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STANDING COMMITTEE

ON
STATUTORY REGULATIONS

AND ORDERS

29 Elizabeth II

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The Honourable Harry E. Graham
Speaker*



THURSDAY, 17 JULY, 1980, 8:00 p.m.

MANITOBA LEGISLATIVE ASSEMBLY
Thirty - First Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Party
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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON STATUTORY REGULATIONS AND ORDERS
Thursday, 17 July, 1980

Time — 8:00 p.m.

CHAIRMAN — Mr. Warren Steen (Crescentwood).

MR. CHAIRMAN: Can the committee come to order, please? To members of the committee and to the general public, earlier this afternoon I read through the prepared list that the Clerk's office had compiled as to persons that were interested in making representation to this committee regarding Bill 83. It was agreed upon by the committee with the encouragement of Mr. Jorgenson that we should have an evening sitting and hearing this evening to allow any persons that had their name on the list but were not able to be present either this afternoon, or last evening, or yesterday afternoon, to be given another opportunity to make a presentation.

I have a list that shows 81 names, of which approximately 20 to 25 persons have made representation to the committee. What I will do is I will go through the names again and if there are persons present who are not on the list, I would ask you if you would let the Clerk know, through the lady at the back of the room, your name and the fact that you would like to make representation and she can bring the name forward to the Clerk. The first name on the prepared list of persons who were called once that have not been in a position to make representation or haven't been present, and I will go through them again.

Hilda Peiluck; is Hilda Peiluck available and present? Tom Wojcikowski, Tom Wojcikowski.

Janet Paxton. Janet Paxton, would you like to make representation to the committee? Please come forward.

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

MRS. JANET PAXTON: Good evening, and I thank you for the opportunity to speak out on behalf of just the ordinary working person, which I am, in Manitoba in reaction to the bill. The bill to release landlords from rental controls is ill-timed and made with little consideration for the situation of many Manitobans in the present inflationary times. While those people who rent magnificent new high-rise apartments offering luxuries beyond the average worker's dreams may be able to survive an increase in rental costs, there is a large mass of population who live in one, two, maybe three-bedroom apartments who cannot contemplate how they will manage a further increase in their rent right now.

This bill was made without regard to the majority of renters. Just take a walk down Edmonton Street perhaps and I could give you the number of a house where some pensioners and people who are unemployed live. I met one of them, I took her home with me for Christmas dinner several times, and this one little lady can tell what a big occasion it was for

that bunch of renters, to put their extra money together one time and buy a big chicken. Now, what will happen to them when their landlord, without a doubt, raises their rent at least 10, 20, 30.00 a month? What will happen is that pensioners, who even now live at a level which does not always allow them to get really decent nourishment, and everyone knows it but ignores the fact, will become even more malnourished; they will become ill more frequently; they will require hospitalization more often; they will not sacrifice their privacy and independence which is so precious to the elderly.

Many of them do not wish to live with their children; they do not wish to be treated as less than fully-functioning adults. They are the labourers of yesterday who contributed to the wealth of the very people, or their descendants, who are now their landlords indirectly in many cases. You still are asking them to pay for the excessive riches of those who look, not with compassion, at pensioners in rooming houses, but with dollar bills ringing up in their eyes.

The Arbitration Board you propose is no guarantee of protection for these pensioners. Who will the arbitrators be? Will they be brothers, nephews, golfing buddies of landlords or will they be completely fair and far removed from personal contact with those who rent decontrols will benefit? We don't know whose going to make the decisions . . . the citizens of Manitoba.

Another category of persons who will be heard by this release of rental controls are those person living alone. Read the newspaper some time and you will see particularly, for one example, in Office Help Wanted, do you ever read the salaries that the workers in Manitoba get? One is 750.00 a month for a secretary with experience. Now, if it was a young lady who came into the city because there's no work in her rural area, and that's the case in most rural areas, the young people must come in the city in order to find a job; she's going to have to rent a place in the city in order to hold down that job. We will say she pays 200.00 a month for rent. When one considers her tiny take-home pay, less deductions, it does not leave her very much to live on.

People are charging their lives away right now in order to make ends meet. She always has the option of putting an ad in the paper for a stranger to share the apartment or ask a girl friend to share the tiny suite with her. How many of you gentlemen sitting here would like to go home after a hard day's work and find that you have as much privacy as if you were living in a goldfish bowl? The friend has friends and you never know if you dare sit in your own living room in a housecoat, in case someone you've never seen in your life before appears on the doorstep.

Sharing an apartment's cost is going to be the only answer now for people living alone if rental controls are lifted. The quality of life is going down rapidly under the present Manitoba government and will go down even more if this bill is passed.

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Another group who will be affected is the young, married people who may now be crammed into dilapidated suites they are scratching to afford right now. While the high-income people have to cut back a bit on their trips to Hawaii when the rents go up, these average Manitoban young couples — and they are the majority of Manitobans — just starting out with a family will have to cut back on milk for the children. It will go down to five quarts a week instead of seven, maybe, for three small children. That's the way people do live. It is going to hit them very hard. They see right now where they don't have a hope to ever own a home of their own. The increased rates will ensure they will never be able to put away even 20 a month towards a down payment on a house of their own. It is not meant to be utopia for everyone, everyone has problems but continued and increased rises in the cost of living, like a tunnel narrowing and in front of people with no end in sight, creates feelings of frustration and anger, particularly if the landlord happens to be someone who bought and paid for the block for a song many years ago and has earned the price of the initial investment 20 times over and now hopes to increase it by another 40 percent. All landlords are not greedy and I, fortunately, have one of those kind. I think that he's extremely fair and reasonable, but I am thinking of some families I have seen crammed into disreputable old apartment suites, which is so far removed from what one would consider gracious living, and because of their young children, they have no hope of getting into a better place where they are accepted and the price is within their means.

I once said that it seemed to me that nobody should be allowed to sit in the provincial or federal Cabinet until they served a training period. Just as all new employees are indoctrinated into their specific jobs, there is something required in the education of those who wield such power and affect other people's lives with their decisions, besides the goodwill of the people who elected them. Too often, we have people elected who do not know the meaning of the word, poor, deprived, or they have forgotten it by the time they reach the point where they are elected into government. Perhaps I may be wrong, but I mean the real kind of poverty you see in the core area. I believe before an MLA or Cabinet Minister takes his seat in Legislature, he should have a three-month period of living at the poverty level. He should be whisked away to another city, given a welfare allowance and be put on his or her honour not to ask friends or relatives for help and then be asked to find a suite, get his furniture and move it in, etc. It would be a nice and realistic touch to throw in two or three small children while you're at it. Perhaps we would have a startling new realization and compassion on the part of our governments of the life of the ordinary working person. Even working people who are not on welfare have periods where they cannot find work and might as well be welfare recipients when one considers the total yearly income.

I wrote the former Premier, Joe Clark, when he was elected in office a short time. I wished him well and I thought he was a very intelligent young man and very personable, but I pointed out there was one thing he seemed to be lacking and that was he did not know the condition of the average Canadian's

pocketbook. And I said, at the rate you are going, your government will voted out in a landslide. Right now may I make the same comment to the provincial government here: You do not realize the average Canadian worker's pocketbook. We just can't give any more and if we can't buy anything on pay day, then the businessman can't sell anything, and we're all going to go down the drain together. I would ask that if you pass this bill, you subsidize everybody, everybody in the province that's at a low or even moderately low income with what you're going to allow the landlords to charge them. There has to be some relief for the people or we'll all be leaving Manitoba very shortly.

Thank you, gentlemen.

MR. CHAIRMAN: To Janet Paxton, as I do to all other persons who appear as a delegate, I ask you the question, would you permit questions if members from the committee have questions?

MRS. PAXTON: Yes, I would.

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

Mr. McKenzie.

MR. McKENZIE: Is it Mrs. Paxton we're speaking to? Is your name Mrs. Paxton?

MRS. PAXTON: Yes.

MR. McKENZIE: Would you be alarmed if I told you some of the people around this table lived through the Dirty 30's?

MRS. PAXTON: I'm sure you did, but I'm sure you've forgotten.

MR. McKENZIE: Well, I'll never forget it. May I ask another question? Are these problems that you're telling us about, in existence, and have been for some time?

MRS. PAXTON: It's getting worse. In fact, when I was driving down here on the way downtown, remembered when I was a much younger lady, about 20 years ago, driving downtown and everybody always looked dressed up and nice and sharp in Winnipeg, and everybody looks poverty stricker when I'm driving down the street now. There is an air of poverty about the public of Manitoba and the people I listen to, they are poor. At one time, you could get paid and say, this pay day I think I'm going to buy some curtains, drapes for the house, and next pay day maybe I'm going to get a new bedspread. You can't do that now. All you hope for is enough to pay your bills. And I'm not unusual; I'm just like everybody else. I think I'm an average Canadian person, average worker, I've worked hard all my life I can't get anywhere. I can't bank any money; I can't do anything. Of course, I'm a woman and we always were traditionally low paid. Maybe if I'd been a man my salary would be better by now. But the point is that everybody I'm talking to, who is working, say they have nothing left over on payday. What are they going to do when you let the landlords charge even more for rents?

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And is there any way of controlling the percentage of profit the landlords make? Some of these buildings they paid for 20 years ago at a very low price, and they have made the money over and over and over again. Why do they have to have more money? I really don't understand it.

MR. McKENZIE: Are you aware of the SAFER Program?

MRS. PAXTON: No, I am not, I'm sorry. I vaguely remember the name but I have been away from Winnipeg for about a year. When did this SAFER happen?

MR. McKENZIE: I was wondering, this bill that we are dealing with hasn't been passed; it's not passed yet, but those problems that you relate are very very interesting. Inflation has caused, as you and I well understand, a lot of problems and I am very interested in your comments.

MRS. PAXTON: May I speak? It's embarrassing but sometimes unless you relate it personally, people don't know what you are talking about. I know my mother was very ill in Vancouver. She had cancer. She had a heart attack and the doctors didn't feel that she could be told how serious her disease was and he said, she'll never get out of the hospital, but she made her social worker there pay her rent for three months. They did it to humour her, even knowing she wasn't getting out, but she fooled them all and she got out, and she wanted to stay in her suite, in a third floor suite, on a stretcher. She made them take her home. I phoned the hospital and I thought they were out of their minds to release her, and they said that was her wish. She was happy. She was contented. She cost the hospital system a lot less in her home than she did in the hospital and somehow or other this is what you have to recognize; older people, even if it's a dump in your eyes, will love their own home. If you make it impossible for them to live in it with this rental increase, you are going to have such enormous government costs supporting them in hospitals and private care homes that by giving the landlords a profit you are going to put more and more taxes on all of us, because a lot of these are old people in these houses that you are really . . . That's where one concern is.

The other concern is I have a family, I have children, and I have seen a young son with a family starting out and working like crazy to give them a decent apartment. The rates were terribly high. They had very little left over and gradually, little by little, things are getting better, but there are other young kids getting married and they can't afford to live. They can't afford to feed their kids properly. These are the people that are in all these apartment blocks along Sargent, Ellice, Notre Dame, not the high rises. These people have the money to bear the stretch but the average worker does not. How are you going to protect them, and how are you going to get the businessmen business if they can't buy anything they are selling?

MR. McKENZIE: Have you read the bill?

MRS. PAXTON: I haven't read it all. I have heard enough of it.

MR. McKENZIE: How much is your rent going up?

MRS. PAXTON: My rent, so far I haven't heard a word, and I am not complaining about my own personal landlord. At the moment, I am sharing a suite with my daughter because I have just newly come back to the city, till I find the appropriate place. But my landlord, I haven't heard a word. It's her landlord actually and she says he has always been very reasonable, but there's not too many that are like that.

MR. CHAIRMAN: To the members of the committee, are there any other questions to Mrs. Paxton? Seeing none, thank you very kindly.

MRS. PAXTON: Thank you.

MR. CHAIRMAN: M. Dolin, representing Clinic. Grant Wichenko. Yetta Gold, Executive Director, Age and Opportunity Centre; is Yetta Gold from the Age and Opportunity Centre available? Judy Hannibal. Val Stubbs. Ben Berkal. Edith McKay.

Arni Peltz. Mr. Peltz, before you start into your presentation could you tell us whether you are here representing a group or are you here as a private citizen?

MR. ARNI PELTZ: Mr. Chairman, I'm the President of the Legal Aid Lawyers Association, and I come here in that capacity and also as a staff lawyer of the Legal Aid Plan in Manitoba, but I should caution that our association hasn't taken a formal position or developed a brief. I am confident that our members are concerned about this but I don't purport to speak on behalf of them. This hasn't been passed as a resolution or a brief and, in that sense, I would say it's a private submission.

Mr. Chairman, just one comment before beginning, I wanted to say to the committee and to all the members that from the point of view of reacting to legislation of this type and in particular for members of my association, lawyers practising in the province, we find that having this kind of legislation come up during Speed-up causes grave problems. I think that wherever you stand on any of this legislation, certainly it's very difficult to find the time and to make a considered opinion which might be of assistance to this committee when bills are coming out fast and furious and when the committee and the House are sitting around the clock, just about, it makes it very difficult. Nevertheless, I do have some comments which I hope are helpful.

I have noticed almost all of the briefs thus far and the statements made to your committee have concerned rent controls and that's properly so, rent controls or the removal of rent controls, and I have some comments on that as well, but there is something else or a number of other things in this bill which I would like to speak about for a few minutes; Section 33 of the bill and in particular the part dealing with the new Section 121. So far there has been a great deal of talk about the rent arbitration system and whether it is adequate or inadequate. I will make some comments in a minute

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but I think it's been overlooked that this bill makes quite a drastic change in the law governing landlords and tenants, not with respect to rent but with respect to their everyday dealings, the kinds of disputes that come up over damages, over nuisance or noise, over whether a tenancy is terminated or not, does the tenant have to move out, the whole range of everyday problems that the Rentalsman and his staff are dealing with now.

What the bill before you says is that the Rentalsman is going to be given a great deal more power. At the moment he is somewhat restricted but under this bill, under Section 103(9), the new section, the Rentalsman is going to be able to deal with questions of continued possession of a premises; arrears of rent compensation where a tenant overstays; damages where it's alleged that there's been damage to a suite. Now there is a proviso not to deal with these if they are deemed to be too serious or if court action is started, but in the general scheme of things, the Rentalsman will be dealing with all these subjects which now are going into our courts. If he can't resolve them between the parties, then this Act says that it must go to the arbitrator. The arbitrator is the new creature that's created by this bill and, as the previous speaker said, we don't know who the arbitrator and his staff are going to be. The arbitrator has jurisdiction to deal with these questions, which are crucial questions for landlords and tenants, unless one of the parties takes the initiative and files a notice of objection within seven days of the referral to the arbitrator. If that's not done then the arbitrator basically is in the position of a court, that is, he is doing the things that our courts are doing right now, and that specifically is the County Court. Once an order is made, that order can, in fact, be filed and enforced, just as any other court order, and the Act before you says that there is no appeal from the order that the arbitrator might make.

The crucial difference that arises from this, Mr. Chairman and members, is that what we will see in this province, if this part of the bills, which hasn't been much discussed, goes through, is we will see tenants being evicted without the benefit and without due process in a court of law. That, I suggest, is something that both sides of this committee ought to look at very carefully, and I know that it hasn't received much attention thus far.

Aside from all the other things which concern me about this particular change, I would point out to you that there is a potential constitutional problem with this section. I know that this kind of an amendment has been made in numerous other jurisdictions and I can tell you that it has been much litigated. I am not going to give you an opinion on it. I think there is a problem. I hope the committee is aware of it and I hope the committee is confident about the constitutionality of this change whereby the arbitrator will be exercising powers clearly being exercised every day now by judges of the County Courts.

I will tell you that similar legislation in the province of Ontario was referred by the Government of Ontario to the Court of Appeal on a constitutional reference and that the Ontario Court of Appeal very recently struck down that legislation and that similarly, the Court of Appeal for Alberta struck down that kind of legislation. In the province of

British Columbia, similar legislation was before the courts and the B.C. Supreme Court struck it down; the B.C. Court of Appeal overturned that and said it was okay. This is very contentious stuff, I am saying, and I draw it to your attention; I suggest to you that there may well be a problem here.

The Manitoba situation is a little different, I suppose, because you can get out of the arbitrator's jurisdiction if you want to, that is, you can file a notice of objection. If you don't take the initiative and file it, then you are stuck with the arbitrator. In other words, you don't actively consent to him handling your case, but passive acquiescence puts you in his jurisdiction and his hold.

Again, there is a problem there. It is not clear to me whether that's enough to give jurisdiction or whether that is enough to distinguish this from straight consent arbitration. There is no question that this Legislature can legislate so that people can agree on a person who will decide their rights; no constitutional problem there. But, in essence, what you have here is a system where people have to object and say no, otherwise they are stuck in the system and if that amounts to forcing people into the system, and to some extent it does, then it may well be that this section is unconstitutional.

