, 1976

GOVERNMENT BILLS - SECOND READINGS

MR. SPEAKER: If we don't have a House Leader, I shall proceed on second debate, second readings of Bills on the Order Paper. Bill No. 2, proposed by the Honourable Attorney-General. The Honourable Member for Birtle Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Can I have this matter stand, Mr. Speaker?

MR. SPEAKER: Very well. Bill No. 4 proposed by the Attorney-General. The Honourable Member for Rhineland.

MR. BROWN: Stand, Mr. Speaker.

BILL NO. 5 - THE CONDOMINIUM ACT AMENDMENT

MR. SPEAKER: Bill No. 5, proposed by the Attorney-General. The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I think I should deal with this matter at this point, despite the fact we have a limited attendance in the House, and the Attorney-General is not here. However, what I have to say on it probably has more to do with the Minister of Consumer Affairs than it does with the Attorney-General.

As far as Bill No. 5 is concerned the main changes in it would deal with the insurance on condominiums, and there is nothing unusual about what is being applied for because it has been worked out on the basis of collaboration with the interprovincial interests to bring about uniform insurance conditions on condominiums, and I understand from people involved in the industry that this is a desirable move to be made at this time. So Mr. Speaker, we have no hesitation in allowing or having this bill go on to Law Amendments Committee for further review.

Mr. Speaker though, there is one other matter I wanted to refer to at the time that we are dealing with the Condominium Act, and it has to do with provisions in the Condominium Act for conversions of existing buildings into, existing apartment buildings in principal into condominium ownership. I think that while this Act is opened up for the purpose of changes that are being proposed here, that the government is going to have to take into consideration that with the emergence of rent controls, as are being proposed by this government, and Mr. Speaker, I know we are going to hear about these later in the evening, but I use the word control advisedly because up to this point, the tabling of the bill, we were looking for something like rent review, or something that was less specific than rent control, but having seen the bill it's clear that the government is aiming directly at very tight specific control on rents. I think that what is going to happen, Mr. Speaker, and I forewarned the Government, that I think they are headed into a rash of condominium conversions. The condominium conversion hasn't been a common thing in the province; it hasn't been a common thing in Winnipeg. The condominium in general hasn't developed here to the same state as it has in other major centres in Canada. It's due to several things; in part it's due to the fact that there has been a pretty good rental market up until recent times in the Winnipeg area. Secondly, there has been some bad news in condominiums in Winnipeg; it got off to a bad start, lawsuits, bankruptcy, and so on, that has slowed it down. As a result we haven't seen condominium development here to the same extent as it has in Vancouver, Toronto, and Montreal, and even Saskatoon for instance and Regina, it has gone faster than it has in Winnipeg.

However, I am somewhat familiar with this area. I've been involved in it directly in my own private work. I've been involved in three projects, two development projects and one conversion project on condominiums. So I'm not speaking from just a curious interest in it, I have had an involvement in it.

I want to say at this time that my own feeling is that the government with a one or one and a half percent vacancy rate in the rental market, and the emergence of control, and very tough controls, the way the legislation reads at the present time, I think that the government can look forward to having on its hands in a very few months

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(MR. CRAIK cont'd) . . . . . an epidemic of condominium conversions. When that happens as the law presently exists, the tight housing supply on the rental market is going to be much more difficult than it is even right now. In areas like the downtown area of Winnipeg, which are built up, the rental market is very tight. In the outer areas where the buildings are newer and the rents are higher the vacancy rate is also higher. So what I expect that the government is going to see, is likely in the downtown area, a very strong move to condominium conversion because rent control is going to drive owners into it. When it takes place you're very likely going to see a fairly strong reaction against conversion by those people that are directly affected.

Now, I should say that conversion of condominium is a healthy evolution as long as your rental market is also healthy. But the rental market at this point is not very healthy and it's going to be worse when these controls are put on. You're going to see a virtual halt, the same has happened everywhere else when the controls have been put on, you're going to see a virtual halt in development. Of course when that happens you're going to find people that are fortunate enough to have rental accommodation are going to hang on to that as well as they can and not be moving around. When they do want to move, if they're forced to move, they're going to be in an extremely difficult spot to find alternative accommodation, particularly as I say in the downtown area of Winnipeg.

So the question comes up, what do you do in that case? Well there is a bill before the House, a private member's bill presented by the Member for Fort Rouge that has suggested that you put a condition on where 50 percent of the population of a building is in agreement with conversion, away you go. Mr. Speaker, this situation is going to be tightened up here I predict. Now what you're doing is in many cases you're convicting the other 50 percent of the people to being out on the street. I don't think that you can put a number figure on a conversion, a percentage figure that at some point or other is going to be reached and a remainder. It's a case of being sort of half pregnant and it's just not possible. What you need in the way of provisions that you'll have to provide in The Condominium Act is regulatory power to spell out the terms of a conversion whereby a person is not only guaranteed the remainder of his lease, which he is now - he's not going to be out of rental accommodation even if a conversion takes place because his lease remains good until the end of it - but at the end of that lease if we're still in this period when the Anti-Inflation Board effort is being imposed, you will very likely still in the next twelve months have a very difficult rental market. So I think you're probably going to have to extend the period that a person's accommodation is available to him despite the fact he doesn't have a lease for that period.

So I think consideration is going to have to be, first of all for those that don't want to buy a unit in the building that is becoming condominium, if they're not in a position to buy or don't want to buy or for some other reason cannot be in a position of availing themselves of this opportunity, then the question is, what happens at the end of that person's lease? Well now again if the market were fine, if you had a surplus on the market of rental accommodation, you have got no problem, you can make provision in the regulations for moving expenses for the person. It's been an accommodation, it's not uncommon, this sort of thing is done in other jurisdictions, it's done for instance in Vancouver where the person that is unwillingly moved gets his moving expenses paid. I think the rate is around $150.00 in Vancouver. But whatever the going rate is in a given urban situation, is the one that should be used. But in this tight period when you have no alternate rental accommodation caused by the imposition of rent control, which is going to be the main cause of it, if in fact the government is thinking about rent control imposed for no longer than twenty-four months, although we haven't heard that yet, but we've heard it said on the radio or in the press that it is a fixed period that they are thinking about, then I think they are going to have to think about making some sort of provision for regulation that allows the person to extend their right to a lease beyond their existing lease for another period of time that can be renewed at their option, but if they do avail themselves of other rental accommodation

(MR. CRAIK cont'd) . . . . . they can move with some sort of a subsidy for their moving expenses.