As I say, I don't give an opinion; I'm not sure of the answer. I would note this, though; when similar legislation in Ontario came forward, legislation that gave the Rentals Commission the power to evict tenants, that provision was fought desperately and vigorously by tenants and their organizations in Ontario, particularly the Metro Federation of Tenants, and they were represented in the Court of Appeal and argued successfully against that legislation.

I would like to make a few comments, because I think that Manitoba tenants ought to have the same concerns that the Ontario tenants did, facing the possibility of an arbitrator appointed by the Cabinet, making decisions about tenants and their rights. But first of all, I would like to ask this of all the members of the committee: What is the rationale for introducing this arbitrator into the landlord and tenant system and, in effect, adding another layer of bureaucracy to the system? At the moment, you have got a Rentalsman; he tries to mediate; if he can't, it can always go to the courts and, of course, it frequently does.

A host of problems and cases are solved by the Rentalsman and that's good, no one can quarrel with that, but why are we adding another layer of bureaucracy? I can't see it. I don't see the courts clogged with these cases. That's sometimes a reason for taking jurisdiction away from the courts. I don't see that the court process is unsuited to dealing with these particular appeals. They are done summarily, they are done quickly and, in my experience, they are done fairly by the County Court judges.

I haven't heard complaints from any side, or at any time, so I seriously wonder why we are going to get this arbitrator deciding landlord and tenant cases in Manitoba.

I will tell you what some of the concerns are, from the tenant's perspective, about the provincially-appointed arbitrator. First of all, he is provincially appointed, he is a political appointee, according to the Act, and I suggest that his independence or her independence is going to be considerably less than

ir judges. Of course, one might say the judges are so political appointees, and one can't deny that, it the fact is that the appointment of the judges by the federal government at least provides them with a measure of security, an immunity from the day-to-day pressures that may otherwise arise, and I think that that's the experience of most lawyers. Whatever these judges may do, some may say they are rogant, some may say they are lazy, some may say they are competent and well-meaning, but at least they are independent and they generally act as such. Will that be the same for the arbitrator appointed by the provincial government, presumably a Civil Service appointment? There is a lack of distance here, which I think is very disconcerting and not really appropriate to a judicial office and, let's not make any bones about it, this is a judicial office.

Will the person or persons have legal training? Judges do, and that's valuable; from the point of view of tenants, that's important. Will the procedural protections that apply for tenants and landlords, but particular for tenants, in the County Courts, still apply in proceedings before the arbitrator? What will be the procedure before the arbitrator? He is bound under this Act to set his procedure. I can't say what it will be. I think it has got to be fair, according to the common law, but he is allowed to make regulations and we don't know what they will be? Will he apply precedent, will he apply law, or will he apply policy?

This kind of legislation in other provinces, Mr. Chairman, has basically allowed arbitrators or rents commissions, or whatever you like to call them, to be freed from what is supposed to be the rigors of the application of law and precedent. Well, I guess there's some benefits to that but, on the other hand, from the tenant's point of view, there is also a benefit to having the law applied, procedural and substantive.

The arbitrator is protected by this bill from appeal; there is no appeal from the decision of the arbitrator. I would point out to you that in a similar situation, a tenant now appearing before a County Court judge, does have a right of appeal, if he should choose to take it, on facts or law, to the Court of Appeal; that if this bill is enacted and tenants have their cases heard and decided by the arbitrator, the only thing that will be open to them will be to attempt to quash a decision they don't like, and that could only be on jurisdictional grounds, technical arguments, not on the merits. So, for example, you have the spectre of an arbitrator hearing a case, hearing all kinds of evidence and making a decision which either party might disagree with and unless he has made some sort of a jurisdictional or a technical or a procedural error, that's it. At the moment, the decision could be appealed and reviewed in the Manitoba Court of Appeal. So the rights are restricted, and from the point of view of the tenants, I would suggest that that's a matter for concern.

I also wonder whether people are going to appreciate the consequences of this decision. They are going to get a form from the Rentalsman saying, "you may object," but are they going to understand what it means? Are they going to understand that losing their forum may decide how their cases are, or at least may decide what kind of a hearing they get, what kind of appeal rights they have, and

so on. I wonder whether people will understand that or whether they will even understand, in many cases, that they have a right to object. Again, there are concerns there; it appears to me that basically this is going to take away most of the cases from the courts and put them in the hands of the provincial arbitrator.

As I said, I am at a loss to understand why this particular change is in here. It is going to affect a great number of cases and a great many landlords and tenants. I have some suspicions and at the risk of being cross-examined on my suspicions, I will give you some of them.

In my experience, the County Court is a fair court for these hearings and it's quite fair to the tenants insofar as provision of counsel for tenants and following procedural safeguards. I know, from my experience, that landlords are often very upset about the fact that the County Court is scrupulously fair. I know that landlords are often upset that time limits are forced upon them, that is, they have to adhere to them carefully, that documents can be thrown out if they are not in accordance with the Act. I know that's very annoying. I know it costs landlords sometimes dearly because their lawyers, not being completely careful in the preparation of their cases, sometimes have to go back a couple of times in order to get an eviction. Those are the complaints. I don't think that they really have any merit in the sense that one ought to throw out the court system, which is basically what this amendment proposes to do.

I know from some experiences I have had, and I'm aware of an equivalent situation, welfare cases, the Social Services Advisory Committee, which hears a great many appeals in this province, that it does not bode well when you replace a court by a board. In this sense, there has been somewhat of a problem in obtaining for appellants before the Welfare Appeal Board, the Community of Social Services Committee, the right to counsel, and in the past year there have been several requests made directly to the head of that committee to provide a notice to people who are appearing there that they may have legal counsel, and the result of those submissions to the committee have been absolute refusal. So welfare recipients who have appeals and do have a right to counsel are not being advised of that.

I'm wondering whether the result of taking these tenants cases out of the courts, putting them before a board, with its informality, is going to result in the same thing. Certainly it is going to be difficult to police.

There's a question also, I think, of time. My reading of this amendment is that, intentionally or otherwise, it's probably going to speed up evictions. At the moment there are some fairly carefully drafted time limits and it's just not possible, under The Landlord and Tenant Act, right now, to summarily throw a tenant out of his suite, even if he ought to be thrown out. The reason that that can't be done is that there has to be some provision for a fair process for tenants to look at the material alleged against you — if the landlord alleges something against you — a chance to prepare for it and walk into court able to answer the case against you. That's why it takes a little bit of time to throw a tenant out, and I know that landlords are upset

about that period of time. I fear that the result of the appointment of the arbitrator will be things are more informal, things are more slipshod and things are faster, and I don't think that's in the tenant's interest, although it may be in the landlord's interest.

In any event, that's what I have to say about the provincial arbitrator. I would ask the members of this committee to give some thought to it at some point before the bill is passed on, because there is a possible constitutional problem and there are a number of procedural problems and a number of problems of fairness and certainly, what you have heard relates mainly to rent controls, and that's a burning issue. After that issue is decided, Manitoba landlords and tenants are going to be stuck with the arbitrator system for probably some time and a great many cases are going to be decided under the arbitrator system on a day-to-day basis, so I think it deserves some attention.

I have a few comments about other provisions and then I want to talk about the rent review.

Section 26 of the bill, which eliminates the one rent increase per year rule, I think has to be mentioned. Again, in looking over this bill, I have tried to imagine what the rationale would be for some of these changes. Again, with Section 26, on the one rent increase, I fail in any way to see a rationale for this particular change. A landlord, to my understanding, is always able to recover his legitimate expenses. When we had the rent control system, of course it was on an annual basis; that's usually the way business is done. Now that we don't have, or may not have rent controls, obviously the landlord is a lot freer to recover cost increases.

Where is the need for a landlord to charge increased rents two, three, four times a year? I haven't yet heard a rationale for that. If there is no pressing need for it, I think one ought to look at what the effect is going to be, and I suggest to you that the effect of this is going to be to encourage landlords to use it; it's there, they are going to use it. Maybe it will only be 10.00 or 15.00 a crack. I think the landlord is going to say to himself, "Well, I've got the opportunity, because the tenant is departing, so why not use it?" It is also going to encourage or facilitate excessive rent increases because they will be available as well; in other words, facilitate rent gouging.

There is no real need for it. On the other hand, it opens up a real can of worms and possible abuses and I think that you should consider it, and consider striking it completely from this bill.

In particular, I would say this is a problem for the clients of Legal Aid, because they are the low-income clients. They tend to be involved in a greater turnover of suites and they are the ones who have to live in the suites. They will be subject to frequent rent increases if this particular provision is passed.

Section 24 of this bill I find equally incomprehensible. This is the section, Mr. Chairman and members, which allows another exception for school-aged children and their families to be evicted from their homes and the exception created, of course, is where there is a condominium conversion. I know you have heard a great deal already about condominium conversions. I suppose there is a great deal of argument that could be made about the respect of rights of condominium owners versus

tenants and I don't propose to go over that ground. But I would say this to you, when it comes to children and their education and their interests in having a stable home life, why on earth does that have to take the back seat to the rights of business people and the development of condominiums.

The scheme of the Act right now is that during the school year, if a family has school-aged children and they are not in default of any of their obligations, they can stay. There may be legitimate reasons why the landlord needs the suite and, if so, at the end of the school year that family can be removed, and this happens all the time. This particular section says even though there is no fault involved here, the tenant hasn't caused damage or failed to pay rent or anything of that sort, but nevertheless because there is a condominium conversion about to happen the school-aged children can be evicted from the premises and I, for the life of me, can't I understand that. I fail to see what kind of a rational policy could put forward this kind of an amendment. It's completely inconsistent with the tenor of the Act and I would suggest that it's something that should not be supported by members on either side of this house. Condominium owners have to do a great deal of planning, sometimes renovations and so on, before they can make the changeover and there is no reason in the world why they can't wait until the end of the school year to have school-aged children move from the suites they have been living in with their families.

Dealing with the rent control and the rent arbitration sections of this bill, I would like to direct my comments to the effect that I see these provisions having on our clients. Our clients of course are, many of them at least, on assistance. Many of them are in the working poor, pensioners on disability pensions and so on. When the tenant is on welfare, of course one assumes that there is no effect if rents are rising. One assumes that and it is often true but I would point out to you, and I am not sure if you are aware of it, that in many cases you have a situation where welfare recipients are not receiving from the department the full cost of shelter. For one reason or another the department may not be prepared to pay the full cost of their rent. I have seen many cases of it in my practice and the result of that is that the tenant either moves or the tenant takes the money, the 10 or 20 a month that's short, takes it out of their food allowance or the clothing allowance or other allowance and applies it to the rent. In that sense, I see this removal of rent controls hurting even the welfare recipients, even though one might have thought that they at least would have been immunized from this situation.

As far as the working poor, as far as people on pension and so on, they are going to be the hardest hit by the removal of rent controls and many of them have been before you already with personal testimonials, I know, and I can only say that from experience and experience our lawyers have with tenants of this type, there is going to be severe hardships. Does the rent arbitrations system, which is proposed by this bill, relieve any of those hardships? Again, there has been quite a bit of comment on this and I would like to tell you that, from our point of view at least and from my point of view as a lawyer, I see this scheme as nothing short

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of a nightmare, completely ineffectual, and I am rather amazed that something as awkward and inworkable as this could be put forward. Simply the amount of time that it's going to take to work through this whole process, beginning with the Minister's directing of a report and coming back to him, and then bouncing back a third time to an arbitrator, who then has to begin convening hearings and on and on and on until there is a decision, then subject to review, presumably by landlords or landlord groups who have a great number of units and for whom it's financially advantageous to go into the courts and fight over rent increases. That's been the experience in the past, at least.

From the tenants point of view of course this basically gives the tenant no protection and many other speakers have told you that. I question just on a legal basis whether single cases are covered by his legislation. I think it would be hard to explain to a tenant with a small landlord perhaps, facing an exorbitant rent increase, why this section doesn't cover particular cases but only is directed at classes or groups of cases. If the committee feels that it does cover single cases then I think it should explicitly say that. It doesn't appear to say that right now.

Basically the scheme of these arbitration provisions is to encourage mobility; that is let the marketplace rule, if people don't like it they can move. For the low income tenants at least, I would remind you that they are already plagued by the problem of mobility; having to live in places that are in disrepair; having a lot of social and personal problems. Transiency or mobility is the bane of many people's existence and this legislation only makes it worse; it says move again, and I don't think that's adequate.

I haven't seen amendments. I don't know if amendments have been brought forward but from reading in the paper some of the proposals to ameliorate the shortcomings of the arbitration system, they basically fall in line with the same philosophy: Let the tenant move. That philosophy, I would suggest to you, is reprehensible. It goes against the whole scheme of this legislation, the whole reform tenor of this legislation as we've had it or the last ten years which is, I would suggest, to create some security of tenure for tenants in this province. I think that other speakers have alluded to that. I would like to say a few things about the concept of security of tenure because until we had this legislation in 1970, there basically was no such thing in the province of Manitoba and we were governed by the common law. The common law was basically the law of the jungle in that property rights ruled supreme and as far as the tenant's right to have a home in rented premises and be secure here, it basically didn't exist.

That's not an ideological statement, Mr. Chairman, it's just a statement of law. They taught it to me at law school and it appears to have been the law in Manitoba until 1970 or 1971 when this bill was first passed. Of course that Act in 1970 made a lot of other changes and at least one can say this about the bill before you, those things haven't been eliminated yet. Before 1970 there was distress. That's goods could be seized by the landlord. There was no procedural protection on evictions. The landlord

had no duty to repair. A tenant had to pay rent no matter what the state of the premises was. While we haven't touched those things yet, but security of tenure, I would say, is in grave danger as a result of this bill.

Section 103(4) of the Act is the section that basically gives tenants these rights at the present time and it dates from around 1975 and a bit earlier with previous versions. This security of tenure, the right to stay basically unless the landlord needed it for his own use or the tenant was in default, I think is a principle that would be hard to quarrel with. It became firmed up in around 1975, except for one gaping hole, and the gaping hole in security of tenure for tenants was that the landlord always had the option of raising the rent an exorbitant amount so that the tenant basically could not afford to stay in the premises.

There is a long list in The Landlord and Tenant Act of protections and of specified things that the landlord has to meet if he wishes to get the tenant out. As I say, the tenant basically is allowed to stay, and that was fine except that the landlord could always pull out his trump card and say well, I'd love to have you stay, it's not that I'm trying to meet any of the exceptions in this legislation. I don't need it for myself; I don't need to repair or demolish, but the rent is going up from 100 a month to 400 a month — I would love to have you.

That was a gaping hole in the legislation. It was available, and I'm not saying it was used generally but I know that in some cases it was used, and there was basically no answer to that, notwithstanding the pious proclamations in the Act that every tenant had the right to security of tenure.

Of course, the interesting thing is that right about that time, in 1976, we had rent controls come in and so, for the last number of years in this province, tenants have had effective security of tenure. They have had the provisions of this Act and the landlord's one escape clause, if you like, was closed off. He was limited to 10 percent or 7 percent or 6 percent, or a cost-pass-through, but he was carefully limited to what, hopefully at least, were reasonable increases.

What is happening now, of course, is that this bill removes that protection and the result of that is that many people are coming before you and it is hitting them right between the eyes. They don't have security of tenure anymore. That, I would suggest, flies directly in the face of the whole spirit of this legislation. It flies in the face of all of the reforms that were made and which, I am sure, both sides of this committee would agree were necessary reforms when they were made in the early Seventies.

Basically, what it has come down is that the unreasonable rent increase is now a weapon available to the landlord again and the tenant is pretty well defenceless against that weapon.

You have heard the complaints about condominium conversions. It will apply in any case, not just condominium conversions, and security of tenure may amount to a dead letter if you pass this bill in the present form.

I wanted to make one last comment, because I'm not sure how many members of the committee would be aware of it, but even the right to security of tenure, as it exists, or as it may exist after this bill, is

substantially watered down for public housing tenants, many of whom are clients of Legal Aid. To my great surprise, in a case which I was involved in late in 1979, none of the security of tenure provisions apply to public housing tenants. The public housing authority, if it wishes, may simply say, "We wish you to go. We don't say that you have caused any damage; we don't say you have caused a nuisance; we don't say you haven't paid your rent. We don't say any of those things, we just want you to go, so go." That, essentially, is what happened in a case which I handled in 1979. I was astonished. I thought I knew this Act fairly well, but when I looked at it carefully, it turned out that in fact that was the case. If you would like the particular section, I'll point it out to you. It is 103(4)(g), which makes all public housing an exception in the security of tenure section.

The particular case I handled involved this situation: There was a dispute, I think a personality clash, between my client, the tenant, and the local manager of that particular set of buildings. My client was perceived as being some sort of a trouble-maker, or an organizer, or at least defiant to the regulations and rules that were being passed. But in court, counsel for the housing authority, the landlord, did not make any allegation of any wrongdoing or any breach of any kind. The lawyer for the Winnipeg Regional Housing simply said, "Public housing tenants do not have security of tenure and we have given her a notice to quit, therefore she must go out." The Chief Country Court Judge looked at the section; he said, "That's what it says. There is no option, I have to agree with you."

I am happy to say, in that particular case, that because the case came up right at the end of August and upon the last adjournment of the case for argument in front of the judge, it turned out to be the school year, so the school year defence came up and that tenant, in fact, lived in those premises for the entire 1979-80 school year and then at the end of the school year, voluntarily departed and is in a new place. No allegation that she had done anything wrong, or her children, but security of tenure didn't apply to her.

So from the point of view of our clients, this right, which should be the law in Manitoba, is limited enough and the idea that it might be diluted or demolished by this legislation, again, I find reprehensible, and I hope you will reconsider. Thank you.

MR. CHAIRMAN: Mr. Peltz, as I ask all persons, would you permit questions from members of the committee?

MR. PELTZ: Certainly.

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

Mr. Parasiuk.

MR. WILSON PARASIUK: Mr. Peltz, I was asking Mr. Savino whether in fact Legal Aid provides legal assistance to people who get involved in disputes with landlords.

MR. PELTZ: Yes, definitely.

MR. PARASIUK: With respect to the Rent Control Board, with respect to rent increases?

MR. PELTZ: Yes, I think we have had a number of cases involving the former Rent Stabilization Act and also, of course, we are frequently involved in evictions.

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

MR. BOB WILSON: I was just going over something in my mind. Would you consider the period since — what was it, July, 1975, when controls first came in? — you repeated the date, did you find in your experience in dealing with the cases that you had under the Landlord and Tenant, that the guidelines set by the government, the maximum guidelines became the actual amount that was generally across the board implemented? In other words, 10 percent, 9 percent, I believe, 1978 to 1979 it was 6 percent, and the last one was, I don't know, 5.5 or 4.5; did you find that if the rent control section said 9 percent, that landlords generally increased it 9 percent?

MR. PELTZ: I don't think that I had enough cases to be able to answer that insofar as I have done landlord and tenant cases. More of them have been under The Landlord and Tenant Act and not under the rent review provisions. But I think that the point you are getting at is that you can quickly have a floor and that that might set 9 percent as a maximum and it quickly becomes the minimum. Of course, I guess the short answer to that is that if you are going to have rent control, you can simply make it cost-pass-through, if the cost can be justified; no increase is automatic but anything that can be justified by a landlord can be spoken to in front of a regulatory board.

MR. WILSON: Maybe the comment that I am making is when the rent control said you must not increase the rent more than 10 percent, it seems if we didn't have this arbitration section, that if we took the word of Mr. Silverman and his group that rents wouldn't go up more than 10 or 15 percent, you are suggesting that we have to have some mechanism — of course, you are objecting to controls coming off — but in lieu of the fact that we go with an arbitration system, you feel that the courts would deal with it more fairly than sort of a Rentalsman-type, sort of bureaucratic setup. Is that what you are suggesting?

MR. PELTZ: The comments I made at the beginning were about the, call it the general arbitration sections, damage to premises, arrears of rent, all those kinds of nitty-gritty day-to-day conflicts between landlords and tenants. I said that the bill proposes to basically put those in the hands of an arbitrator rather than the courts. As I read the bill, it is intended that rent increases or disputes over rent increases be handled through the other route. At least, that's what the legislation says. I suppose there could always be mediation of a rent dispute under the first section, but obviously the basic intent of that section is to deal with the day-to-day disputes.

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When the Rentalsman can't resolve them, the choices are they go to the County Court or they go to an arbitrator. I am trying to point out some of the potential flaws that an arbitrator system, appointed by the province, has for the day-to-day landlord and tenant problems. That's entirely aside from the rent control mess.

MR. WILSON: Lastly then, I wondered, I was of the opinion if a single case of a person renting a home as dissatisfied with the rental increase, that they could be able to arbitration method. You are suggesting in a comment you made that the Act doesn't clearly state that single cases will be able to use the arbitration method. Is that what you suggested?

MR. PELTZ: Yes, because if you read Section 20(7), it says that where a monitoring report indicates the rent increases — in the plural — in any part of the province or in certain types of premises where being charged by a certain landlord or classes of landlords are excessive and choice is limited — all the other caveats that go onto this section — then an arbitrator should be appointed.

If I was representing a landlord and a tenant complaint, then I think I would have a pretty good argument on behalf of that landlord.

MR. WILSON: All right, thank you.

MR. CHAIRMAN: Any further questions? Seeing one, thank you very kindly, Mr. Peltz.

Ralph Gutkin. Mary Guilbeault.

Ernest Shapiro. Mr. Shapiro, I understand you have a brief, which is distributed?

MR. ERNEST SHAPIRO: I do.

MR. CHAIRMAN: Are you representing a group or are you representing yourself, as a private citizen?

MR. SHAPIRO: I come here as a private citizen. I should state that I have no interests in any real estate, nor am I a tenant. So that you will understand my motive in coming here, I served for three years as a member of the Rent Review Board and it's rather natural that I should follow with interest the demolition of the board and the substitute legislation. I would like to speak to only a few matters that I think have not yet been addressed in the briefs presented so far.

Before I proceed, Mr. Chairman, I did want to take a moment to mention the extremely courteous and helpful actions of the staff at the Clerk's office in getting me here. I am really grateful for it.

MR. CHAIRMAN: On that very point, I might point out to you and others in attendance that when we broke off this afternoon, at the point where we had no other persons who were on the list that were present who wished to make representation, the Clerk's office made an attempt by trying to phone each and every person on the list and, in some cases, made double call-backs. So they have done, as you say, an excellent job.

MR. SHAPIRO: And I appreciate it.

Mr. Chairman, one of the assumptions that seems to underlie all of the arguments about removing rent controls is that we should put homes out on the free and open market as if homes are shares or potatoes or clothing. You have heard from much more eloquent people than me, rather passionately at times, stories about how they regard their homes. I am sure, were this legislation about furniture, stamp collections or pots and pans, not only the intensity of the argument but the very nature of the argument would change. People don't regard homes as services or goods. Our home has a place in our lives that is unique. When it is threatened, our very existence is threatened. When I heard Dr. Conway and Miss Carson the other night, their passion gave me a whole lot more understanding of what a home consists of than any reasoned argument I could make to you.

But I have to assert, as well as I can, in as detached a way as I usually do, that the notion of a home as merchandise, as a commodity on the market, must be tempered with a much more humane approach to what it is we are passing legislation about.

The second assumption that's made that I seriously question is the so-called marketplace into which we are going to throw the 50 to 100,000 suites in Manitoba. To me a marketplace has a multiplicity of suppliers and bidders who are free and have something like equal power to buy and sell from one another. A home doesn't belong in that category by its nature and for a whole lot of other extensive reasons.

We know from the Bellan Report, for example, that there is very very little competition for land in Winnipeg. We know, those of us who have had anything to do with CMHC or MURBs that these are tremendous factors in influencing the direction of the market in terms of the kinds and quantity of housing that's erected. When MURBs were introduced, this is fooling around with that so-called market to the extent where market forces count for less and less, and then we probably have thousands and thousands of pieces of legislation at the municipal, federal and provincial level dealing with how one builds a house; where one locates it; the size of elevators; the kinds of lighting one puts in corridors; health regulations; fire regulations; they are endless, and we accept this as a matter of fact, as a matter of course. This isn't the nature of housing. It's not something that we are free to do what we want with when we build it and when we manage it and when we live in it.

I can't help after last night, mentioning one other factor that sort of doesn't help along my notion of what a free marketplace is when I hear of these two unions of apartment suite merchants who control the vastest quantity of apartments in Winnipeg, who have an association, have regular meetings, lobby, and act in concert. I wonder what that does to this free competitive open marketplace. I have no objection, I don't think anybody has any objections to people forming associations to further their self-interest. If there is any objection at all, it's pretending that it's not so. I think in the formulation of legislation, all of these factors, the traditional and current restraints on the marketplace must be taken

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into account and further legislation governing security of tenants must be put in place.

Mr. Peltz just spoke a few moments ago about security of tenure and of that having been the one loophole in the tenants rights to maintain his own home. Yes, it was finally covered by the rent review legislation that was put in place some five years ago, and it's sad indeed that this critical, almost life and death provision, should be threatened by this new legislation. Although I'm not personally affected by it, if I had to make the choice I would rather see practically any other piece of legislation about housing, removed or battered, but legislation that removes the last vestige of tenant's security in terms of tenure is just too hard to contemplate.

I think that we must have legislation that permits, within ordinary commercial limitations, that permits tenants to have security of tenure, security of tenure through the guarantee that rents will not rise unreasonably in any period of time. We did this successfully, despite what I think was some terribly serious shortcomings of past legislation and even more shortcomings in the operation of the Rent Review Board, it was still immeasurably better than not having any protection whatever.

The Rent Review Board as it existed did give tenants security of tenure. It did give landlords a fair return, and I think perhaps most people don't realize that it was a fairer return than fair for a great number. When the minimum rental was first set — and I call it minimal rent increase because though it was set as a ceiling I don't recall a single case in the thousands and thousands of suites that I saw pass by me, when the maximum permissible increase was not taken, so that any ceiling became in fact the floor. The ceilings that were set for the first three years of the existence of the Rent Review Board were set, regrettably, but perhaps for reasons that I don't know of, 50 percent higher than the anticipated cost-pass-through. The agency calculated impending increases in utilities, in labour, of various kinds and we did have adequate information and in the first year our estimate was that there would be a 6.6 percent increase in costs, and the regulation at that time awarded a 10 percent across-the-board increase. The subsequent two years the percentages awarded changed but in both cases they were approximately 50 percent higher than the estimated costs.

In retrospect, the estimators of costs proved to be quite accurate and the actual costs did turn out to be one-third lower, giving them a 50 percentage advantage, one-third lower than the base granted. Furthermore, there were probably thousands of suites rented, increases well above the ceilings on the grounds of cost-pass-through. In this respect the rent control legislation turned out to do the opposite, in many cases, of what is claimed and that is it became a vehicle for property improvement rather than property run down. Landlords were permitted to pass the costs along to tenants for many many improvements and we did grant increases of 12, 15, 18, 20 percent when evidence was presented showing that costs were actually incurred. And for an extreme case, in about 1977, when we had another one of these time to time tragically fatal fires, and the city authorities reacted with vigor in enforcing legislation that's been on the books but allowed to

sort of hang around, and discover a great number of apartments who are deficient in providing elementary safety precautions and ordered the owners to make the necessary changes to meet the minimum requirements of fire regulations, the regulations concerning rents were altered to allow even these costs, which were capital costs and not maintenance or operational costs, these were costs which improved the value of the property and which ultimately would be recovered, possibly or likely with further enhancement in a capital gains transaction later on, but these costs were allowed to be passed on to tenants. So that the Act in many ways was beneficial to the housing stock, especially the older housing stock of Winnipeg, and I fail to see all of the arguments that have been made with no supportive evidence whatever that property would be downgraded if rent controls continued.

Finally, I want to mention to this committee what to me was probably the most significant part of the practice of the Rent Review Board that no longer seems to exist here, and that is there was relative, direct, simple, cheap access. We have seen here at this podium eloquent and powerful speakers telling this committee how they feel about rents and we have heard occasional occupants of low rental units, but I don't think people in low rental units, powerless, knowing that they are powerless and feeling hopeless and helpless, come up to this committee. They didn't come to the board. There are just enough people around in this society who when they get tricked find a dark corner to whimper in and if somebody comes to the dark corner and whimpers or kicks them again, they whimper more and plead. They don't stand up because they feel powerless; and they feel powerless because they are.

The tiny bit of power that was given to poorer, lesser educated people through the existence of any easy access system is absolutely critical. By removing easy access, I don't care what kind of legislation you have, it will never be implemented. If you have the worst possible legislation but you make it possible for people to access ways of correcting or pleading their own case, then there's a chance. There are enough people around who want to help; we saw them helping, and I urge this committee, and I urge the government to make the necessary changes, first of all, no matter what the legislation, that will make access easy. I shouldn't have to go to my landlord to ask permission to take action against him or to arbitrate against him. I shouldn't be made to meet government officials, kind and helpful though they are and they were to me, even aggressively helpful, getting after me by phone, but there are very few people who are going to walk into this gorgeous building and knock on the door of one of these impressive Chambers here. They'd cow us and I must say I am cowed as well.

I am very happy to be in that situation in life where about two-thirds of my income goes in taxes, income taxes and sales taxes and other taxes. That's a terrific amount and boy I love it, because I pay more in taxes than many families earn in two years. I am not making a plea for you to redistribute my income, but I feel like one of the privileged and better educated people here and yet I come here in terrible reluctance; I come here with quaking, with fear. I don't know how else you can do it. I admit the

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proceedings have been examples of the utmost courtesy on the part of members of this House and members of this committee and yet to approach this takes a whole lot out of people like me. Can you imagine what other people feel like? You are not going to hear them, you are only going to hear me talk about them, but, Mr. Chairman, I did see a few people who were helped into the rent review situation where access was easy. All you did was you filled out a simple piece of paper and, if you couldn't, there was somebody there to help you do it, and if you didn't know there was somebody there to help you do it, there were a few active persons in our community who made it their business to find people who needed help.

I think, whatever you do, you must pay regard to that sector of the population and their ability to access the legislation and the powers that be and then, of course, I do urge you to make the best possible legislation that will make such access as unnecessary as possible.

MR. CHAIRMAN: Thank you, sir. Mr. Shapiro, I don't know whether you are getting the longer applause because you are a good taxpayer or whether you are carrying the common cause, but would you permit questions from members of the committee?

MR. SHAPIRO: Yes, sir.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: I share some of your concerns and I wondered, you are suggesting, for instance, that the tenant be able to meet government; in other words, during this transitional period you would like to see the arbitration procedure such that the tenant who feels aggrieved can write to the government and be able to be in direct contact with the government. Is that what I generally understood?

MR. SHAPIRO: In one way or another, whatever the structure for dealing with a grievance, it should be simple and direct.

MR. WILSON: What is your impression of what has taking place since July 1st? Are you aware of staff where you formerly were familiar with now looking into complaints? Have you been around to check how the old plant is working?

MR. SHAPIRO: No, when my connection terminated, it terminated and I read the papers, like most people do, and that's my source of information.

MR. WILSON: My last question was: Would you be able to go by memory — you said something which I was convinced of, and I asked the lawyer before you — that the ceiling became the floor? In other words, when under rent controls, I found that a lot of landlords who normally weren't going to increase the rent found themselves increasing it by 10 percent or 6 percent because rent controls called for the increase, and you sort of indicated that that was the case.

MR. SHAPIRO: It wouldn't be right for me to comment on what landlords might have done had

there not been the 10 percent. Given the inflationary time that began about then, I have a feeling that within a short while rents would have gone up well beyond the 10 percent and, more important — I think most important — they would have gone up with more frequency, and the provision which didn't allow a rent increase to take place less than 12 months after the last one was one of the more important restraints. It did become, ipso facto; I think this is one of the inherent weaknesses in any rent control scheme, and in the course of being a member of the board and other readings, I read of other schemes. When you set that kind of ceiling and, for what I think were sound administrative reasons, say that anybody that operates within the ceiling will be considered to have operated within the intent of the law and the regulations and will, you know, he can go, we won't look at him unless some tenant complains, when that is done it is inevitable that everybody will start with that 10 percent or 8 percent.

MR. WILSON: Because I represent an area that seems to have one of the greatest number of apartment blocks affected, namely older blocks that become attractive as people want to move into the core area or downtown, I was interested in your comments about that being the ceiling. I am wondering, could you maybe bring my notes up to date: Would you know from memory, was it 10, 9, and then I have got a blank, 6 and 5.5 percent.

MR. SHAPIRO: It was 10, 8, and 7, for the first three years.

MR. WILSON: 10, 8, and 7.

MR. SHAPIRO: Right.

MR. WILSON: So in fact, when in my area somebody gets a 45.00 to 65.00 a month increase on an old block, do you have the feeling or are you suspect that there should be a mechanism for that landlord to have to justify that type of an increase?

MR. SHAPIRO: Absolutely. I want to, if you will permit me, expand just a tiny bit. It would be lovely if all increases had to be justified on the basis of a cost-pass-through, but I wouldn't dare make such a recommendation. I did sit on a board and I know that no legislation is perfect and that there have to be some administrative considerations, and were we to have a cost-through demand for every single raise, I think we would have to rent some . . . Well, we wouldn't have an office space problem in Winnipeg because we would have to rent half the vacant space to staff these demands. The setting of some low ceiling permits a little bit of leeway, so that we deal only with excessive complaints.

MR. WILSON: My last question then is with the arbitration mechanism that we have, which I hope will solve some of your concerns when the amendments come through, what would you think about a landlord who wants a second and third increase in one year, of a particular unit? We are working basically, I understand, on the bill as it is imagined, on a sort of complaint basis only. In other

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words, we are not like Legal Aid, going out looking for customers. We are going to set up a structure that people who have a complaint about unjust rent increases can come to government. I am suggesting — what do you feel, there doesn't appear to be anything in the bill to stop the second and third increase in one year — how would you imagine that that should be looked at?

MR. SHAPIRO: I think it is inviting disaster. I see this as the key piece in the entire legislation. If the landlord is only permitted one increase, after 12 months have elapsed, he will have to consider much more carefully how much it should be. It will remove any motive for landlords to pressure tenants to leave. It won't restore the balance between buyer and seller but it will at least prevent the most flagrant abuse of the landlord's power.