So, Mr. Speaker, it isn't very willingly that I suggest this change in the Condominium Act, because with a good rental market these sorts of things are really hardly necessary, but we're headed into a very bad period. We've already got a very bad rental market, and it's going to be made many times worse by the imposition of rent control. I think we are headed for a period where some people are going to suffer as a result of it, and I think that some provision has to be made for that protection. Now I am not suggesting that this be done on a permanent basis; I think it should be done until such time as the rental market improves, till we are back up to a two, three, four or five percent vacancy rate as opposed to a one or one and a half percent vacancy that we have now. So I suggest to the government at this point - I know that they are bringing in their rental bill. We'll probably hear of it tonight - and I'm simply saying that I'm forewarning them and telling them that I think they're headed for a mess in the rental market, despite this condominium conversion thing, and this mess is going to be compounded by conversions that are going to take place because it's pretty clear already, that many people who own buildings are stating that they are going to be in a position of a non-economic return, or a financial disaster, or whatever the terminology is that is being used, and of course their alternate is to go into a conversion into a condominium, and providing they can get the financing, and so on, there is nothing to prohibit that happening. I say there is nothing to prohibit it happening, Mr. Speaker, because I think some here tend to think there are prohibitions to it happening, and the Member for Fort Rouge referred to Number Two Evergreen Place, or something. Where he mentioned it specifically as it having been by the actions of the citizens, well I advise him that if he checked recently he probably will find out that that conversion is through, it is already a registered condominium, and I found in my travels in getting the background to speaking to this bill that it has been registered as a condominium in the last two or three weeks. As a result of that I would advise the Government, in the event they're not aware of it, and the Member for Fort Rouge, that there is nothing to prevent a condominium conversion. All that happened in that previous case was a lot of noise but there was no legal substance that would have prevented the people from going ahead with their conversion. They simply stopped because they weren't selling their units. It wasn't because they couldn't do it. So, Mr. Speaker, we're faced with an entirely different situation now. The rental market being as tight as it is, and people with accommodation, what with rent control, that own buildings, that are going to find themselves in an impossible situation for return as a rental, are going to be landing in hordes on the Land Titles Office and filing for conversion.

So, Mr. Speaker, I haven't got an amendment to propose to the Government. I simply suggest to you that if your rent controls are proceeded with on the basis they are, and as I see them in the bill, you're headed for a very difficult situation in condominium conversion, and you're going to have to plug that loophole too by some means or other, or you're going to have a lot of people, a lot of irate people knocking on your door pretty fast. I suggest that they take into consideration amending Bill No. 5 to provide for some sort of regulatory power that will provide a run-in period after a conversion takes place. I would again suggest that Bill 21 that's on the Order Paper here with a 50 percent for and a 50 percent against the thing is not the answer. The answer is to spell out a time period over which this run-in period can take place; a provision for people that are forced out of their accommodation to give some sort of remuneration for moving, and a little longer period - there is a natural attrition rate that takes place in all apartment buildings, and if you spin this period out awhile, it takes a lot of the pressure off. But if you don't do that and you find 220 apartments all of a sudden put out of a home because they've sold this condominium and somebody else is moving in, it's not going to take long to eat up that one percent surplus that supposedly that we even have right now.

So, Mr. Speaker, with those remarks I trust the government will take this into consideration and we might look forward to some amendment to Bill No. 5 yet to take

(MR. CRAIK cont'd) . . . . . this into consideration and we might look forward to some amendment to Bill No. 5 yet to take that into account.

QUESTION put and carried.

BILL NO. 11 - AN ACT TO AMEND THE QUEEN'S BENCH ACT

MR. SPEAKER: Bill No. 11. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. When the Attorney-General brought in this amendment to the Queen's Bench Act he stated at that time that many of these amendments were amendments that were just more or less housekeeping to bring the operation of the Queen's Bench Act up to date with the status of the Public Trustee.

As you know, Mr. Speaker, I think it was three or four years ago that we did bring in the change on the official guardian in the Province of Manitoba where the Public Trustee is now practically the official guardian in every case. Well in fact I think it is every case except where there is a clear proven case otherwise.

It's taken us four years, Mr. Speaker, to get the amendments in the various other Acts to bring about this change, and we notice that in, for instance, Bill No. 2, Bill No. 3, No. 4, and several others, we have these amendments to tidy up the legislation in line with the operation of the Public Trustee.

That, Mr. Speaker, brings me to the question of the operation of the office of the Public Trustee. And I know, Mr. Speaker, I have had experience, personal experience, in the past where there were constituents of mine who had made application at university for student bursary and student loan, and because their parent was in the confines of a mental institution the Public Trustee was, in fact, the official representative and responsible for those children. But some of the legislation that we have brought forward and the bureaucracy that we have forward in various statutes in the province, dictates that before any student can qualify for a student bursary or loan, the financial statement of the parents has to be filed with the Student Office out on Portage Avenue.

In this particular case, I think it was two or three months before they were able to get a financial statement from the office of the Public Trustee, and I think there were two members in the family, I think they both had to leave school; one of them did return to try and complete their year. But I just point this out to --(Interjection)-- I believe this was last year. I had taken the matter up with, I believe Mr. Jeff Davies who is the head of the Student Aid Program, and I believe I did make representation to the Attorney-General's office as well to try and expedite the financial statements that were required.

So I would hope, Mr. Speaker, that while we're cleaning up the amendments here that we make sure that the office of the Public Trustee is operating in a very prompt and efficient manner. I understand they are presently in the process of changing their financial accounting system, and we know that that may cause some problems for a little while, but we sincerely hope that when it is streamlined that we will get fast and courteous service out of that office.

There is one other thing that is brought into this bill, Mr. Speaker, that does cause a little bit of concern to me. Although I realize that it is necessary - according to the Attorney-General there has been no change made in the fees for the Public Trustee for, according to his figures, 40 years, and he has suggested that the fees for the Public Trustee will be dealt with by the Lieutenant-Governor-in-Council, and I believe he does make some suggestion on Page 458 of Hansard that the fees could be in the neighborhood of $100.00. The old fee being $30.00, I would just ask the Attorney-General if there is any attempt at trying to stay within the guidelines of the Anti-inflation Board at this particular time. It seems like a 300 and plus increase at this time might be something that we might want to hold back on at this particular time.

However, Mr. Speaker, I know that there is a space provided for that when it comes to the part where the Act comes into force, because we find that most of the Act does come into force on the day it receives Royal Assent and the section dealing

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(MR. GRAHAM cont'd) . . . . . with these will come in by proclamation. So we sincerely hope the Attorney-General will consider that when he does proclaim that particular section, and keep it more or less in line with the Anit-inflation Board at this particular time.