You know, it doesn't take too many abuses for what was once an abuse to become a common practice. What is easily done by one and then by two and then by four and then by ten, leaves the realm of the exceptional and it becomes a common practice. You find yourself going back to square one and saying, well, what should be reasonable? I think restraint as to the frequency with which increases are permitted is the keystone in this legislation and must be there, however.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Shapiro, you provided a rather interesting perspective in your presentation. We of this committee have been hearing tenants coming before us, complaining of big rent increases of 30 or 40 or 50 percent, and in some instances higher than that. Last night we had landlords or landlord associations, or their representatives come before us, saying how impoverished they have been made over the last five years, saying to us that really, because of that, rent increases of up to 100 percent in one year could, in fact, be justified.

I was rather intrigued by your statements that the guideline increases and guideline ceilings during the period of rent control indeed ended up being something in the order of 50 percent higher than the costs, so that in your estimation, have landlords, over the last four or five years, made something in addition to the actual increases in the costs that they have incurred, on average?

MR. SHAPIRO: On average, I would say I have that impression. I also, because I was so closely connected with the technicalities of the old Act and regulations, knew of ways in the scheduling of expenses that could permit profits to really be made.

For example, let's say the permissible increase was 8 percent a year and the landlord really did require 8 percent additional costs to maintain his block at the same level as previously. Well, if one year he didn't use this 8 percent, he just let one of the caretakers go and didn't replace him, and his lawn service, well, he didn't cut the grass more than twice during the summer and he didn't clean the corridors as often, and they patched that hole in the rug in the lobby and didn't replace the broken lock in the front door, and he didn't spend his 8 percent, as a matter of

fact, he spent nothing on maintenance and he really let the apartment run down, he still got his 8 percent.

The next year, however, he says, "Wow, my building is running down, I had better take care of things." He would put in 16 percent worth of repairs and he came to the Rent Review Agency and he shelled out good receipts, nice, good, strong currency.

There were other ways that the sophisticated person could do. So that if you are asking me whether or not there was money to be made over and above the permissible increase, there are many ways.

Furthermore, the board didn't usually require more than a reasonable statement from the landlord. We couldn't ask the government to fund an independent audit of every landlord's books. There were a few famous cases in which we did have to order audits but normally we accepted reasonable bills, and there was money to be made that way. There was money to be made in other ways as well.

So although I can't verify any particular amount or kind of increases, there were ways of doing it.

MR. PARASIUK: Mr. Shapiro, in your experience, who took advantage of the different ways in which one might, say, bend the rules of the Rent Stabilization Program, the big landlords or the small landlords?

MR. SHAPIRO: The smarter ones.

MR. PARASIUK: The smarter ones. So there was no difference between, in terms of size, generally?

MR. SHAPIRO: No.

MR. PARASIUK: Do you have any recollection as to the number of staff that the Rent Stabilization Board employed at its height, at the high point?

MR. SHAPIRO: When I was there, I don't think it was ever above two dozen.

MR. PARASIUK: So something in the order of 24, then?

MR. SHAPIRO: It would be the maximum. I think it was usually less than that.

MR. PARASIUK: Are you aware of the situation right now where we are caught in a situation where the Rent Stabilization Board, in a sense, is being phased out? The Minister has said that complaints should go to the Rentalsman. As far as I can tell, the Rentalsman has not hired any staff, but a week ago we had eight of 15 staff of the Rent Stabilization Board laid off, leaving, as far as I can tell, seven staff to chase down some of these complaints with respect to rent increases, not landlord/tenant disputes which have been sort of the past area of concern of the Rentalsman. Given the fact that the Rent Stabilization Board has told HUDAM that they have received 1,000 complaints since July 1st, given the fact that the Minister has told the Member for Fort Rouge, today, that the Rentalsman's office itself has received something in the order of 315 complaints — there might be some duplication so assuming say something in the order of 1,100 to

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1,200 complaints in the short period of time of two and a half weeks, do you think that seven staff are sufficient to handle investigations and do the quick type of co-operative work, especially with the powerless who you were so articulate in presenting their case for today? Do you think we have sufficient staff, notwithstanding the provisions of the Act, to do the type of work that you think is required in order to provide some type of reasonableness with respect to rent increases?

MR. SHAPIRO: Even at its maximum staff, my clear view of the matter was that the Board was always operating at a decision-making level far short of what would be, not ideal, but desirable; that a number of decisions, as I have indicated in a number of my comments, were made because it was administratively convenient. We could not hound and chase down every suspicious expense statement, and in cases, only the most violently obvious cases were we able to pursue matters that should be pursued, but there were many many instances where I must tell you of my frustration in having to make decisions without adequate information, without adequate investigation, and in the end I don't know, I hope the decisions were just, given the inadequate information and generalizations on which we operated, but we never, even with the two dozen there, had enough staff. I can't imagine how they are operating with seven staff.

MR. PARASIUK: Mr. Shapiro, when the Rent Stabilization Board was in operation, you were a member of it, were landlords required to in fact submit to the reviews conducted by the Stabilization Board staff and were they required to submit to the decisions or to abide by the decisions taken by the Rent Stabilization Board?

MR. SHAPIRO: When a complaint was registered, a rent review officer would review their costs, which were meant to justify the increased asked. A rent review officer would make a decision. If either the landlord or the tenant was dissatisfied with the decision they could file a document which most people with fifth grade education could complete within three or four minutes to register their dissatisfaction and ask for an appeal. It was on the Appeal Board that I served. That's how far it went as far as having a second kick at the can was concerned. The former legislation read that the decision of the Appeal Board was final and not subject to any further action, but in fact there was further action and our decisions were tested in courts from time to time and there always seemed to be a further step.

MR. PARASIUK: Mr. Shapiro there has been some talk of amendments that have been brought forward and these aren't out in written form but they were in fact presented to us in the Legislature and so far the so-called arbitration process consists of a system whereby both parties have to agree to arbitration, and if the landlord refuses arbitration there is no arbitration. From your experience on the Rent Stabilization Board, and you have heard tenants and landlords come before you on appeals, do you think landlords who are trying to seek, say unfair rent, will

in fact want to go for arbitration if they know that they can avoid it just by saying no?

MR. SHAPIRO: I don't even know why you introduced the notion of unfair rent. Let it be fair. If I am landlord and I ask for a 50.00 increase and the tenant comes to me and says it is too much, I think it only should be 20; if we can't settle it between us, in fact the voluntary bargaining has come to an end, and I can't conceive of why the next step is put in there. If I was willing to submit this matter to an arbiter, then I would have discussed it with my tenant. No, I don't see a landlord who may correctly feel that his rent demand is fair, I don't feel that he should. He shouldn't.

MR. PARASIUK: Mr. Shapiro, the lawyer who was representing the Manitoba Landlords Association yesterday in his presentation and in the discussion afterwards indicated that the Manitoba Landlords Association, or he at least, would consider it reasonable to have compulsory arbitration provided there was an appeal process.

You indicated that there was an appeal process and there were second kicks, possibly even third kicks at the can, in the old system. So, therefore, would you concur with the suggestion put forward by the legal representative of the Manitoba Landlords Association that compulsory arbitration provided there was some appeal would be a reasonable step at this particular stage?

MR. SHAPIRO: I agree in principle on both propositions; that the arbitration should be a right for the tenant to expect and on general principles that decisions can be faulty, procedures can be flabby, and a second crack should be afforded, especially if the procedures could be kept at an informal and not complex level.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: First of all, Mr. Shapiro, I want to commend you for your responsible attitude as demonstrated by your taking time to attend before the committee this evening and share your experience with us.

Mr. Shapiro, I would like to know and I am curious what you know of the methodology employed in the preparation of the rent control monitoring reports which formed the basis for the final stage of decontrol which is now upon us. Do you know anything about that?

MR. SHAPIRO: No, I don't, I'm afraid. The notion of monitoring arose quite a while ago, but it was not pursued aggressively at all and apparently it wasn't implemented until long after I had severed my connections with the board, so I don't know the methods used; whether it was stratified sampling, or collecting voluntary information, I don't know what was done.

MR. PARASIUK: Is there not a provision in The Rent Stabilization Act which requires monitoring?

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MR. SHAPIRO: Yes, that provision was there from the outset and this was one of the responsibilities in which I feel the old board failed.

MR. PARASIUK: I also wanted to hear from you with respect to an aspect of rent control which causes me a little concern. I don't know whether my concerns are justified or not, and I'd like to share the benefit of your wisdom in this regard.

We have heard from time to time and it's gone on for, I guess, all the time since the inception of controls in the mid seventies, that at the beginning of the control program, there were some landlords who were caught in inordinately low rental situations and it has been submitted, and I am not sure it has been substantiated, but it has been maintained by some representatives of the landlords' association, that those landlords were locked into disparity throughout the time frame of rent controls. We have all heard this I am sure. This is something that has been batted back and forth quite a bit, but I would like to know what you think about that and whether you feel — if it is correct do you feel that there is any way within the control program that something could have been done about that.

MR. SHAPIRO: I don't feel it was either correct in the first place or subsequently. The landlords who seemed to complain about that, my impression was that these were landlords of older blocks, most of which were fully occupied. They were fully occupied possibly by virtue of the low rents. These rents were established by the landlords. They were in place when the legislation was put into place. The legislation didn't lock them in anymore than it locked in others. Nobody got locked into extremely high rents because you got the rents that you could get. It is true that there may have been some landlords who were slower in predicting the coming inflation and provided less for it and gave tenants longer leases. In those cases the board secured a subsequent regulation that permitted us to compensate at the rate of 5 percent a year for long leases. In one case we even permitted a rise of over 50 percent because a previous tenant had had a 10-year lease, and the landlord indeed had been locked in, but these are special cases.

I was never convinced and I never received any evidence to convince me that there was locking into lower rates than the apartments merited.

MR. PARASIUK: Thank you. I also wanted to discuss the relative merits of the two decontrol formats. I am referring you to the provisions made in The Rent Stabilization Act as a result of the 1978 amendments. This was the provisions that governed the first stage of rent control removal and as I am sure you are aware, set out a whole hierarchy of appeal processes. I think they were all touching on unconscionable rent increases. I think that's the term right in the legislation. I wanted to hear your point of view relative to the differences in the two formats of Bill No. 83 versus the former decontrol legislation and which you think is better from the — well it's simply not from any particular interest point of view. Which do you feel is fairer, is more just and why?

MR. SHAPIRO: To select one from two evils is hard. Certainly if I had to select I would have to select what was before. I can't really make much sense out of the current Act. The paths are narrow, unclear and twisted, to get action. At least in the old Act, as we kept hacking off protection, a piece at a time, first outside of Winnipeg, then buildings built after 1975, then rents over 400 and so on, the dismemberment was not pretty but at least the procedures, the fundamental right of a person to be able to express his grievance and take action, as long as they remained intact, no matter how severe the actions, I felt there was something remaining. I don't have this feeling about the present Act. I hope I don't, by saying so, support the dismemberment of the former Rent Review legislation that went on and on, unconscionably, if I may.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: Yes, thank you, Mr. Chairperson. I'd like to if I can, Mr. Shapiro, first thank you for what was a very informative presentation and draw upon some of your experience and expertise in this matter. I would like to ask you to elaborate on a point that you made in the early part of the presentation when you talked about those people who do not have the power or do not have a perception of them having the power of being able to fight the system, being abused by the arbitration system, or at least being less effectively able to use the arbitration system. I know that many would agree that those that are in this position are those that are in most need of this sort of protective legislation from a philosophical vantage point.

I would ask if you believe that the system that is being put in place now, the arbitration system, will alienate these people from the process by which they may have sought protection for themselves, more so, and I know that every system that you put in has an alienation factor in it, even the Rentalsman system, even the Rent Stabilization board, but the question is, will it alienate them even more so from the protective measures which should be designed to protect their interests, in your opinion?

MR. SHAPIRO: In two ways, yes. First because it is obviously a more tortuous route for getting some kind of justice, and second of all, it is rather a pity that it takes so long to establish pathways. We now know where to go if you want to see an elephant or polar bear. It takes long to find that out. Do you know where to go to get a free swimming pool? It takes long to find out what buses take you where. The Rent Stabilization Board, no matter what its defects, as it became more and more familiar, its very familiarity made for more accessibility.

So on that count as well, I have to regret the new legislation because the old ball game is over just when people are beginning to learn the rules and how to play it, and we've got a new game.

MR. COWAN: So, Mr. Chairperson, that, if I understand you correctly, will disadvantage those who would most need the protection afforded them under the Act by, number one, removing the familiarity that might have been developed, and that would be by word of mouth, I would imagine. As one

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individual within that community successfully uses a mechanism, then there is a tendency for the knowledge of that mechanism to develop throughout the community, in that way, and also that the process becomes more cumbersome under the new legislation.

If we take on the assumption, and I think that we justifiably can, that the present government is intent on removing or disbanding the rent control mechanism, that's the Rent Stabilization Board, can you visualize any process which would enable those persons who most need, and who are most disadvantaged either economically or educationally or culturally in our society, who most need this protection, can you visualize any means of access that the government could put in its place that would enable them to better use what little protective devices are left to them?

MR. SHAPIRO: I can't at this moment. It would require aggressive measures on the part of the government to make the legislation known and to sort of train people in what actions they have to take, and I just don't see this happening.

MR. COWAN: I would ask you then, Mr. Shapiro, if the Rent Stabilization Board had an outreach program or a program to extend itself out into the community, to make its services known so that people would use such a program?

MR. SHAPIRO: In the original provisions of this Act, such activity was envisaged. It never took place, but in its place, there were people in the community — there are always people who take leadership positions with respect to special issues, and there was leadership that developed at the grassroots level. But the board itself, although it had the power and, indeed, in my opinion, a mandate to take active steps in searching and finding injustice, did not do so and, in my opinion, there never seemed to be any intention of doing so, certainly not in a board that could, in my view, just about keep its head above water in properly analyzing and dealing with the complaints that did come through.

MR. COWAN: You would agree then, if it was possible, either through increased staffing or through a different mechanism, to reach out into the community, that such would be advisable in regard to informing people of their rights, informing them of the mechanisms available to them and, indeed, encouraging them to fight abuse, whether it be their own personal abuse or abuse of a group, whenever possible.

MR. COWAN: I agree that this is not only desirable but could probably be implemented by the most modest of support, which would provide a little bit of funding and the necessary legitimation, the most modest support of many existing entities in the community, whether it be labour organizations or Legal Aid services or social agencies or school associations. Yes, there are ways in which we can help people deal with matters that affect their lives.

MR. COWAN: In your brief, Mr. Shapiro, you mentioned — actually it was not in the body of your

brief, but during the questioning, you mentioned, in response to a question from the Member for Transcona, that it was the smarter landlords who were able to use the Act to their best advantage. I would ask you if it were not the smarter tenants, also, or the tenants — I hesitate to use that word because it has cultural implications — but the tenants who were more versed in their rights, who were best able to use the mechanisms, the protections provided them under The Rent Control Act? Would you agree with that statement?

MR. SHAPIRO: Yes. Mr. Chairman, please excuse what was partly facetious, because certainly there were some landlords who I think were very bright people and who never would attempt to take advantage.

But the converse, as it applies to tenants is, I am afraid, true. By and large, the more articulate, the more secure, the better educated tenants are the ones who are most likely to make appeals. And in terms of personal reward, the most interesting appeals, of course, were of those suites that rented for close to 1,000, because the tenants provided the best material to argue with.

MR. COWAN: So, given our system whereby we reward those who are more articulate, those who are better educated, whereby they usually advance and would be the ones who would be renting the 1,000 suites, and who would probably be in less need of the protection of a Rent Stabilization Board, in other words, if they could argue a good case before the board, they could probably argue a good case before the landlord also and would know how to use whatever mechanism available to them to their best advantage, it was actually those persons who are not as articulate, who are not as well versed in their rights and responsibilities, that would need the board more and yet would use the board least. Is that a correct assumption?

MR. SHAPIRO: That's my impression.

MR. COWAN: And it would be your impression, Mr. Shapiro, that given the tortuous route of the new mechanism and the fact that we are disestablishing pathways that have been established, that those people will be further disadvantaged by the changes that will be perpetrated by the new Act?

MR. SHAPIRO: Unquestionably.

MR. CHAIRMAN: Any further questions from members of the committee?
Mr. McKenzie.

MR. MCKENZIE: . . . one, Mr. Shapiro. The vacancy rates are widely used as one of the indicators as to whether or not controls should be imposed by government, or regulated. Do you think that that's a fair indicator for guidelines, for governments to follow the vacancy rates, Mr. Shapiro?

MR. SHAPIRO: Not taken in the brutal gross fashion in which they are often presented. Even when Winnipeg had its lowest total vacancy rates, there

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were still some areas of town, for example some sections of Transcona or some sections of Pembina Highway south, where, for that particular market, there had been some over-building. These vacancies — a vacancy on Pembina Highway near Chevrier, was of no use to somebody who couldn't afford more than 150.00 somewhere in the downtown area.

It tells us something about the condition of the real estate trade, and I think the gross figures are quite useful that way, but I think they are of extremely limited use in dealing with human need.

MR. MCKENZIE: In a city like Winnipeg . . . Thank you, Mr. Chairman.

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

MR. SHAPIRO: Thank you.

MR. CHAIRMAN: The next person, representing 55 Nassau Tenants' Association, Ms. Ruth Krindle. Is she available?

MS RUTH KRINDLE: She is. Mr. Chairman, I appear as a private citizen. I am the vice-president of the 55 Nassau Tenants' Association, but my essential appearance here today is as a private citizen.

I am going to be directing my remarks to those sections of Bill 83 that have to deal with the question of condominiums.

As vice-president of the 55 Nassau Tenants' Association, as president of the Fort Rouge Liberal Association, I found myself involved in probably the first successful attempt on the part of tenants to face up to a landlord who was attempting to convert a block to a condominium and to secure for the tenants who were in the block at the date of the conversion the right to remain on as tenants.

Having done so, I seem somehow or other to have become the neighbourhood expert on condominium conversions, to the point where every single time that a tenant phones up Mrs. Westbury about condominiums, she refers them to me, and it has hit the point now where every time tenants phone up Joe Locke, the Rentalsman, about condominiums, he refers them to me. The result is that 55 Nassau grew and it grew to an involvement with the tenants' associations of Sussex House, Imperial House, 188 Roslyn Road, Fountain House, and with tenants from Hampton Green, 811 Grosvenor, 99 Wellington Crescent, a goodly portion of the constituency of Fort Rouge.

Because my involvement as a tenant was really that related to condominiums, and because of the implications of the bill for tenants who are faced with the potential of condominium conversion, I am going to confine my remarks solely to that area.

As the law presently stands, the Legislature of this province has recognized that tenants ought to have some say in what happens to their block. At present, commercial rental accommodation can only be converted to condominium ownership if the landlord obtains the consent in writing of 50 percent of the tenants who have written leases. At the time that that amendment was introduced by Lloyd Axworthy, it is my understanding that it was supported by both the NDP and the Conservative members of the

House. There was a recognition by the entire House that a landlord who induced tenants to move into rental accommodation, who accepted their rents and presumably profited by their rents, ought not to be in a position, arbitrarily and unilaterally at some future point in time, to be able to say to them, "Guys, I have changed my mind, I have changed the rules on you, it's either buy or get out."

At least 50 percent of the tenants had to consent, in writing, to that change in ground rules before the nature of the building could be so drastically changed. As I indicated, it is my understanding that the whole of the House supported that fundamental proposition.

The effect of Section 38, Bill 83, is to completely render the tenants' consent meaningless. I don't know whether that was intended or not by the government. In light of certain of the questions that were posed by the Minister yesterday, it may not have been the intended result of Section 38. But Section 38, underneath it, 5.(1.2), bears a potential for danger that really concerns me. It states: "Where an owner of the existing residential premises intends to convert those premises to a condominium . . ." There is no mention there about he has the consent of the tenants to do so; all he has to do is want to do so. ". . . he may, if there is no tenancy agreement, give the tenant two month's notice to terminate the tenancy." If there is a tenancy agreement, he gives the tenant an option to purchase and if the tenant doesn't exercise the option to purchase, then he gives the tenant two month's notice to terminate the tenancy.

The landlord is going to end up with his 100 percent without any difficulty, members of the committee, once he has evicted everybody who doesn't want to buy — no trouble, 100 percent consent is there. I would submit that if that was not the intention of the Legislature, of the government in introducing this bill, and I don't believe it was, that a very very simple amendment to 5(1.2) could get around that particular difficulty. All we would have to do, is where it says, "where an owner of existing residential premises intends to convert", remove those words and put, "where an owner of existing residential premises has filed a plan of conversion". He can't file the conversion without the consent of the tenants, and once you do that it means that things then follow logically; it means that the landlord first has to go to the tenants and ask for their consent. If the majority of them consent he then goes over to the Land Titles and files his condominium plan, then he is in a position to go to the tenants once the building is now a condominium and give them their option to purchase. If they don't exercise it and if they haven't negotiated something else for themselves in the course of getting the consent, then he can terminate them. It is not a big amendment. It's a very small amendment, and I would hope that it reflected the intention of the government. I would hope that 5(1.2) was not put there to render a mockery of the 50 percent consent sections.

In my brief to you, and I am not going to read it to you in detail. You have heard a lot of people this evening and there seem to be an awful lot more behind me, and furthermore, you have heard basically from the people who were effected. You

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have heard from Dr. Conway; you have heard from Jean Carson; you have heard from Mr. Ross this afternoon. You have heard from our tenants in Fort Rouge and what they have done with the 50 percent consent requirements, and they have gone to the landlord and said, look landlord, we don't mind you making this building a condominium; we don't mind you making money, you own the property, you have a right to market it, but you held this block out — when I moved into 55 Nassau, into that monstrosity, there was a great huge sign that said, commercial rental accommodation, and because I said that I moved into it. And I moved in on the assumption that if I paid my rent, didn't bug my neighbours I had a home, and the landlord decided, half way down the road, to change the rules on me. I don't mind him changing the rules as long as he allows me to have a home.

It hasn't hurt the landlords. We didn't get Daon Development Limited or Shelter Corporation Limited by the neck, those are big corporations, if they really wanted to have a battle with us they could have beaten us down any time. They have a 20 percent turnover annually in those monsters in Fort Rouge, according to Daon's figures. It gives them marketable suites. They don't have to be evicting tenants to have suites to market, 55 Nassau has 300 suites. If 20 percent of those turnover every year without anything being done by the landlord, they cannot market that suites that are coming onto the market right now, they have an apartment block full of empty suites. There was no need to ever threaten anybody with eviction, and you have heard particularly from the elderly whose homes those were. Those people shouldn't be threatened with eviction.

The other section that concerns me, gentlemen, and that I would really like to draw your attention to, because it is something, and I believe you heard from Mr. Ross and Myrtle Conway that this is happening. I would like to refer you to Section 28 and 29 of your bill in which you permit, specifically 29, 118(2.1), you permit the landlord to include whatever clauses he may choose to in a lease, so long as they are not inconsistent with The Landlord and Tenant Act. What is happening, what some of the landlords are doing — Adway for instance is doing this on a non-stop basis, it is giving its tenants their renewals of lease but built into those renewals of lease is a consent to convert the block to a condominium. In other words, if you want your new lease tenant you give your consent to convert. To this point in time, with the backing of the Rentalsman, the tenants have been crossing the consent out, signing the lease and sending it in.

But the amendment, and again I don't think this was contemplated at all by the government when they introduced 118(2.1), would allow Adway to stick whatever clauses it wants to in the lease, including a consent, so that a tenant who was living in the block, who doesn't want to consent to the conversion of his block; wants to continue on there; wants to pay his rent — probably doesn't want to pay his rent but is willing to pay his rent — gets his renewal of lease and it now contains a clause that says: Yes, I consent to the conversion of my building to a condominium. He is now in a spot. If he crosses it out the landlord doesn't have to accept the renewal

of lease and he is without a lease and he is subject to eviction; if he signs it and it's a signature under compulsion, a signature under duress, he has consented to the conversion of the block to a condominium. If that consent is going to mean anything, it has to be a consent that is freely given and it cannot be freely given if landlords are holding clubs of eviction over people's heads.

I would ask that this committee give serious consideration with respect to Section 29 of the bill, to considering the possibility of making the consent to a conversion a specific exception, that should not be embodied in as a condition of a lease. I would also ask and submit, gentlemen, that in terms of Section 38, as I said, the very simple changing of the few words in the preamble to that would solve all sorts of problems.

There was one other matter, there are a number of matters that I raise in my written brief, and as I said I don't feel like standing here reading it to you, I am sure you don't feel like sitting here having me read it to you, is this. There is no obligation under The Condominium Act, as it now stands, the consent in writing is required of 50 percent of the tenants who have written leases. There is no obligation on a landlord to renew a written lease. In other words you have your 12-month lease, he can just let it run out and not give you another one. Month 13 comes up, you now are a tenant minus a written lease and your consent doesn't matter, he doesn't need you, he doesn't have to worry about you.

May I suggest that this committee consider, when you are considering amending The Condominium Act, the criteria not so much of a written lease, because a written lease is something that is within the sole discretion of the landlord to give or to not give, but a period of tenancy instead. I understand that when that first came up in the House, I believe a number of years back when this matter first came up for debate, there was a question of whether it should be all tenants or tenants with written leases, and it was my understanding that at stage of the game Law Amendments Committee decided that they would prefer tenants with written leases because they really didn't think that fly-by-nighters ought to have a say in what happened to their apartment blocks. I accept that. Transient people who are here or there for a month or two really ought not to have a say, but you can have long term tenants, committed tenants, who have never had a written lease. And as I said a landlord is not obliged to renew a written lease by a lease in writing. He can just plain let the lease run out and now you go on a month to month tenancy with no written lease.

I would suggest that the committee consider, when you are considering the issue of conversion and tenants, the possibility of substituting the requirement of tenant with a written lease, to tenant who has resided in the block for — you pick it — six months, a year, somebody with a serious commitment obviously, not a transient, not a fly-by-nighter. These concerns are all expressed in more detail in my brief.

There is one error in the brief gentlemen that I feel I should point out, Page 6, at the bottom. I find myself maligning improperly the landlord of Edinburgh House. Could we delete that reference to

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“Edinburgh House was the same thing”; just the bottom line?

MR. CHAIRMAN: Delete “Edinburgh House was the same thing”.

MS KRINDLE: Please, yes.

MR. CHAIRMAN: Okay, thank you.

MS KRINDLE: That’s it.

MR. CHAIRMAN: Are you prepared to answer questions Ms Krindle?

MS KRINDLE: Certainly.

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MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: Ms Krindle, I don’t know that I have a question to ask you unless it is to perhaps give us some help in drafting some amendments, because it is my intention, on the basis of the submissions that have been presented here, yours today and a few yesterday, to propose further amendments to that particular section. I hope that we can meet the objections that you have set out and I want to thank you for your presentation.

MS KRINDLE: Thank you. Mr. Minister if I can be of any assistance to you in that area I will be gladly be so.

MR. CHAIRMAN: Any further questions? We thank you kindly for your presentation.

MS KRINDLE: Thank you, Sir.

MR. CHAIRMAN: Mrs. Hart Green Jr.; No. 5, Paul Kowtalo; Mr. and Mrs. Sheldon; Neal Hescott; Mrs. A. Gould; Mrs. Beatrice Scott; Mrs. Madge Steiner; Mrs. Otilie Stadelmeir; Lewis Udow; Josephine Kowaluk. You are Lewis Udow, Sir?

MR. LEWIS UDOW: Yes. I am appearing on behalf of the Winnipeg Labour Council. I’ll make a comment before I start. I was asked to appear because we understood that normally committee meetings occur in the afternoons and I happen to be the only person who works midnights. I am happy to see this committee meeting in the evening so that working people have a chance to get out and make their opinions known.

The position of the Winnipeg Labour Council is basically very simple. We are opposed to the removal of rent controls in any form. We feel that if the landlords have a case that the control, the limits in the Rent Stabilization Act are too low, you are willing to sit down and discuss the question of raising limits or allowing appeals in special cases. The general feeling within the membership of the Winnipeg Labour Council is that the entire setup, as it existed previously, of rent controls is necessary; that it was causing no damage and the vacancy rates were remaining stable at a reasonably high level; that it was causing no damage to the landlords; and that there was no reason to remove rent controls at all.

More than that, we are worried about a number of other features in this legislation. The relationship

between a landlord and a tenant is never one of equality. The tenant is renting space because he needs a place to live; the landlord is renting space out because he is intending to make some money. It hurts the tenant far more not having a place to live than it hurts the landlord not to have any rental coming in for a varying length of time.

What particularly bothers us in this Act are a number of other amendments, particularly one of them dealing with, I believe Section 114, removing the clauses on discrimination for tenants active in political purposes or in tenants’ associations. — (Interjection)— It has been amended to take that out, we didn’t know that until we came here. Okay. This was bothering us because we felt that this gave a tremendous power to the landlord. right of tenants to organize and to have some protection was extremely important. Now that I find it has been removed, I really don’t have that much further to say.

We are a little bit worried about the ease of creating condominiums. People who rent are obviously, in most cases, people who cannot afford to purchase and conversion of properties into condominiums is reducing the total available market for these people. Again, there is no question that in the long run, that the owner of a piece of property should be able to sell it in whichever way he wants, but the protections that existed for existing tenants, under the previous Act, were something that we feel should be left in.

Other than that, as I say, most of my presentation had to deal with that question of 114 and, as I found it has been removed, I have nothing further.

MR. CHAIRMAN: Are you prepared to answer some questions, Mr. Udow?

MR. UDOW: Yes.

MR. CHAIRMAN: Mrs. Westbury.

MRS. JUNE WESTBURY: It is really not a question. I just hope I haven’t misled Mr. Udow. We received a number of proposed amendments from the Minister, and that was one of them. You may want to ask the Minister for a commitment that he is really going to make that amendment.

MR. UDOW: Well, reading: “No landlord shall discriminate a tenant or prospective tenant because of the tenant’s membership or participation in a tenants’ association.” That covers one part of it. There was a whole list of . . .

MR. JORGENSEN: The rest are covered under the Human Rights Commission, under The Human Rights Act.

MR. UDOW: My understanding is that there were a number of items that aren’t covered under The Human Rights Act, particularly political discrimination.

MR. JORGENSEN: That’s the only one that isn’t. That’s the only one that wasn’t covered under The Human Rights Act and that’s why we include it in this Act.

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MR. UDOW: The only thing I can do is to say that if you have proposed that amendment, presumably it will pass, and we are strongly in favor of that particular amendment.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: Thank you, Mr. Chairperson. To Mr. Udow, you mentioned, in answer to the question from the Member for Fort Rouge, that it was your understanding that discrimination for political reasons was not made improper, or illegal, under the Act, and the Minister agreed with you.

Do you believe that, or does the Winnipeg Labour Council, believe that sort of protection should be provided in the instance of a person seeking to exercise their political beliefs, perhaps by putting a sign in their window, or perhaps by canvassing the block itself, or any number of ways in which that person might publicly and vocally or visibly make known their political beliefs? Do you believe that they should also be protected from discrimination as to their premises?

MR. UDOW: Certainly. The discrimination on the basis of political belief obviously doesn't occur unless somebody publicly expresses it, and the most public form is the sign in the window, or canvassing of a block.

This would be very very easy for an unscrupulous landlord with a large number of apartments in an area which was politically marginal could deliberately decide to discriminate on the basis of political belief in order to affect the vote in that particular area. It could be done. I can think of sections of the city that are extremely marginal, where victory margins are 50 to 100 votes, and a landlord with one or two large apartments in that area could affect the election results in that area.

MR. COWAN: So it would thereby be the recommendation of the Winnipeg Labour Council that such provisions and protections be included in

MR. UDOW: Our opinion was that the simplest thing to do is simply to leave out the section removing that Section 114; that the present protections are quite adequate as listed in Section, I say that I believe it is 114, and that there is no need to amend the Act to remove them. So simply, when the amendments are coming up, to remove that entire section of this present Act and leave it as it stands, not to amend and not to reamend this Act to put part of them back.

MR. COWAN: That's all, Mr. Chairperson.

MR. CHAIRMAN: Any further questions? We thank you for your presentation, Mr. Udow.

I call Josephine Kowaluk; Mrs. F. Harvich. Robert Cowan.

Mr. Carter.

MR. C. M. CARTER: I will be speaking later under the Winnipeg Society of Seniors.

MR. CHAIRMAN: J.G. Young; Mrs. Jean Simpson; Steve Nalewany; Madeline Bernier; John Farquharson; Yvonne Carroll; Winnipeg Society of Seniors, Mr. John Lopuck.

MS. YVONNE CARROLL: You called me three back. I'm Yvonne Carroll.

MR. CHAIRMAN: I'm sorry. Yvonne Carroll, No. 48.

MS. CARROLL: I am representing Kelly House at 15 Carlton, it is a Globe Agency block. I am somewhat unprepared; my voice is slightly gone because I am suffering from the flu right now.

MR. CHAIRMAN: Proceed, madam.

MS. CARROLL: We have suffered increases in our block anywhere from 4.9 to a massive 27.3 percent. I can't see why, instead of going forward in the 1980s, the government continues to put us back in feudal times with this new bill. It is completely restricted towards the landlord; it gives the tenant very little rights and I can't follow the sequence of logic, nor can most of the tenants who are directly affected.

It is easy to sit back when you are not affected but for me, who is a newcomer to the city, I can't represent as a citizen because I don't hold citizenship right now, and I am not sure if I'm going to if it continues the way it is going. Your inflation rate stands right now somewhere in the region of 9 percent, or so we are quoted, and yet I suffered a rent increase, personally, of 25.5 in a 10-month series.

I have written to Mr. Jorgenson and I am still awaiting a reply. I am hoping for it before my lease is due to be signed.