There's another section, I think, which is more or less complementary to another Act that we will be dealing with later, and this is the Transfer of Actions from the Queen's Bench to the County Court, where by mutual consent such is permissible, and I see no objection to that at all. I think that provides a certain flexibility where there is an unusually heavy load on the Queen's Bench Courts, and we all know that the County Courts, there are more of them around the country, and if their caseload is not too heavy I see no reason why we cannot transfer from one to the other if all parties are mutually agreeable. So I have no objection to that part of it at all. Those are just some of the comments I want to make at this time, Mr. Speaker, and look forward to probably some further comments from the Minister when he is closing debate or when it goes to committee.

MR. SPEAKER: Is it the pleasure of the House to adopt . . . The Honourable Attorney-General shall be closing debate.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Yes, Mr. Speaker, if there's no further comment, I would . . .

MR. SPEAKER: Order please. The Honourable Member for River Heights have a point.

MR. SPIVAK: I move, seconded by the Honourable Member for Arthur, that debate be adjourned.

MOTION presented and carried.

BILL NO. 12 - AN ACT TO AMEND THE COUNTY COURTS ACT

MR. SPEAKER: Bill No. 12, proposed by the Attorney-General. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, I've taken a look at the County Courts Act, and I have asked for some legal opinions from various sources that are available to members from time to time, and I must say that I am pleased to see the increase from $2,000 to $10,000 in this particular Act. I believe if you check back through Hansard over the last couple of years I think I have made a recommendation to that effect in the past, and I'm quite happy to see that happening. There is also a provision where people by mutual consent can take matters exceeding that amount into the County Courts. But we do know, Mr. Speaker, that under the Mechanics Liens and maybe perhaps under Expropriations too that accounts much much in excess of $10,000 have successfully been handled in the County Courts.

One of the other things that I think I would like to raise at this time, maybe just purely for the purpose of debate more than anything else, is something that has intrigued me for quite some time, and that is the possibility of a civil jury to act in some cases, and I would like to hear the Attorney-General's comments on whether or not we should be thinking of having a civil jury at some time in this province.

We have in the past had various proposals put forward and various changes made in our court systems - and I think most of them have been quite beneficial, and I see no reason why we shouldn't discuss at least possibly some further changes. I know there are some that will say that well when you talk about a civil jury you're talking about Americanization of our laws in Canada and our courts and that no doubt will scare some people. I am probably one who believes very strongly in the preserva- of the British judicial process. I think that when you look at the various legal processes throughout the world that the British system, I think, stands up as well as any. But that doesn't necessarily say that you have to take anything in its totality, and I have been intrigued with the idea of the possibility of limited use of a civil jury in certain cases, and I just wonder if the Attorney-General has ever asked the Law Reform Commission for their views on matters such as this.

(MR. GRAHAM cont'd) . . . . .

I think it's appropriate to raise it at this time under the Amendment to the County Courts Act. I think that maybe there are some people that might have differing views than mine on it but I think it's a very interesting subject for debate and for consideration as well.

With these few comments, Mr. Speaker, I would like to see this bill go to the Law Amendments Committee for further consideration at that time.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Well, Mr. Speaker, if I might, I'd like to just perhaps provide a slightly different angle to the discussion on this bill than we've had so far. I think the Attorney-General in presenting the bill indicated that the purpose in the change in the jurisdiction of the court extending its money allowance for civil cases in torts was to provide for a better balance of work really between the Court of Queen's Bench and the County Courts. I think it's quite true to say that there has been an imbalance. I would like to contend however, Mr. Speaker, that I'm not sure the imbalances are solely a result of the financial limitations put on the civil cases that can be tried before the County Courts, and therefore I am not so sure that simply by raising the level from 2,000 to 10,000 will make much difference. I think up to this time most of the litigants and their counsels who have had to decide which court they intend to put their case, had to decide not only on the basis of the limit that is being set but also on the question of the nature of the court itself, the kind of justice, the kind of reputation, the status the court itself contains, and obviously the fact that if someone is taking a civil case then they are always expecting the best, or hoping for the best at least, and therefore the $2,000 limit has obviously been of no use whatsoever. But I'm not so sure that $10,000 will make much difference because we have the curiosity, or we have had the curiosity, Mr. Speaker, wherein civil cases because of the anomaly where we have the Mechanic Liens in the County Court, I think there was one case where a judge in the County Court was trying a case for $8 million but limited on civil cases to 2,000. So obviously the capacity of many of the justices in the County Court go beyond $2,000 or a $10,000 limit.

So I would suggest, Mr. Speaker, that while the intention of the Act is a proper one, and that is to provide for a more efficient process of the administration of justice and to balance the work out, that simply by raising the level to $10,000 will make little difference to the actual transfer of work from the Court of Queen's Bench to the County Court.

I would suggest that much more useful proposal might be simply to amalgamate the two courts or to merge them into one Court of the Queen's Bench; to take the justices in the County Courts who are presently, by their own admission in many cases, not fully utilized to raise the status of that court and extend the number of judges who sit on the Court of Queen's Bench, provide the administration of it according to however the Chief Justice would so decide on a regional basis, or whatever, but also have a larger pool of judicial talent which could be assigned to the different responsibilities of the Court of Queen's Bench and simply eliminate what is obviously an anomaly. Simply eliminate something which no longer makes much sense. The Court of Queen's Bench is a historical product and I would simply point out that this occurred I believe in the Province of Quebec two or three years ago when in fact they just did away with, well they didn't do away with County Court justices, they simply merged them into one common bench. And I would think that from the point of view of efficiency and rationalization and the administration of justice, a Court of Queen's Bench that would be able to cover everything from $1.00 to the $100,000 limit, and not have this curious kind of two-step procedure, would simply make an awful lot of sense.

So, Mr. Speaker, I would suggest that while the purpose and the objectives put forward by the Attorney-General are to be applauded, that perhaps the solution of the method is more tinkering than it really is getting to the heart of the problem. It may be that we should look at a more fundamental reorganization of the court system in order to get a better use of the courts and a better use of the justices.

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(MR. AXWORTHY cont'd) . . . . .

So, Mr. Speaker, I would suggest to the Attorney-General, and I know that it is not his custom to necessarily withdraw legislation when it's already been printed and all that time and effort of the government has gone to draft these things into the peculiar language in which they're drafted, at the same time it may be more instructive to simply rather than playing with bits and pieces, trying to make the creaky machinery work a little bit better; in fact simply reorganize the machinery into a much more efficient procedure. And I would think that the way of doing it would be simply to take . . . and simply have a Court of Queen's Bench and merge the justices of the County Courts into the Queen's Bench system and allow them therefore to have a larger number of justices to choose from, to be assorted or assigned on a wider basis, and I think that it would then eliminate that kind of necessity of having to make a choice, that would become the court of first resort in these areas, and you wouldn't have the anomaly where you have one court which is overworked and overburdened or overused, and one which is under-utilized by their own admission.