As we see it right now, putting this amendment in where the condominiums are put, if you uplift your rent controls, as you are proposing to do and will probably succeed in, it will give the landlord the right next year to raise the rent to a degree where the tenants will obviously have to leave and find other places to inhabit because they can't afford the increases he has put. There is no stipulation there, therefore, he can afford to empty his block and start it as a condominium if he so wishes. It gives him that right; it gives him that leeway.

The other point, where arbitration is, if it's not compulsory, then it is futile. How can you have an arbitration section if it is not compulsory. With uplifting the rent controls, or rumour that rent controls were uplifted, look at the rent increases that are around the city right now. Can you justify them? Are wage increases increasing to the same degree? They are not, very definitely not, for any of us, and I am sure they are not for government MLAs either. It just seems so absolutely unreasonable at this point in time, with inflation rising to the degree to which it is, both in the States and here, that you can continue to do it. It affects the majority of people in this city.

As far as I can see the only gain that this bill will give is it might increase the buying rate of houses. It will definitely be an investment for real estate, but it seems to be the only advantage that is apparent right now.

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I just wonder if I may ask questions of the committee, or if I am obliged to . . . I may not ask questions? I came with the intention that I could.

MR. CHAIRMAN: No, I'm afraid you can't. That's not the normal course of action. The committee is for the public to make representation to the committee. You can ask members away from the table, and privately, questions if you are trying to seek information. —(Interjection)— I would just mention, if you will let me complete my statement, to Mr. Jorgenson, that you had said you had written him . . .

MS. CARROLL: Yes, I have.

MR. CHAIRMAN: . . . and he said that you have been in to see him and he has met with you.

MS. CARROLL: That's right.

MR. CHAIRMAN: So that is the way that you can talk to members of the committee, is to contact them. But in my day here, we have never had delegations come . . .

MS. CARROLL: Pardon me, that's my ignorance; I'm not familiar with committees of government.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: On a point of order, Mr. Chairman, it seems to me that that's a question for the committee to determine. There are no prescribed rules for the procedures before the committee, as I know it. I would have thought that members could submit to questions if they wish. Certainly, nobody could stop a member from submitting to a question with consent. If there are rules, I would like to see them, because I would like to avail myself of their contents so I can become apprised of them, as a member of the committee.

MR. CHAIRMAN: My only reply to you is that in my day here we have followed this practice of permitting delegations, and I tell you that the Family Law legislation, and Mr. Parasiuk was on the committee then, had almost as many, if not more, persons appearing before committee and we spent almost a week I believe on it and, in my time, I have never seen it happen where persons come and ask questions to members of committee. But where it is in the rule book, I don't know. I am just telling you, from my own experience, the way committees have been conducted, whether I have been in the Chair, or whether I have been a member.

Mr. Kovnats.

MR. ABE KOVNATS: Mr. Chairman, I would believe that this committee is meeting to receive briefs and presentations from people who want to make briefs and presentations. If the party making the brief would, in all effect, speak on the part that she is trying to get some information, we members will try to help out by asking the necessary questions of the party making the brief.

MS. CARROLL: How efficient. I was wondering . . .

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: I just wanted to add to that. I think that if you ask some rhetorical questions, like, I wonder why this is so, or I find this particular aspect confusing, I am quite certain that all of us would want to ensure that the public participation is such that you will walk away with, hopefully, a bit more knowledge.

MS. CARROLL: Thank you for your co-operation.

MR. KOVNATS: The rules of the Legislature, you beat around the bush and you will get your answers.

MR. CHAIRMAN: Would you please carry on with your presentation.

MS. CARROLL: I would want to make one comment. I heard earlier the commendable attitude towards the Law Amendments office. I, myself, wish to disagree with that. I almost didn't make it here tonight because I was not aware, due to my illness yesterday and today, that the hearings were being performed. Apparently yesterday morning they tried my home number. Well, I work for a living, and I had left my office number with that office. I did receive an apology for it when I phoned them myself to ask them if the hearings were being done, but had I not spoken to one of your MLAs, I would not have found that out today. That shocked me a little, because hearing the number of people who are not here, and knowing the number of citizens of Winnipeg who are interested and very badly affected by the Law Amendments on this issue, it surprises me. It shocks me, in fact, and I wonder why they're not here. Is it because perhaps they are not being contacted? I am of course somewhat suspicious because of my own experience.

MR. CHAIRMAN: No, I don't think you have to be suspicious of the Clerk's Office, because the Clerk's Office is very neutral on this issue, as they are on all issues before the Legislature, and they made every attempt in the world yesterday and today to contact as many people as they could, and I might say to you that it's been in the newspaper and on the radio and the television, and it's had, in my opinion, great media coverage.

MS CARROL: I had heard rumors of it yesterday. In fact I think I read a small piece in the middle of something in the paper all right, but I was told when I filed my name that I would be contacted, and out of politeness I was waiting for the contact.

MR. CHAIRMAN: I can apologize on perhaps of the Clerk's Office. I believe they did their very best, and in fact earlier in the evening one delegation said that they thought the Clerk's Office did a very good job.

MS CARROLL: That's right. That's what I was referring to.

MR. CHAIRMAN: Mr. Kovnats.

MR. KOVNATS: Mr. Chairman, to the party making the presentation, you made reference to a recent

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illness as of yesterday. As the member sitting closest to you, I would ask is it contagious?

MS CARROLL: It's the flu. It's as contagious as the next flu.

MR. KOVNATS: You have just lost any opportunity for me asking questions.

MR. CHAIRMAN: Have you concluded your remarks and if you have I would ask you if you would submit to questions?

MS CARROLL: Yes, I would just like to get back to the arbitration and I am curious as to the efficiency of the arbitration right now with the Rentalsman, and the deletion of the so-called stabilization board. How efficient is the service going to be if we delete both those and replace them with arbitration? We are here for public service to the community and its questionable as to how efficient and how much the community is going to benefit if both these offices are deleted, and with that I conclude.

MR. CHAIRMAN: All right, would you, as I mentioned a moment ago, submit to questions from members of the committee?

MS CARROLL: Yes, I will.

MR. CHAIRMAN: Mr. Corrin.

MR. CORRIN: Yes, Ms Carroll, I would like to know whether you are familiar with the provisions that the Minister has introduced a couple of days ago relative to landlords who will not submit to voluntary arbitration and forfeiture by them, if a tenant chooses to vacate, of an amount up to a maximum one month's rent. Do you know about that?

MS CARROLL: No I don't. Is it compulsory?

MR. CORRIN: If the director comes to the conclusion that the tenant is moving because of what the tenant deems to be an unconscionable rent increase and that entails, of course, a whole bureaucratic review unto itself, then presumably it would be compulsory although several people have told us they don't think it's enforceable. They don't think that there is any way that the landlords will be made to make the payments. We haven't seen the legislation so we don't really know what teeth it will have. The question I have for you is are you satisfied in a case such as that where your landlord refuses to arbitrate, are you satisfied that you would be put in a fair and equal position upon the receipt of one month's rent in a case where you had to move? Would that compensate you for your moving expenses and dislocation?

MS CARROLL: Not necessarily, because being a newcomer to Winnipeg I don't see why every 12 months, because there are no rent controls due to economic purposes, I have to be forced to move from place to place. I want a home. I can't afford to buy one, I therefore rent one. Why should I have to move at the expense of the landlord. My rent at the moment will cover some of my moving expenses, however it will not cover all, and right now I don't

drive in this city so I must confine myself to the downtown area for convenience. No, it certainly wouldn't in my case, but then an increase of 60 is not really convenient for me right now either.

MR. CORRIN: Thank you.

MR. CHAIRMAN: Are there any further questions to the delegate? Seeing none, thank you kindly for your presentation.

The Winnipeg Society of Seniors, Mr. John Lopuck.

MR. C. M. CARTER: I'm taking the place of Mr. Lopuck in speaking for the Winnipeg Society of Seniors.

MR. CHAIRMAN: Would you give us your name please?

MR. C. M. CARTER: C. M. Carter. The Winnipeg Society of Seniors is part of the umbrella organization which is the Manitoba Society of Seniors, and I am appearing on behalf of the Manitoba Society of Seniors an affiliation of senior citizen organizations from all parts of Manitoba. There are approximately 130,000 senior citizens in Manitoba, many of whom are members of the Manitoba Society of Seniors. We wrote the Premier on April 7th, expressing our concerns regarding the lifting of rent controls which were reported in the daily newspapers and requested clarification of these reports. The Premier referred our letter to the Minister of Consumer Affairs who invited members of our society to meet with him. We again expressed our fears about rent increases and he suggested that with the high vacancy rate in apartments competition would keep rent increases down. We now find that competition for some reason has not come into play even though vacancy rates as high as 5 percent are claimed by landlords and that very high rent increases are being demanded by landlords as we have been hearing from tenants who have been appearing before this committee.

The landlords and some members of this government suggest that tenants move to cheaper quarters. Most senior citizens, as members of this House will learn when they reach senior citizen age, are living in apartments to which they have become attached and it would be a traumatic experience for them to gather their live-time belongings and move to less familiar neighbourhoods. Besides if they follow this tendered advice and move to these cheaper and less desirable neighbourhoods, they will displace persons who will have to move to even less desirable neighbourhoods. This bumping will continue until it reaches the lowest man or woman on the totem pole. What happens to him or her? Does he or she go out on the street?

Mention has been made of the SAFER program for the destitute, to which we do not object. However are you aware that those who qualify for SAFER assistance can afford better apartments than those who do not qualify because their incomes are just above the qualifying income?

Now there is a question we wish to direct to the Minister. Bill 83, Section 120(4) provides for a system of monitoring by the director of arbitration. We

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would like to know what form of monitoring will be carried out. This is not stated in Bill 83 which suggests that the government has not carried out a proper study of the whole question of rent decontrol. Will the director of arbitration just wait until some person complains about an excessive rent increase before he starts making a study, leaving the tenant waiting months before he knows where he stands with regard to his complaint? At the present time the landlord is required to give a tenant at least three months notice of an increase in rent. Would it not be sensible for the landlord to file a report of the present rent being charged for each apartment as well as the new rent being requested at the same time as he presents the tenant with his new lease, so that the director of arbitration can quickly study where excessive increases are being demanded and be ready to make a decision before the expiration of the old lease so that the tenant will know his situation instead of being left dangling while awaiting the report of the director of arbitration? Thank you.

MR. CHAIRMAN: Mr. Carter, would you submit questions from members of the committee?

MR. CARTER: Yes.

MR. CHAIRMAN: Are there any members of the committee that wish to ask Mr. Carter a question? Mr. Corrin.

MR. CORRIN: Yes, I wanted to ask Mr. Carter whether he was aware that under SAFER, in the absence of rent controls, that it would be possible for unscrupulous landlords to raise the rent in such a manner as to take away, effectively remove, the SAFER benefit from the tenant. Was he aware that was possible?

MR. CARTER: No I wasn't aware of that. I had a complaint by a member, the Manitoba Society of Seniors, who said because she was on a low income, but just over the income where she could take part of SAFER, and she had friends who had lower incomes but could afford higher apartments because they could be benefited by SAFER but she couldn't.

MR. CHAIRMAN: Mr. Corrin any further questions? Mr. McKenzie.

MR. MCKENZIE: Mr. Carter are you having complaints from out in the rural areas of the province similar to the ones that you relate in here?

MR. CARTER: No, we haven't had any contacts.

MR. CHAIRMAN: Any further questions? Thank you, Sir.

MR. CARTER: Thank you.

MR. CHAIRMAN: Bettiann Commodore; Mrs. B. Gordon; Stuart Cohen, representing the Grenoble Manor Apts and their residents, Mr. Stuart Cohen; Peter Menzies; Jeff Gaye.

Harvey Stevens. It's Harvey Stevens? Would you tell us whether you are here as a private citizen or representing a group, and if you are would tell us the group you are representing.

MR. HARVEY STEVENS: I am here is a private citizen. Due to the lateness of the hour and the fact that most of the points that I wanted to make have been very ably made by other people, I will try to be brief in my comments.

Let me begin by sharing with you some premises that kind of provide the background for my remarks. I'd like to begin by noting that, with respect to the landlord and tenant matters, I believe, in large measure we are confronted with a situation of two distinct interest groups each of which have interests largely in conflict with the others. We can think of the whole matter of rents and realize in large measure it's in the landlords interest to charge the maximum rent allowable for a unit, in effect, to maximize his return and equity; and conversely we realize that it's in the tenants interest to pay the least rent possible. I think we could go through a number of other areas and realize that we have, in large measure, a situation where we have two parties whose interests are in conflict with one another.

Given that observation and several other observations that I think are worth noting at the outset, and as it was made by an earlier speaker, that for me housing is not a luxury good; it's a basic necessity. The United Nations has recognized it as a fundamental right, and like energy, food, and clothing, housing should be available in adequate supply regardless of the ability to pay. Housing also, unlike other commodities, has the characteristic which I think is important to realize at the outset in the economist jargon, the demand for housing is extremely inelastic; it's very difficult to consume less if the price increases, generally you have to pay what the market bears.

Given these facts the basic observation that I would like to make is that it would seem to me it's the requirement of good legislation that it arbitrate fairly between these conflicting demands, that both the interests and aspirations of tenants and landlords have to be met. In effect, the legislation should not permit the interests of one party to prevail at the expense of the other.

It is in terms of this goal or characteristic of good legislation that I would like to address my remarks primarily to the whole matter of the repeal of The Rent Stabilization Act and the 1978 decontrol legislation.

I think the main effect of the introduction of rent controls is, in effect, to try to regulate an unregulated industry. When it was brought in, I think that the justification — it was quite needed, that with the tight housing market, the tendency of the market would be to have rents increase considerably and, in terms of the whole matter of tenants' versus landlords' rights, it really puts it in the situation of a tight housing market really tips the whole situation in the landlord's favor and that, in effect, it's a possibility of being able to charge what the market would bear, regardless of what relationship that was, to the ability to consume that commodity, and I think that there was every reason for introducing rent controls when they were introduced.

It seems to me that in large measure the problem that is confronting the government at this point in time is the question of whether the time is now right to relax controls. Is there a need for deregulation or is there a need for some kind of continued

regulation? We have heard arguments that the market is now soft. We have got a high vacancy rate. People have a choice of accommodation if they don't like the unit they are in. We have had landlords' associations suggesting that the rent increases are, in effect, modest and perhaps the few landlords that are charging more may be simply trying to catch up.

There has been some suggestion that when rent controls were brought in, there were some landlords caught in a bad position and that they were charging below what they could have been charging and there was no provision for catching up. I think the chap who used to be on the Rent Review Board dealt with some of those observations quite effectively.

So those have been the arguments presented in favor. It seems to me, to look at those arguments, first of all, the high vacancy rate. I guess several observations that I would like to make would be that . . . Perhaps I can begin by relating a story about averages, the use of averages, that was related to me by a statistician friend. He was on a train in Italy and got chatting to an Italian workman. When he asked my friend what he did and he indicated that he was a statistician, his comment was, "Oh, you're one of those guys that tells me that if you've got two chickens and I've got none, that we each have one." The point of the story is that averages hide a great deal of reality, that they mask the fact that even though you may have a vacancy right now of 4 or 6 percent — people have banded about various figures — there are some areas of the city where the vacancy rate is still extremely low.

The one observation, I suppose, I would like to make is that, for example, if you take Transcona and St. James, if indeed there is an effective housing sub-market that exists there, that people who tend to live in that area tend not to move across, housing sub-markets, in effect, are tended to be restricted to particular sub-markets and where the vacancy rate is very tight in those sub-markets, it would seem to me that, given the behaviour of the market, there would be a tendency for landlords to increase rents to an optimum level that would not bear any relationship to the actual costs that they incur in operating that premise.

I suppose the other point that I want to make is that the use of the market as a mechanism for arbitrating demand, the suggestion that where you have got a high vacancy rate it is going to suppress cost increases, I think that we find ourselves now in the uncomfortable situation, if we believe the stories of a lot of the people that have appeared here today, that in effect we find an anomaly, that classical economics would suggest that where you have got a high vacancy rate, your rent increases would be very marginal; that the opportunity for competition, the presence of a fair degree of competition would in effect suppress price increases. It seems to me that in many instances that doesn't seem to be working, that in actual fact, even with a high vacancy rate, we have fairly substantial price increases.

So, to me, that calls into question, I guess in some fundamental way, a belief in the ability of the market, even when it is supposed to be best for deregulation, the ability of the market, in effect, to respond in a fair and judicious manner. If indeed what we see happening is true, it would seem to me that that would provide even more justification for the

continuation of some type of regulatory measure in the form of a rent stabilization program.

I guess the second observation that I would like to make about the continued need for some form of regulatory mechanism is that the supply and demand situation in housing is very cyclical. If you look at the vacancy rates over the last decade, you can see them dropping down, then increasing and dropping down, with a fair degree of regularity. Even though they are high now, I would submit to you that in the next year or two they are going to come down again and we are going to find ourselves in a tight housing market situation, primarily because the number of new housing starts has plummeted dramatically from a high of about, I can't remember the actual figures but it was a very substantial number of starts, I believe, in 1978 and it has practically disappeared now.

I would submit that the main reasons why you find that fluctuation in supply is not because of the presence of rent controls but because of far stronger factors like the observed demand. If demand tapers off, it's not in the best interests of someone to build, anticipating a high vacancy rate. It would seem to me the other factors that are paramount in determining the responsiveness of supply are attributable to the cost of borrowing money, to whether governments introduce or get rid of supply incentives and, to me, those are the factors that are paramount in determining whether the industry builds or not. They are not building today and I think that that fact is going to catch up with us in a year or two and we are going to be in a tight market situation again.

If that's the case, then what do we do? Do we take off rent controls now and face a crisis two years down the road, have to bring them back in and get a soft market again three years later, deregulate? You get this flip-flop continuously. To me, that doesn't make sense. To me, it makes far more sense to institute a mechanism for regulating the rate at which rents will increase over time.

Another argument that has been put forth by the government as this being a good time to deregulate is their observation that they have taken care of the affordability problem. You have increased the generosity of your tax credit programs; you have brought into effect the SAFER Program; you have announced measures to extend the SAFER Program to low-income pensioners and to low-income families with children, and I think you are to be lauded for that. It is something that I felt has been needed for some time. I think it is a step in the right direction and I also feel that the target and nature of the SAFER Program is a very efficient way of delivering benefits.

However, from research that I have done, I have estimated, on the basis of a survey that was conducted several years ago in this city of about 1,500 housing units, that at that point in time, we were still looking at 24 percent of all households in the private rental market having an affordability problem and in absolute numbers, that was about 19,000 households. From subsequent research that I have done, in which I attempted to model the impact of your Property Tax and SAFER benefit programs, the impact that they had on this affordability problem, it was my estimate that that affordability problem has been reduced by about 60 percent;

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that, in effect, the proposed SAFER benefits would solve about 60 percent of the housing affordability problem. That still leaves us about 8,000 households in Winnipeg with an affordability problem. So my basis point is that you've gone a long way but you haven't solved the affordability problem.

Another observation about that program, and it's a question; I haven't got the information to substantiate it but it's a question of whether the maximum allowable rents under the SAFER Program will be sufficiently high to provide shelter relief to tenants, and if rents increase considerably in the next year then my further concern would be whether there is any intention to index the maximum allowable SAFER benefits to keep up with those increases in rents. Because if that doesn't happen then, in effect, SAFER will solve less and less of the affordability problem and it will become less and less generous.

That really brings me to my final point. If you decide to index SAFER benefits — and it would seem to me that that would have to be a feature of the program — then the question arises, will you in effect be subsidizing landlords? To me, in large measure, the question then resolves itself into one of whether it's fair or wise to subsidize the landlords. Personally, I would argue, yes, it is, if the rent charge is fair and reasonable to meet increased costs, to provide maintenance, and to provide some fair return to equity or investment. Harkening back to my initial comments about the intent of good legislation to provide fairness to both parties, that in fairness to the landlord if you are going to have some kind of a regulatory mechanism, the provisions of that regulatory mechanism have to be fair to him. In contrast, I would argue that it is not fair, wise or judicious to subsidize landlords if the rent charge is exorbitant and, in my definition, that exorbitant would be more than costs and fair return on equity would suggest.

Having made those observations, to me the further question then is how are we to decide and arbitrate what are fair rent increases.

This brings me to the substance of Bill 83. In my reading of the bill Section 120 offers the following: "The Lieutenant-Governor-in-Council may appoint a person as Director of Arbitration." Optional appointment of a Director of Arbitration.

Section 120(4) instructs the director, upon request of the Minister, to monitor and compile information.

Section 120(6) defines the meaning of excessive rent increases, and Section 120(11) directs the Director of Arbitration. It leaves it optional as to whether the Director of Arbitration will refund to the tenant the amount of excess rent paid.

I guess the whole matter of arbitration has been dealt with far more adequately by previous speakers than I can. My only observation is that I am uncomfortable with the optional status of the whole matter. To me, that really doesn't provide sufficient protection to tenants.

If this legislation goes through, it would seem to me that the one problem that I would have, and again I am arguing from a fairness and equity basis, the one problem I would have then would be with the definition of excessive rent increase. As it now stands, excessive rent increases mean increases that have the effect of making the rent charged for the

residential premises substantially in excess of the rent charged for comparable residential premises in the same general area in which premises are located.

I guess the difficulty I would have with that definition is that it really, to me, bears no relationship. It makes it possible for rent increases to bear no relationship to the actual costs experienced by the landlord in operating the premises for any fair return on equity.

We could take the example of Edmonton, in which you have an extremely low vacancy rate and, in a general area, rent increases could, well they are, the rents that are charged for units are horrendous and my reading of this definition of excessive rent increase would make it next to impossible to find a situation in which, by that definition, a rent was excessive, even though the rents for one-bedroom apartments might be 500.00 a month, because of the tightness of the market and the ability to charge what the market will bear. And in 500.00 a month, who is to say what relationship that bears to actual operating costs and some return on equity. It is impossible to make that kind of a determination.

Conversely, it would seem to me that by this definition, let us take a situation in which we have a very high vacancy rate and for one reason or another, the competition is sufficient that landlords can't increase the rent very much. Let's say that puts them in the situation of, in effect, operating at a loss or realizing no return on equity. If a landlord decided to raise his rent by 100 percent that would stand out like a sore thumb, in the context, and he could be charged with making excessive rent increases when, in actual fact, he might only be attempting to break even because of the highly competitive and difficult situation that he is in.

So, in both those cases, it would seem to me that on the one hand the landlord could be put at a disadvantage and on the other hand, the tenant would be put at a disadvantage.

For me, the only other option of defining excessive rent increases would be some definition which bears a very direct relationship to operating costs, to maintenance costs, and I would submit, some return on equity.

In closing, I guess, because of those kinds of considerations, I feel that because housing is the particular kind of commodity that it is, because I think that it's not like luxury goods, it's a necessity, and partly because, I think, of the vagaries of the market, because you are going to get ups and downs in the vacancy rate and supply and demand situation, which, I think that the history of various governments attempts to try and bring the two into some kind of synchronist relationship so you get a steady stream of supply, keeping up with the demand. It has been next to impossible to do.

I think throughout the history of government's attempts to be involved in the industry, given that problem, plus the observation of the nature of housing, I guess I would argue that rents, rent increases, really need to be regulated, that there has to be provision for the institutionalization of the continuation of some regulatory mechanism. Just as we have public utility boards to regulate increases in energy, in milk, in various basic necessities, I would argue that we need a comparable kind of utility to regulate rent increases over time.

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I guess, in closing, my only further observation would be that it seems to me that a weakness of the old rent control legislation, if in fact you perceive the need to have a permanent regulatory mechanism in place, it seems to me that the weakness of the old rent control legislation was its lack of provision for any kind of a fair return to equity, that that just wasn't one of the components in deciding what would be fair rent increases, because if you believe that there should be a mixed market, that private investment has a role to play in the provision of housing and if you also believe that some kind of regulatory mechanism is required, it seems to me that you have to then provide for some method of ensuring a fair return on the investment.

I would submit then that what is really required in place of this legislation is the continuation of some form of regulation of rent increases, with regard, in addition to the pass cost-throughs acknowledged within the rent regulations, some regard for return on equity.

Thank you.

MR. CHAIRMAN: Mr. Stevens, would you permit questions from members of the committee?

MR. STEVENS: Yes, I would.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Mr. Stevens, I am interested in your comment regarding fair return on equity, and I think there is some justification for that. I think the critical problem, though, is whether in fact you are talking about fair return on actual investment; that is, if someone invests 100,000 as equity in an apartment block costing 1 million, a 10 percent downpayment, which is his equity investment, a 900,000 mortgage. If you are talking about a return on that actual investment, it may turn out that over a period of, say, three or four years, given inflation or given other things that are happening, that person turns around and says, well, I think the real market value, the comparable market value of my building is now 2 million, and we've seen increases of that type over the last say, five, six years in housing and apartment prices, through the '70s. Should that person be getting a fair return on his equity investment of 100,000, or should that person be getting a fair return on an inflated equity investment, which would now be in the order of 1.1 million, because he's only got a 900,000 mortgage or an 850,000 mortgage, and it strikes me that is the critical problem with respect to determining what is the fair return on investment.

MR. STEVENS: I agree with you and frankly I'm not versed enough in the whole matter to really, I think, make an adequate response to that and I would only refer you to something I picked up today, it was a Canadian Council on Social Development Review of policies regarding rent stabilization in Canada, published in 1976. The one observation, they recognized that as being one of the horriest problems in the development of adequate rent stabilization features. Their comment was, perhaps I can read it, "Were rent restraint policies to continue to effect for a number of additional years, and

should the rent increases allowed be strict in the sense of incorporating only operation and maintenance cost increases and tax increases, then it might be advisable to grant an allowance for capital cost increases to maintain investment in residential real estate". That they acknowledged the problem, I guess, there were some attempts in Quebec to address that, they didn't feel that they were satisfactory and their only observation was that perhaps at different intervals in time, that there has to be some acknowledgement of that problem and some allowance for capital cost increases to maintain a proper investment climate and I'm not really in a position to say much more than that.

MR. PARASIUK: Were you here for Mr. Shapiro's presentation where he said that really, from his experience as a member of the Rent Stabilization Board, he found that the guideline increases which tended to end up being floors rather than ceilings for rent increases, ended up being 50 percent higher, on average, than the actual costs that landlords were incurring for that year and that, in addition to that, there was cost pass-through for any type of capital improvement to their facility which was always upgrading the value, or keeping up the value of that place, so that if that landlord ultimately sold that lot he would realize quite an appreciable capital gain. Were you aware of Mr. Shapiro's presentation in that respect, where there was some of that being given already?

MR. STEVENS: Yes, I was.

MR. PARASIUK: Just two quick other points. You talked about an affordability problem that SAFER doesn't deal with, with respect to 19,000 people, I guess these are basically the single parents that were referred to in the Social Planning Council Study? Is that correct?

MR. STEVENS: Well, it really cut across. In absolute numbers the majority of them were elderly person households, with single parents representing a fairly large portion.

MR. PARASIUK: When you did your survey were you able to determine whether in fact it was just an affordability problem or whether in fact the tenants weren't getting good enough value for money? Whether in fact they were being forced to pay high rents for accommodation which wasn't that good. Did you discern that at all? Because we don't want say, a SAFER program or any type of rent allowance program, just to be a subsidy from the Manitoba taxpayer, not to the tenants but directly to landlords who really aren't keeping up good quality apartment stock.

MR. STEVENS: Some estimates that I generated would suggest that, in fact, it's among the low priced units where you find the greatest proportion in a poor state of repair. For example, bachelor, one-bedroom units, renting under 150 a month, it was by estimate that about 23 percent were in poor condition. When you looked at 150 to 199 a month rental units, bachelor, one-bedrooms, the percent dropped down to 11 percent, so it tended to be the

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low priced units that were more likely to be in a poor state of repair, and I think that follows, it is probably the older inner city building that we're looking at.

MR. PARASIUK: My final question is in regard to the whole concept of the market. You know, you've been talking about the market somewhat in your presentation and, frankly, the tenants haven't talked to us too much about the market, they've been talking to us about their perception of what's happened to them. But the landlords have come to us, especially the Landlords' Association, saying the vacancy rates in their estimation, according to their undocumented surveys, are something in the order of 15 percent. Now, if in fact you have vacancy rates in the order of 15 percent and if the market works as certain free market economists and certain free market ideologues say, can you explain why we are getting so many people coming to us, not just saying that their own individual apartments are faced with excessive rent increases, but why block after block after block? My colleagues on the other side of the House were asking yesterday, what is the name of that rental agency company, and I hate to single one out for fear of missing, for fear of insulting one, or possibly excluding any from this exalted elite that seem to be systematically charging very very high increases. You have huge rental agencies that control 2,000, 3,000 suites and you have people coming in saying my rental agency is X and you know that they control 2,000 or 3,000 suites and they are being faced with rent increases of 22 percent or 35 percent. We've all heard all these horror stories and really the thing that's impressed me about them is that they aren't isolated cases, but that rather they are one person who has summoned guts to come before this particular assembly and state: Look this is my rent but my neighbours have this type of problem as well. Given that situation, is the market working or does it require the intervention?

MR. STEVENS: I think, as I said earlier in my remarks, it really is an anomaly, and have given the conception of how a market would work. In high vacancy rate situations you wouldn't expect those kinds of rent increases. I think the thing that yet has to be determined though is exactly what proportion of the entire rental housing stock is facing horrendous price increases and I think it's difficult at this point in time to get a firm sense of that but there certainly does seem to be a substantial number.

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

MR. McKENZIE: I am most interested in your raising the return on equity matter. I think it was one of the witnesses here last night, a Mr. Smethurst, I remember, he mentioned the landlords that he represented, I think in 1979 there was 150 percent more foreclosures than the year before and then he went on and said in 1979 there was 750 percent more foreclosures than 1975. I am wondering if replacement value or some other factor has been missing in that formula to try and determine what Mr. Smethurst was referring to. Is that one that has not been considered? Of course the inflationary factor is the other one that's difficult to pin down.

MR. STEVENS: I have some difficulty in responding to that comment because I just don't know enough about the reasons for foreclosures to, I guess, make a considered judgment on it. If foreclosures were due for reasons of having to refinance it at high interest rates, then I'm not sure that would bear directly. But I think the point that I was trying to make about return on equity was that it would seem to me, again harkening back to my principle of balanced legislation, I take the point of view that the industry ought to be regulated. I also take the point of view that the private market should have a role in supplying and delivering housing and given that it seems to me that I have to also take the position that there has to be some recognition or regard to return on investment or equity, however we want to define that and work it out in the details.

MR. McKENZIE: Thank you, Sir.

MR. CHAIRMAN: Any further questions. Seeing none, thank you, Sir.

MR. STEVENS: Thank you.

MR. CHAIRMAN: The Association of Manitoba Land Surveyors, Mr. B. Flower. Mr. Corrin.

MR. CORRIN: We did this yesterday evening a little earlier, but I thought I'd do it again just as a matter of clarification so that delegates know where we are going tomorrow. Could we have the chairman's advice as to when the committee will convene tomorrow and what opportunities will be available for people who are not heard this evening to present tomorrow? I am presuming tomorrow, it may not be tomorrow.

MR. JORGENSON: I will be able to tell you better when tonight is concluded. I'll tell you before we leave.

MR. CORRIN: The other question is, Mr. Chairman, what time are we going to adjourn this evening because yesterday evening we instructed people who couldn't stay up, there were a number of older people who felt they wanted to go home and did go home, that they would have an opportunity to present the following day, today, and I am wondering whether we are going to accord the same privilege this evening.

MR. JORGENSON: Well you know, it can't go on indefinitely. That opportunity was available this afternoon. Every name on this list has now been called, I think, twice, and I think that's a reasonable number of times to have provided opportunities for people to present briefs.

MR. CHAIRMAN: To Mr. Corrin, looking over the persons in attendance and talking to the Clerk, I would think that there's perhaps only four to six more submissions that would be coming forth tonight from the people there and, other than our good friend Walter, they are all good young people, so perhaps they will bear with us and help us get through, and Walter promised me that he would stay awake.

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The Association of Manitoba Land Surveyors. I know Mr. Flower and I don't see him in the room.
Mr. Corrin.

MR. CORRIN: Just as a matter of record I want to make the point that a number of people, particularly the older people were leaving from about 10:45, 10:50 on. I saw a number of people leave. I do not know whether they were waiting or not, and I presume you don't either.

MRS. WESTBURY: . . . was on the list and she left early.

MR. CORRIN: But in fairness legislators may wish to submit themselves to this sort of madness and stay up all night but there are a lot of people, I presume, who have to be up in the morning for jobs or as a result of their . . .

MR. CHAIRMAN: Mr. Corrin I'm just the chairman of the committee, I am at the will of the committee as to what they feel they would like to do. Mr. McKenzie and others seem to be of the opinion to proceed. I spoke with Mr. Parasiuk earlier and he thought there was a very good chance that we could finish tonight.

Mr. A. Sekundiak. Let's go through the list. Is A. Sekundiak available? Barry Hallson; Sally McCulloch; Daly DeGagne; Neil Sandell; Sara Kandewitt; John Cran; Mrs. G. Thompson.

MRS. WESTBURY: She was here last night right to the end.

MR. CHAIRMAN: She is not here, Mrs. Westbury.

MRS. WESTBURY: No, I don't think so.

MR. CHAIRMAN: Peter Schultz.

Jim Egan, University of Manitoba Students Union. Would you like to make a presentation, Sir. Your name is on the list. It's up to you, sir, if you would like to, you have the privilege to.

MR. JIM EGAN: I'd be very happy to. Thank you, Mr. Chairman. I thank for the patience for staying as long as you are and for listening to us who are staying here. I apologize for not being available yesterday afternoon, but hopefully I will try to present our position here tonight.

First of all let me clarify my role here. I am the President of the University of Manitoba Students Union and I am presenting the position of that union and the position of the 18,740 students it represents. I shall be speaking particularly for the students of the University of Manitoba, but not supposing to represent other students throughout the city, either post-secondary or secondary students.