So, Mr. Speaker, I would simply, in response to Bill 12, suggest that it could be a better bill; it could be a little bit more far-ranging and probably could, with that one exception of merging the two courts into one Court of Queen's Bench, provide for a much more effective means of solving the problem that the Attorney-General alluded to in his opening remarks.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member for Arthur, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: Bill No. 13 proposed by the Attorney-General. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Can I have this matter stand, please.

MR. SPEAKER: Bill No. . . . The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 19, please.

BILL NO. 19 - THE RENT STABILIZATION ACT

MR. SPEAKER: Very well. The Honourable Minister of Consumer, Corporate and Internal Services.

MR. TURNBULL presented Bill No. 19, The Rent Stabilization Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, in the seven years that this government has been in office a number of programs have been introduced which have sprung from the feeling that this government has had about the needs and the problems of people in our society. Some of these measures, Sir, have sprung from what I can only describe as the social conscience which has governed the government in the introduction of many programs. In the past, Mr. Speaker, we have seen the introduction of programs such as the Medicare Premium Reduction, we have seen the introduction of schemes for the alleviation of the expense of those who need prescription drugs, and we have seen problems of tax, high taxes reduced by the introduction of property tax credit plans.

Tonight, Mr. Speaker, I wish to introduce a bill that is in much the same tenure, a bill which is intended to stabilize rents in the Province of Manitoba. It is designed to ensure that the burden of fighting inflation is borne more equally by the various groups in our society. The bill, Sir, I believe contains tough measures to deal with inflation. They are tough, Sir, because inflation is the creator of great inequality in our society, and it is a problem in the economy that cannot be allowed to continue unchecked. Sir, the reasons for this bill are based primarily on the needs to combat inflation and the need to fit a provincial program of rent control into the federal program of anti-inflation.

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(MR. TURNBULL cont'd) . . . . .

I would like to outline for members just briefly what impact the inflation has had on the situation in Manitoba, the situation with regard to housing supply, and with regard to rental accommodation. Clearly inflation has impacted on supply because it has raised interest rates and it has raised the cost of construction. When a developer builds new apartments, he has to incorporate these high costs of interest, these high costs of construction, into rent that he must then charge to the tenants that move in. These rents that must be charged to cover the high costs are uneconomic and often not very competitive with the rents that are charged for existing accommodation. That means quite simply that because of inflation and because of these difficulties created for developers there has been over the last three years a decline in the number of units, multiple housing units that are available to people. In 1972 some 6,209 housing units were built, that is two-family row, and apartment units, and in 1975 this figure had been reduced to something around 2,900, down by about half. That problem, Sir, is one of scarcity, and in a situation of scarcity in rental accommodation the market system simply does not work, therefore we need a program of rent stabilization which will enable people in our society to seek accommodation that is suitable and will enable them to live in dignity.

Mr. Speaker, inflation has had a significant impact on rental accommodation. Shelter, you know, is not like any other commodity; there is no substitute for shelter, there is no substitute for shelter as there is with, say, sugar. When the price of sugar rises clearly the purchaser of sugar can switch to some other commodity, some other substitute, it's not so with shelter. Many people in our society are unable to find alternative rental accommodation at rents lower than they are presently paying, they simply cannot move downward in the scale of rental accommodation, and even if they did quite often the cost of moving to that lower priced accommodation is more than the rent that they would save by making the move. Also, Mr. Speaker, there is no deferral of the cost of shelter; it cannot be put off, the expenditure cannot be put off as can the expenditure for a new car or a new boat. Then too, Mr. Speaker, there are people in our society who have to meet a proportionately higher cost in terms of their income for shelter than people with higher incomes, and shelter is a major portion of the cost of living of many many people.

For these reasons, because of the impact on supply and because of the impact on rental accommodation, it is clear to me that a rent stabilization bill is required. There must be some way, Mr. Speaker, that government here in the Province of Manitoba and the Federal Government can intervene in this vicious circle of inflationary spiral; can somehow break the cycle of costs being capitalized and somehow reach to the point where we can curtail the rate of inflation, not only for rental accommodation, but for other goods and services in our marketplace.

Mr. Speaker, I have to refer to inflation because I don't want members to think that this bill comes detached from the national program to combat inflation. It fits with the federal program of anti-inflation. Quite simply, Sir, the main parameters of this bill were made out in the document that accompanied the Prime Minister's statement on the evening of October 13th, when he set forth the Federal Government's program for combating inflation. Those parameters very simply these: First of all, that the control of rents in our economy would be a provincial responsibility; secondly, that the control on rent should allow for a particular level of increase; and thirdly, that the costs incurred by landlords in maintaining their rental accommodation should be passed through.

Mr. Speaker, the principles of this Act, as you can see, are an embodiment of those federal parameters. The principles of the Act, Mr. Speaker, are simply these: First of all, it applies to the premises of rental accommodation and not to the tenant that happens to be living in that accommodation. Now that means, Sir, that quite simply tenants as they move in and out of rental accommodation will not have to be faced with a possibility of rents going up. If the rent increase was fixed in accordance with the tenant who was in it, then I believe that what they would have is a possibility of encouraging landlords to find some reason to have their existing tenants move out so they could then raise the rent for the new incoming tenants. That kind of encouragement I

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(MR. TURNBULL cont'd) . . . . . think would lead to landlord-tenant friction and would certainly not be in the interests of the tenants. The second major principle of the Act, Mr. Speaker, is that it is I believe an Act which is fair to tenants as well as landlords. It is fair to the tenants for these simple reasons: First of all, that there is a limit on the increases that can be put on in rental accommodation. I will get - and perhaps members already know what the limit of increase is in the first period. Secondly, it clearly is a bill which will eliminate exorbitant rent increases. Thirdly, Mr. Speaker, in bringing fairness to the tenant, the bill enables the recovery of the excess rents that are paid to be recovered automatically from the landlord. And fourthly, Mr. Speaker, the bill is one that will allow one increase in rent every twelve months; that means Mr. Speaker, that if the landlord has taken an increase in this initial period then he cannot raise the rent again until such time as a twelve-month period has expired.

Mr. Speaker, the bill does contain elements that are fair to landlords. The main point I think here is the bill does not attempt to re-structure rents; it does not establish rent for any particular accommodation. There is no attempt in this bill to tell the landlord that a particular kind of accommodation, be it a slum accommodation or a luxury apartment, has to be charged at a particular rent. What existed in the marketplace in the past is going to be allowed to continue, the only point here is that we are controlling the rate of increase. So the landlord then, Sir, will not have his rents actually set, that is structured, in accordance with the kind of accommodation that he has out.

Mr. Speaker, the bill is fair to landlords, I believe, because it does not allow the tenants through some arrangement with a sub-lease to charge more for that accommodation than the landlord himself has charged the original leasee. And I think that stops a particular loophole. It would seem to me, Mr. Speaker, that if this provision was not in the bill, that tenants now in accommodation would be able to make a lease with a sub-leasee and either charge that new tenant coming in a commission or some kind of fee, or a higher rent for the accommodation, and that is prohibited. The tenant in making these sub-leases will not be allowed to charge more than what the landlord could charge the original leasee.

Mr. Speaker, I think the major elements of fairness to the landlord that are contained in this bill arise from the means that are embodied in the bill of allowing the landlord to increase his rent. There are really provisions in this bill for three methods of rent increase: The first is the amount of increase that can be imposed in the initial period, that amount is ten percent. The ten percent amount applies for the first period and the first period runs from July 1, 1975 to September 30, 1976. This amount, Mr. Speaker, is one really that comes down to a judgment call; there is no figure, Mr. Speaker, no figure of general across-the-board applicability that would be fair to all landlords, no matter what kind of accommodation they have. The ten percent figure is one that does embody certain basic cost elements that landlords have to pay. It is a figure too, that compares - is the same as the increase allowed in the initial period in the Alberta legislation and the Saskatchewan legislation, and it is the figure now applicable in British Columbia, or roughly the same.

Mr. Speaker, in the second period, that is the period after September 1976, the landlords will have another opportunity to have an automatic increase in rent. This increase will be again in percentage amount and it will be determined by the Rent Stabilization Board. The Board, I am hoping, will have the opportunity in the next few months to get a better data base than we now have. They will have the opportunity of looking at particular situations that landlords are experiencing with regard to utilities, tax and other costs, and will be able to come to a figure for the second period after September 1976, which accommodates some of the cost increases that landlords experiencing average conditions will be encountering.

The third opportunity in the bill, Mr. Speaker, for landlords is the cost pass through method. This cost pass through method will apply after September 1976. It is intended that the cost pass through process will be one that will enable the landlord - if he is not able to cover his costs by the allowable regulated amount in the second

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(MR. TURNBULL cont'd) . . . . . period, it is a process that will enable him to go to the Review Officer, reveal his books, documents and other material that he would want to present to the Review Officer; and when the Review Officer makes a decision, that decision can be appealed by the landlord if he is unsatisfied, or by the tenant to the Stabilization Board. The appeal process, the application process is one that applies only in the second period and not to the first period.

Mr. Speaker, I think that the idea of cost pass through has to be discussed in some detail. It is a method that I believe reduces the amount of bureaucracy and the amount of delay that would be experienced in trying to review all rent increases. The cost pass through system accepts from the start a wide diversity of market determined rents. It is also a system that accepts the wide diversity of rates of return earned by the landlords, and the rates of return that are earned by the landlords are the rates that are determined in their own terms.

Again, Mr. Speaker, there is no intention in this legislation to attempt to structure the rate of return for the landlord; that situation which he had been experiencing in the past he will roughly continue to experience in the future, except that he will be allowed these two increases in the initial period of ten percent and a second amount in the second period after September 1976, and then of course plus his cost pass through. The allowable cost increases passed through are to be based on the initial year, that is the year from July 1, 1975 to September 30, 1976. That year, Sir, is really the control period, and it is the period during which the rents are not going to be allowed to rise by more than ten percent.

The effort here, Mr. Speaker, is as I say to reduce the number of civil servants that are required to process the various applications that may come to the Review Office. I think that the system of costs passed through does rely on objective figures. These objective figures simply are the rent for the base period; the objective figures are also the documented cost increases, and these I think are more sensible objective figures than would be, for example, just sticking the existing rents and freezing them where they are. The base period, Mr. Speaker, has to be a more normal period than what they are now experiencing. There is clearly some difficulty in establishing just when the legislation should be taking effect, that is, how far back it should be rolled. In Saskatchewan they have rolled rents back to December 1974; our legislation goes back to July 1, 1975, and I think that the July 1st date accomplishes much the same thing. In effect the July date will mean that rents for many many apartments will be the rents that were increased in 1974, and the base for that period will be one that I believe to reflect more normal conditions than the conditions we experienced since the summer of 1975.

Mr. Speaker, I have left in the bill certain provisions to the setting of regulations. I have already indicated that the amount of increase in the second period will be determined by regulations on the recommendation of the Rent Stabilization Board.

A second area of flexibility that is left to the Board and to the government is that with the costs that will be allowed to be passed through by the landlord clearly to attempt to accommodate all the anomalies and all the exceptions and all the differences in costs that landlords are now experiencing, would not be a practical thing to try to put into the bill. There is just no way that I could see of coming up with a bill which would somehow catch all the costs that would be genuine and could be justified and at the same time exclude all those costs that were not genuine. And by not genuine, I mean the kind of transaction where a landlord would, for example, increase his management fees by 200 percent and then attempt to claim this as a legitimate cost pass through, when in fact the management service for that particular premise had not changed significantly. I think that the provision of leaving to regulation the determination of the costs and those factors that should be considered is the only way that we can proceed with a rent stabilization bill.

In both cases, Mr. Speaker, that is, in the both cases of determining an allowable percentage amount, both for the initial period and the second period and in the case of determining what costs would be allowed during a cost pass through, in both of those

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(MR. TURNBULL cont'd) . . . . . cases, the costs of operating the property are what I intend to allow to be passed through. There are some other costs that landlords may experience and it would seem to me that some of these other costs cannot be considered to be legitimate genuine costs of operating property.

I think, Mr. Speaker, that the bill in its cost pass through aspect and in its allowable increases that are allowed, is relatively simple and I think practical, especially when it's compared to the alternatives that would be available. The alternatives would be a case by case review of every rent increase that would occur, and I think that the bureaucracy that would be required to set up that kind of process is one that just wouldn't be acceptable to the government.

The other alternative, I suppose, would be to introduce a freeze for the duration of the inflationary period. But freezing rents, Mr. Speaker, as of, say, the date of the passage of this bill would only mean that not only would you be freezing rents forward from that date but you would be freezing all the inequities and all the inflated rents that have been occurring in the period that we have just gone through. A freeze of this kind, I think, for the duration of the inflationary program or for the duration of the inflation that we are experiencing would be more of a dislocation than the bill that I am proposing.

A final alternative I supposed, Mr. Speaker, would be to do nothing at all and to allow inflation to continue. But I don't think that that is palatable for the government and I don't think it's palatable for the majority of people who are having to meet inflationary costs, not only in rents but in every other commodity that they purchase. None of these alternatives, case by case, or freeze, or allowing inflation to continue, I believe to be satisfactory.

So I've introduced this bill, Mr. Speaker. It is one that I hope will be of a temporary nature, in force for a limited period of time, but there is no guarantee when we can remove the controls. There is no guarantee because, as I've said, the bill is related to rates of inflation. It is related to vacancy rates, and these two things are variable. And put in an automatic destruction date of the controls, I think, would be to lock in the rental market and the government to a situation which would mean dislocation during the period of decontrol even though during that same period inflation may continue and vacancy rates may continue to be low.

So instead of having an automatic dispension or termination date in the bill, what I have drafted into it is the provision to enable the bill to be suspended by the Lieutenant-Governor-in-Council. And I would think that it is conceivable that if inflation did cease, if the rate of inflationary increase did turn down significantly and if at the same time vacancy rates increased significantly, there is hope that the bill could be suspended. If these two things do not occur, if inflation does not ease and if vacancy rates continue low, then I think the bill may be in force for some time.

Mr. Speaker, there are other provisions in the bill, but I think they are of a technical and detailed nature. There are provisions that I believe are of such a routine nature that I did not adjust myself to them this evening, but I would like, Sir, to recommend to the House this bill because I believe it to be both simple and practical; and I believe it to be one that conforms with the federal program of anti-inflation and generally with the parameters of bills introduced in other provinces.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I move, seconded by the Member for River Heights, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Would you call Bill No. 18, Mr. Speaker.

BILL NO. 18 - AN ACT TO AMEND THE CLEAN ENVIRONMENT ACT

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN presented Bill No. 18, An Act to amend The Clean Environment Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, there are really two essential provisions in this bill. One is to exempt from the mandatory provisions of the Clean Environment Act publicly elected municipal bodies who are carrying on works, the effects of which would be felt only within their municipal boundaries I would like to remind honourable members that the Clean Environment Act deals with the release of contaminants into the air, land or water and that when any agency is proceeding, whether private or public, to release contaminants into the air, land or water and no limits have been set by regulation, then the agency is required to make an application to the Clean Environment Commission who then conduct a hearing to determine at what level this release is permitted and the Clean Environment Commission then issues an order which sets limits as to the level of contaminants.

I think that the Clean Environment Act, Mr. Speaker, was first brought to this Legislature in 1969 by the previous administration, or it may have been 1968. I believe at the time it was the first step by the Government of Manitoba to deal with the issue of the environmental control in its more current modern sense. That is not to say that these matters were not considered before, but I think that in 1968 the administration brought in the Clean Environment Act which established a Clean Environment Commission.

Between 1968 and the early 1970's the Clean Environment Commission was in fact the administration by which the government administered environmental control in the Province of Manitoba. As the concept developed the administration of environment control changed in our province and we established a system which had both its legislative, its administrative and its quasi judicial features; the legislative being the amendments which, from time to time, have been made to the Clean Environment Act and there have not been a great many amendments. The Act for the most part has been found to be satisfactory. There was one very significant amendment which I will refer to in due course because it affects the provisions of this bill.

The Clean Environment Commission was changed to becoming a quasi judicial body which set limits when there was a dispute as between citizen and applicant, or as between government administrators and the applicant, and the commission changed from being the administration itself - that is, to put it more graphically, the Assistant Deputy Minister of Health at the time was the Chairman of the Clean Environment Commission and all of the staff of environment control were attached to the Commission.

Now this was changed some years ago so that the department, in this case it's now the Department of Environmental Control, had its branch, Environmental Protection Branch which is headed by an Assistant Deputy Minister and contains the entire staff. It is no longer in any way connected with the Clean Environment Commission, so that now the Environmental Protection Branch is responsible for administering environmental control and the Clean Environment Commission is responsible for adjudicating on limits and on that administration, and of course the Commission also issues a report each year commenting on the state of the environment.

The significant change that was made in the Act - and this was agreed to unanimously in this House as I recall it - was that where there was an appeal from the Clean Environment Commission to the Municipal Board, the appeal is now to the Minister and the appeal is disposed of by the Lieutenant-Governor-in-Council. The Minister can seek advice from the Municipal Board but the appeal must be ultimately decided by the Minister. And in this regard I think we consciously made a step of saying, that although we would accept an adjudication and a hearing, that ultimately the government would accept responsibility for those decisions which ultimately affected the party who appeared before the Clean Environment Commission.

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(MR. GREEN cont'd)

I think, Mr. Speaker, we announced when we accepted responsibility for this appeal that we would try our darndest to not upset any decision of the Clean Environment Commission where the decision was based on environmental factors. And I think, Mr. Speaker, that we have held true to that position, although there have been changes, or appeals have been allowed from the Clean Environment Commission, it has not been on the environmental standards that have been set by that Commission, it has been on other matters which did not really come down to a technical knowledge of the environment.

So I indicated, Mr. Speaker, at the time, that it was my preference that although there be all kinds of consultative agencies, and although there be an Environmental Quasi Judicial Board, that it was my preference that the elected representatives would have to ultimately accept responsibilities for the decisions; and if there was a great dispute and an appeal, that would ultimately have to be accepted by the government of the Province of Manitoba. I say that, Mr. Speaker, because I think that this particular bill is a move in the direction of that already stated preference, although one which was not anticipated at the time.

Now, the provisions of this bill are presented, Mr. Speaker, because of the experience with regard to municipal councils who are dealing with environmental features which do not extend beyond their boundaries. The notable cases have been cases of refuge disposal sites for which application is made to the Clean Environment Commission; and the spraying of insecticides, more commonly known as the celebrated mosquito dispute in the City of Winnipeg, which was also a matter that came before the Clean Environment Commission.

I don't think, Mr. Speaker, that either in 1968 or in 1971 when this Act was passed that it was anticipated by the Legislature that we would be adjudicating on environmental problems by public bodies within their own boundaries. As a matter of fact, as the case is, the Act was in existence since 1968 and many municipalities have conducted many activities which are theoretically covered by the Act within their boundaries and never made application to the Clean Environment Commission.

I would not have anticipated, Mr. Speaker, that such an application was necessary, but a clear reading of the Act, I think, would indicate that this is certainly the implication of the Act. In any event, if one would take the City of Winnipeg as an example: Although the Act existed between 1969 and 1973, that is for a period of five years, both the first and last year inclusive, 1969, 1970, 1971, 1972 and 1973, the City of Winnipeg conducted mosquito abatement programs within its boundaries for the four years from 1969 to 1972 without ever making application to the Clean Environment Commission and I don't think that anybody expected that they would make application to the Clean Environment Commission.

However, Mr. Speaker, if you have any knowledge - and I would assume that you have some - of municipal politics, and particularly mosquito abatement in the City of Winnipeg, you will know that mosquito abatement in the City of Winnipeg has been a touchy or swatty subject for at least 40 years, between 1935 and 1975. I think last year someone featured a story of what had occurred in 1935 with regard to the argument about how to deal with mosquitoes in the City of Winnipeg. In any event, there has been, Mr. Speaker, a continual battle - and when I say the City of Winnipeg I include the Metropolitan Corporation of Greater Winnipeg - because Winnipegers have been fighting mosquitoes in various ways for as long as I suppose as Winnipeg has been in existence. Another thing that has been a continual battle in the City of Winnipeg is the fight between its elected representatives and its civil servants with respect to the effectiveness of various forms of mosquito abatement. And I think that it's fair to say, Mr. Speaker, that - and I hope I will not be challenged too strongly on this because I believe that I'm making a fairly accurate remark that from time to time the administration of the city has been advised that the spraying program is not useful. Many of the political people have agreed but unable to resist the continual onslaught of resident calls, they have from time to time succumbed and said: even if it doesn't do any good, if it will only get the citizens off my back, please spray so at least we will say that we are spraying and say that we are doing some good. And there has been a continual argument as to whether the spraying is of any value, and the

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(MR. GREEN cont'd) . . . . . latest word that I have is that the last report indicates that spraying may provide some temporary relief for about two hours. I think it takes five days to spray the city, so one can calculate just how much this does. Mr. Speaker, I want to tell you that in this debate I am not going to be either the pro-sprayers or the anti-sprayers, I just want to indicate what occurred in this . . .

A MEMBER: The swatters.

MR. GREEN: The swatters, that's right. There may be spraying or there may be no spraying, but there will be swatting in either case because the mosquitoes will be there.

In any event, Mr. Speaker, in 1973 - this is a significant date because for four years they made no application and I didn't tell them to make an application - they sprayed but they didn't spray residentially. They sprayed in one or two of the years residentially but they chose of their own volition and one can leave it to others' judgment as to whether this was wisdom or not. They sprayed some years, they didn't spray other years but they never made application, although the legislation was there. In 1973, after the 1st of July - as a matter of fact it was much after the 1st of July, it was after several weeks of intensive mosquito infestation - I don't have the actual date but I know it was during the first week in July, after councillors had been plagued by telephone calls- and mosquitoes too, yes - they decided on a mosquito spraying program, they did not decide to make application.

One of the councillors who had received a call from a resident who was very much anti-spray told the resident that the only way she could stop this was to go to the Clean Environment Commission, and she did, and the Commission advised the city that they should make an application. And to the city at that time, Mr. Speaker - and I'm not speaking subjectively and I will admit it - this was a godsend. To go to the Clean Environment Commission solved all their problems, because if they went to the Commission and the Commission indicated that there was no value in spraying, they could both not spray which was much in line with what many of their administrators were saying, and they could tell the residents that it's not their doing, it is the doing of the Clean Environment Commission. And this application, Mr. Speaker, was made after the mosquito infestation was well under way in July of 1973. There had to be time for hearings, and the Commission made its award some time late in August, or in any event after the mosquito season was over. And, Mr. Speaker, it was an award which I will say was an unusual award because it provided for the Commission really telling the city how to administer a spraying program, but it did not prohibit spraying. The city and residents appealed the award; subsequently came to yours truly. It was referred to the Municipal Board; the Municipal Board on the basis of the evidence before it said that there should be no spraying and that there should be no spraying in 1974. In other words, it prohibited spraying as far as the Municipal Board's recommendations were concerned.

Now Mr. Speaker, when we received this award we noticed that the Clean Environment Commission had entered into really considering how the city should administer its program, we didn't feel that it directed itself to the limits. The limits were set by the Municipal Board. We said that the Municipal Board's ruling would stand but it would not stand for 1974, and that if the city wished to conduct a program in 1974 it should make another application to the Clean Environment Commission.

Now in saying this, Mr. Speaker, we also sent the City of Winnipeg councillors and its council a letter indicating that the order would not prohibit spraying in the city if the city wished to apply in 1974. But, Mr. Speaker, the city councillors had too good a thing. They now said that they had an order from the Provincial Government prohibiting them from spraying which, in my opinion, they didn't want to do anyway. But now anybody who phoned they could say, it's not we who do not want to spray, it is that terrible Provincial Government that controls the Clean Environment Commission, who they proceeded to call all kinds of names including communist and fellow travellers and other names of that kind - you know, I suppose they think that that makes it easier for them to get elected, I don't know - in any event, mosquito lovers, things of that nature.

The city made no application to spray in 1974. The city made no application

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(MR. GREEN cont'd) . . . . .to spray in 1975 until well after the mosquito infestation was at its worst. And I want to emphasize, Mr. Speaker, that the Clean Environment Commission had never made an order prohibiting the City of Winnipeg from spraying. Any such order was made by appeal to ourselves and it applied only to the previous year; it never applied to 1974; it never applied to 1975. And the proof of that point is that when the city finally did apply after again intense pressure from the citizens in 1975, the Clean Environment Commission made an order permitting them to spray on an experimental basis.

Now, Mr. Speaker, what has all this got to do with the legislation. It has this to do with the legislation, Mr. Speaker: We believed that there was being provided here a facility for a municipal council to be able to have an adjudication on this question. We believe that that adjudication would mean that it would be able to have all of the evidence, sworn testimony, go before the Clean Environment Commission; that the Clean Environment Commission could then consider all of the evidence, consider the examination and the cross examination and it could make a decision. And we felt that the city would regard this facility as something which would assist it in dealing with what had been a very controversial subject. We never expected, Mr. Speaker, that the City of Winnipeg would use the Clean Environment Commission as a scapegoat to try to evade responsibility of its own. And the City of Winnipeg did just that, because for two years they made no application to spray and continued to level the charges that their hands were tied by the Provincial Government. And therefore what we have found this Act doing, Mr. Speaker, this Act which was there as a useful facility for a city who wants to have a good adjudication on this question and a decision was being used not as that type of a facility but was being used as a shield to avoid or to protect themselves from accepting their own responsibility.

Now if there's anything which I believe is necessary to the political process, Mr. Speaker, and to the democratic process, it is that responsibility should be clearly defined; that citizens should not have a doubt as to responsibility, and therefore the citizen who phones the City of Winnipeg and is told that it's the Clean Environment Commission's fault, and then phones the Clean Environment Commission and is told that it's the City of Winnipeg's fault, and then phones me and is told that it's neither's fault or that the city could make an application, does not know where his remedy lies. And we believe, Mr. Speaker, that the City of Winnipeg councillors who have had this controversy for many many years and who obviously no longer wish to have a rational means of having it decided through a board such as the Clean Environment Commission and wish to deal with it, or at least to accept responsibility in their own community, should have that responsibility.

I do not know how they would use it. I do not know whether they will take the advice of their administrator and say that we won't spray. I do not know whether they will say, spray whether it kills people, as Councillor William Norrie who went before the Clean Environment Commission said - I could hardly believe my ears - that even if it's deadly, if the people want it, we want to spray. I do not believe that people who have the responsibility on themselves will make that kind of statement, and therefore I think that this Act is necessary in order that the public body making the decision be identifiable and that responsibility be identifiable. And if the city claims that their hands are tied, it should be clear from this legislation that their hands are not tied.

Now on the other hand, Mr. Speaker, we still think that it may be of great facility to the councillors of the City of Winnipeg to have a means of having this issue or other issues of this kind heard in a fashion which involves a cross-examination and a decision by a quasi judicial board. So we have left in the Act the right of the city to proceed to go to the Clean Environment Commission. And if they do go to the Clean Environment Commission, they will be able to tell their citizens that we have had this matter very well looked into and the Clean Environment Commission has made this decision, but they will no longer be able to say that their hands are tied because they will have the right to proceed on their own provided - provided their activities do not endanger the environment of anybody beyond their boundaries.

Now it may be that in presenting this bill, Mr. Speaker, that I am over-emphasizing its effect relative to mosquito spraying, and I guess that's the natural inclination

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(MR. GREEN cont'd) . . . . .of a person who is in public life, to deal with the issue that has been most publicy aired. Actually there are many more instances in which this bill is tended to be effective and will be effective.

A MEMBER: "Once bitten, twice shy."

MR.GREEN: Once bitten . . .I wish it were "once bitten". The difficulty is, Mr. Speaker, that it's like 100 times bitten, twice shy.

In any event the idea here is, Mr. Speaker, that the Clean Environment Commission has been using its responsibility in a conscientious way of making orders relative to refuse disposal sites in municipalities. It will still do that if the municipality applies, but we feel that it is unfair for this body to deal with that kind of issue and to set requirements when it has no financial responsibility for the requirements that it sets; and when the municipality is the one that is going to have to follow its requirements. So we feel that we can rely on responsible municipal councils to deal with those questions within their municipality. We feel that if there is a municipality that makes a mess with a refuse disposal site, that the citizens of that municipality can bring the pressure on the council and that the natural process of public demand and councillor responsibility in terms of wanting themselves to have a well-kept municipality are sufficient protection, providing that it does not transcend the boundaries of the municipality.

Now those are the essential features of this bill. We think that this is an improvement; we think that the members of the City Council who have had this controversy for so many years and want it returned to them, should have their wish granted, that it should be returned to them. We think that this will enable them to be bigger and better councillors because they will be able to accept responsibility for their actions. They will not have a means of evading that responsibility, and we think that that is useful for the democratic process. On the other hand if they wish to go to the Clean Environment Commission, it is there, they can apply and they can follow its order if they so desire.

The second feature of this bill, Mr. Speaker, is one which gives the right to the Minister to refer a case back to the Commission for a new hearing, very similar to the right of a Court of Appeal to ask for a new trial. The reason for that is, that from time to time the Commission makes an order which is not acceptable but it has nothing to do with environmental concerns. And I'll go back to the City of Winnipeg order. When the City of Winnipeg applied for spraying, the Commission's order was to the effect that they should do a whole series of things to experiment with spraying, and as far as I was concerned, the Commission did not have that type of authority. It could set limits; it could tell them what the limits of the spraying would be, but it could not substitute its administration for the administration of City Council. And rather than the Minister setting limits when he hasn't heard the evidence and heard the witnesses, we feel that I should have the right to send that case back to the Commission telling them that the order is not acceptable and telling them that they should have a trial on this issue. This is a very familiar provision available to a Court of Appeal. We have been utilizing the Commission's consultative authority to hold a hearing to do this but we want to be able to make the order. I'll repeat that to indicate what I have done.

At the present time when such an order comes to me and I don't feel that it's right, I ask the Commission under its general powers to hold a hearing on the question that I want answered. They hold a hearing and they send me the answer and then I make an order which determines the appeal. I would prefer to send the entire matter back to the Commission for it to make an order, and then if the order is unacceptable the order can be appealed.

Now, Mr. Speaker, I want to close my remarks by saying that I believe that the beginnings of this legislation - the period when it was being administered by the previous administration and the history that we have had - has developed both a good legislative piece and administrative practice and quasi judicial authority. I am inclined to think that the policy that is applied here - and I make that as distinct from the people who are applying it, if you will have it that way - but that the policy that is applied here with regard to environmental management and the mechanisms that we have set up are amongst the best in the country. I say that without any false sense of security. I think that although they are amongst the best in the country, that the entire country is

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(MR. GREEN cont'd) . . . . . in its relative infancy and that we have a long way to go. I do not think that we need feel embarrassed or apologetic about the stage that we have reached at the present time, nor should we feel as secure that we know all the answers. But I believe that this piece of legislation, because it results in the municipal councillors being responsible for their matters that fall within their own boundaries, and therefore clarifies political responsibility, is an improvement over the bill as it now stands.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I wonder if the Honourable Minister would submit to two questions. First, I wonder if he can indicate whether the government has arrived at a decision as to whether the chemicals used in the mosquito spraying are dangerous to health.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, when you ask whether the government has arrived at the decision. At the hearings of the Clean Environment Commission there have been findings that some persons' health have been affected; there have also been findings that some persons' health have been affected by mosquitoes. What we do know, Mr. Speaker, is that the chemical that we are talking about has been approved for use provided it is used in accordance with the manner prescribed by the Food and Drug authority, which approves or disapproves of these chemicals and which is itself a responsible governmental body.

MR. SPIVAK: The second question, Mr. Speaker. As a matter of policy, will the government arrive at a decision as to whether a chemical is or is not dangerous to health.

MR. GREEN: Mr. Speaker, we have taken the position that that is a matter which lies within the legislative and administrative competence of the Government of Canada, and that we rely on the Canadian authority to say what chemicals will be sold on the markets, and used.

MR. SPEAKER: The Honourable Member for St. James.

MR. MINAKER: Thank you, Mr. Speaker, I beg to move, seconded by the Honourable Member for Crescentwood, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Well Mr. Speaker, unless any other member wishes to bring something to my attention that we can proceed with, we're not prepared to proceed with the other bills that are on the Order Paper. So I would accordingly move, seconded by the Honourable the Minister of Urban Affairs, that the House do now adjourn.

MOTION presented and carried.

MR. SPEAKER: The House is now adjourned and stands adjourned until 10 a.m. tomorrow morning. (Friday)