Many of the concerns of students are very similar to those of many other groups but my purpose is to express the particular needs and concerns of these students and their unique difficulties in the area of housing. First of all, I would like to present some facts on housing regarding students, particularly facts as I say, of students at the University of Manitoba. I have mentioned the enrollment, about 18,700. Of those 75 percent are between the ages of 18 and 25; 75 percent of all students are single and

21 percent of all students live in rented in areas. That does not include about 1,300 to 1,400 students who live in residence at the University of Manitoba. 21 percent of the population of U of M works out to about 4,685 students who live in rented areas. 91 percent of these live in apartments and these figures are from a perception survey conducted by a branch of UMSU and in accordance with the Institutional Analysis Branch of the University of Manitoba.

Students, or the youth segment of our population, represent a fairly large proportion of tenants in this city. In many ways, however, their interest as tenants have not been protected by rent controls and with the repeal of rent controls their situation is even more circumscribed. The majority of students are highly mobile. They live in their apartment for a relatively brief span of time, generally eight months or the time approximately of a winter session. Many of these students are from out of town, some from out of the province and these are the students that are seeking accommodation in rental housing.

Once rent controls were in effect people would not move making it difficult for students to obtain housing, particularly housing of a fairly, well not large degree of rent, in those times. Once people did move out however it was decontrolled up to about 1978 or following 1978, and so those prices had increased. Students have had to compromise even the type of accommodation they were originally seeking or in the amount of rent budgeted for. The problems encountered by students is influenced by factors such as the type or location of housing, but the two problems which face students most remain finances and availability of housing. These are the most difficult to circumvent because students have little control over either. In regard to finances, student incomes earned, primarily in the summer months in most cases, must cover expenses over the year. Inflationary trends reflected in rising expenditures are passed on as rental increases, but incomes have not risen sufficiently to be competitive with other population groups for housing. Part time jobs are a real possibility for students and many of them do have part time jobs when they are going to school, however more and more the university climate and the need for jobs is becoming more and more competitive. Marks are becoming all the time more of an indicator of, in a selective job market, obtaining a job. The more time you can possibly allocate to studying or that kind of reference work is valuable. Those that can do that have a better chance of getting marks regardless of their initial intelligence.

Of course, in dealing with housing, student aid, or any aid to students, is a particularly important aspect of financing housing. Student aid has not increased in the last three years, and when it did increase last increased only 800.00. Our recent figures show that only about 3.5 percent of all students who apply are receiving the maximum of about 3,600 in bursaries and loans.

The University of Manitoba as you well know is located in a highly polarized suburb and locale surrounded by the Red River, the Pembina Highway commercial strip, the Southwood Golf Course and the Fort Richmond residential district, which is composed primarily of single family units. The Fort Garry campus is approximately 8 miles from the city

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center where the majority of older low rental accommodation are located. Many students have had to accept distances in excess of 10 miles where they had lived. The survey that I am referring to, which was taken in 1976 and has been updated in recent times, at that time the survey said that approximately a quarter of the student population had been accommodated near or on campus but that 40 percent desired closer location towards the campus. A significant 15 percent of all students seeking accommodation on or adjacent to the university are unavailable to secure it.

The second highest priority of location preferences is in the Fort Rouge, River Heights area. Over 19.6 percent of all students are living in that area. It is ideally suited to students' needs where reasonable rents and excellent transportation systems can generally be found. But this area is also highly desirable to other population groups and students must compete with low-income earners, welfare recipients, elderly persons, new immigrants and, of course, students from other post secondary institutions which also require low rental housing. The only exception to this is the downtown medical campus located in the core area of the city where a larger stock of low-cost housing is conveniently located, but it is beset by a variety of other problems.

Now, generally, for types of accommodation for those students not able to reside at home or in one of the university residences, the types of housing generally available to students are apartments, townhouses or regular houses that they can rent, rooms, room and board accommodations and generally smaller rooms in houses. The apartments are by far the most preferable and highly populated of all student accommodations.

Apartments are popular basically for the following reasons: Students require privacy and quiet surroundings for study purposes; students desire independence; irregular hours are kept by students which are not compatible with other styles of living, particularly, in times around the Christmas area or around times of final exam; the lifestyles in many senses might conflict with other tenants or persons in different types of accommodations. There are more apartments than any other type of accommodation in the vicinity of the campus which saves students time and transportation costs. Apartments lend themselves to sharing with other students effecting a cost savings, but apartment developments along the Pembina Highway are, with few exceptions, out of most students financial range. Those that do become vacant are difficult for students to obtain since students are not preferred tenants, and must therefore compete with persons who are considered a lower risk and a more stable tenant. Prejudice is especially notable, if I can use the word prejudice, in the Fort Garry and Fort Rouge area where there are high concentrations of students.

The reasons stated by building managers for this, in an informal survey discussion with them, are their special lease requirements, i.e., eight or nine month lease arrangements are requested by students. Instead of a full year or 12-month requirement, they require special leases because many of them are coming from out of town or are planning to take

summer jobs out of the city or live out of province and so they are coming in for the regular winter session of the campus. Sub-letting apartments, an alternative for many students on 12-month leases, is a practice not too well received by some landlords who feel that the screening of prospective tenants would not be sufficient to ensure that the sub-leases are proper tenants.

Of course, the high mobility of students causes unexpected vacancies, high turnover and increased maintenance as a result. Large apartments are leased to one or two persons, then occupied by four to six, resulting in overcrowding and health hazards. Noise levels are often unacceptable, boisterous and inconsiderate behaviour towards other tenants and a higher rate of vandalism discredits students' images as good tenants even further. The standards of cleanliness are often not maintained and students neglect to pay their last month's rent, while leaving the city do not always fulfill lease obligations. The fact is, gentlemen, that the negligent behaviour of a few students tend to reflect on all.

In addition to the above problems, lower vacancies and older housing is being replaced by expensive new apartment complexes causing the traditional supply of inexpensive housing to dwindle. Usually single, or married without children, students remain ineligible for most government programs on public housing. Increased housing is available for students farther from campus toward the city's core, but such housing is often undermaintained, does not observe safety standards or it is unsatisfactory in terms of commuter costs, calculated in both time and money.

Students have often had to pay a premium for better housing closer to the campus. Formerly all landlords were supposed to present copies of former rents to their tenants, it was up to the tenant then to decide to object to it. It was a common understanding and rapport in the off-campus housing at the University of Manitoba, at that office, that many of these rents have been very greatly increased because new posting is much higher at that time than when their time previous to the present tenants. The students have reported they have agreed to pay higher rents in order to get accommodation, to agree to not ask for former rents in order to secure more helpful or more close accommodation closer to the campus, but they cannot prove it as far as the student housing office is concerned because these postings are not legal documents and students fear making waves with these tenants, especially if they are going to be there for only a short time. As they are transients, they might be there for only nine months, they would rather pay a little bit more money to put up with that hassle than going through the entire business of claiming that this rent is unobtrusively high and trying to find accommodation in other areas.

But generally students have two major problems with the proposed changes before the Legislature. First of all, as has been reported already, is the system of arbitration. The tenant and the landlord must agree to approach the Rentalsman and eventually the Director of Arbitration to find a common understanding in rental complaints. The power of arbitration, as has been reported, is often approaching the power of a judge. I am not a lawyer; I don't have the expertise of Mr. Peltz, nor of Mr.

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Shapiro, but this has been a common thing. It has been mentioned to us by various individuals connected with housing at the University of Manitoba and has been repeated to you here tonight. It is also pointed out that these Rentalsmen and the Director of Arbitration are appointed by politicians and may reflect current trends of the political parties or of the present government.

The recent amendment to help pay moving costs are helpful, but these costs shall really only be passed on to future tenants, and if there happens to be a student in that particular room, it's often students that these increased rents will be turned on to. This process must be closely re-examined and made more open for both groups to voice complaints and seek solutions to the Department of Consumer Affairs. Basically, that there is a mandatory or compulsory board to view these kinds of complaints by either party, that there is not left up to a common agreement to go before these boards. But if there is reason in someone's mind to complain, that these complaints are listened to and dealt with by these Rentalsman boards.

The second major problem deals with student finances, the basic question of money that students have to pay and what they have to pay them on. Like all tenant groups we fear high rises in rents over the next short while and the period of August, September and October is the most transient ones for the students. Right now there might be in some areas a higher than normal degree of vacancy, but this is the time when more students are out of town or out seeking work in other areas. The times when, especially along the Pembina strip that students will be returning, will be late August, September and October. It is very well known by the housing office that the vacancy rate along the Pembina strip is very very low from September until, the very least, in November when some students might be dropping out of university and there might be a few rooms available for people who are in that kind of economic range that they can afford them. But there is very little vacancy for any kind of low rental housing in that area during the time when most students are applying for them. So there is quite a competition among students for that housing and you find that the students are moving farther and farther away from the campus or moving to places where they will have to pay a higher rent and a higher percentage of their total limited incomes.

An increase in the sublet fee from 10 to 20 has been a suggestion, which is 100 percent increase and I do not believe that the expenses in this area have risen 100 percent. Students represent a large number of subletters, because often they will take a 12-month lease and sublet for a certain amount of time while they are out of town or pursuing other interests. They are being very severely affected by such an increase. This is a small way for a landlord to make a quick profit on basically very little money expended and it is often the students who are picking up this particular aspect of the cost.

Now the students and the student union can appreciate the landlord's concern to maintain levels of expense, to make sure that he has enough money to maintain the building and to make a fair and reasonable profit, but inflation has hurt all groups in society and education in particular, I believe, has

been severely hit. As you know, tuition fees have been increased some upwards of 33 percent in the past three years at the University of Manitoba. Books, supplies, clothing, food and transportation have also risen dramatically. Students have been hit very severely by these costs. An increase in the amount they will have to pay in housing, even a suggested increase of what some consider to be fair of 15 to 16 percent, is a very large increase. We have taken a survey of some of the rental increases over the past while on some 15 apartment blocks in the immediate area of the Fort Garry campus. All of them, since February, have reported an increase in rent and it is often heard now, in the short immediate time following these announcements, that there has been another call for an increase in rent.

It was also pointed out in the News Release of The Rent Stabilization Act, Mr. Jorgenson was quoted as saying that the rent cannot be increased in a continuing tenancy more than once in any 12-month period. But as I point out students often leave after eight or nine months, the majority of them, and so there will be availability through that regulation for students or anyone who is highly transient to have those rents increased more than once in any 12-month period, simply because you now have a new tenant coming in. Throughout the same period, Student Aid, and I'm talking now of the last few years, has risen only some 800 and has not risen for over two years. The maximum low in bursary has remained about 3,600 and while only about, as I say, 3 to 5 percent receive this maximum, it is felt now that as expenses increase, and particularly now, as housing again will increase, then more and more people will be seeking aid in this area.

Students are already living below the poverty line with costs increasing, competition for jobs getting more strenuous and unemployment levels rising. Students are basically a fixed income group, yet costs and now rents are increasing all around them. Unlike older people or other interests groups, they have little other sources of aid for rents except student aid. There is no SAFER Program for students. There is nothing like that for this particular group. As I have said, renting students live in five basic areas. The most populous area of student population is Fort Garry. In June, 1980, that had a vacancy rate of only 3.6 percent; in Fort Rouge, 3.5 percent; St. Vital, 3.3 percent; in the Midland area, 5.3 percent; Centennial, 5.4 percent. There are said to be 59,547 apartment units in this city. If we can consider that 5 percent is a reasonable vacancy level, then that is less than 3,000 units, which just does not make a huge surplus in the amount of apartments available.

I would disagree with items or figures such as 16 or 18 percent as have been quoted in the media or by some landlord organizations that those vacancy rates are not, in fact, true. Right now about 13.8 percent, according to our figures, of vacancy rates in more expensive apartments, in the newer apartments is more reasonable, but according to the reports of the, as I have here, Central Mortgage and Housing Committee of June, 1980, these were the vacancy rates for those areas which are prime student areas.

Older buildings, the places where students are more likely to be living and where rents, of course, will be lower have a 4.4 vacancy rate which I am told

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is a very health vacancy rate. Over the past 12 months, however, over 1,000 of these buildings, 1,038 to be precise, have been torn down. They are being replaced, if they are being replaced at all, by newer more expensive housing units where students cannot afford them. They are looking for other sources of housing and having to, again, move in with more and more students to have accessible areas where they can live.

Mr. Chairman, costs are increasing, however, an increase we can expect with the repeal of the rent controls, we're not sure, 16 percent, perhaps lower, it's not clear at this time. However, we can expect a sizable increase for that, in fact, is the purpose of it as we understand to help make the position of the landlord more tenable because it is felt that his position, his expenses, are too high. A 16 or a 15 percent or a 10 percent increase in housing in addition to other costs is just too much for students and it poses a particular difficulty to accessibility to university.

I urge you to consider special status for students as a particular problem dealing with these regulations. I also urge you, as we are now dealing with the government, and it's hard for us to separate one area of the government from another as far as voicing our concerns because, as we know, they all come together in the areas of student aid, in the areas of education, to strongly look at increasing the maximums available for student assistance in those areas so at the very least, if rents must increase by some supposed fair order, that there is at least assistance available for students, somewhere they can turn as do elderly people or special interest groups of other sorts, where they can go to get the kind of money to obtain housing so they can continue with their university education.

I urge you to call upon your colleagues in Student Aid and in the Minister of Education's office. In recent talks with them I understand, and I may be wrong, that any increases in Student Aid, as far as budget for the upcoming year, have not increased. They are still going by the 36, or the Manitoba proportion of that 1,800 bursary units and that is now against the policy of the University of Manitoba. Dr. Campbell has presented a report to the Federal-Provincial Task Force calling for greater levels of financial assistance for students that has been passed by Senate. It has been recommended by the Student Aid Consulting Committee and has been recommended by the Awards Office at the University of Manitoba, and if I may predict, I believe it will be also recommended by the Board of Governors of our university very shortly.

All of life is a lesson, gentlemen, and as we are students there's, of course, many lessons to learn. I've had a lesson in practical politics, I suppose, this evening but the facts are that while we can say that there have been the Dirty Thirties or other times of trouble, we resent living with the ugly eighties, or whatever they might be, to justify that by past experiences with Dirty Thirties or depressions. The fact is that we hope that lessons like the Dirty Thirties or the ways which those kinds of problems can be overcome can be learned through experience. We are your future, gentlemen, and what we are dealing with now is more and more difficulty to get the kind of education that can put us in the position

of you, to make the kind of decisions that affect future society and if these problems have become too much for today's society, today's leaders to handle, perhaps it is time to invest more and more in whatever future answers may be held by students. Thank you.

MR. CHAIRMAN: Mr. Egan, would you permit questions from the members of the committee?

MR. EGAN: Gladly, Mr. Chairman.

MR. CHAIRMAN: Are there any questions?
Mr. Parasiuk.

MR. PARASIUK: Mr. Egan, I think you presented the case very well against having more than one rent increase per year. I think that the students are probably the single largest group that will be affected by that change in this legislation and I hope that the government pays attention to it. When this particular concern was raised in debate on second reading, the government directly and categorically rejected that it would be affecting students in a deleterious way and I think the material that you provided in the case said it would.

I'd like to ask you whether in fact you've been able to sit down with the government and talk to them about the government providing some assistance for student housing and student accommodation. I know that a few years ago, I think it was two years ago, Red River Community College and I believe the University of Manitoba, and I think the University of Winnipeg, pointed out that there were difficulties with respect to student accommodation and they were asking that the government get involved in a program of possibly constructing student accommodation. What's happened to those discussions; has there been any progress?

MR. EGAN: The discussions of course are ongoing and right now the University of Manitoba, the University of Winnipeg and Red River Community College are involved in a joint advertising program to make more people aware of where housing is available for students all across the city. As far as accommodations or any type of plan to build housing units for students, those are still in discussion stages, still in the urging stages.

In sitting here tonight throughout all the presentations, it seems clear that there will be serious problems in dealing with housing in the future. A bold plan the government may wish to consider is in building low rental housing particularly for student needs. Low rental housing now are primarily for family units. Now, as I say, about 75 percent of all students are single and, of these, a fair proportion are trying to seek accommodations in rental units. If there were particular low rental units for students, they could be used now for students and as they increase the trends, as we understand it, for older people in the future come about, they too will need low rental housing. So these units could be used for low rental housing for elderly people as time goes on.

Now the government has said that trends in education will be that there will be less and less people attending university. Well, this past year there

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was a very slight increase in the enrolment at the University of Manitoba. As I say, it's about 18,740 last year and that's up from about 18,500, so there has been an increase but certainly right now I think we're in a levelling-off process and unfortunately we might be looking at a decreased enrolment in the next few years. What this year might have to hold, I'm not sure, though I have heard that the figures so far have indicated that it's going to look pretty good, at least about the same or perhaps a little better.

The facts are, Mr. Chairman, if the government doesn't believe in those kind of future realities, that if there was housing available now, perhaps on a meagre scale just to accommodate some of these students, that with the increasing proportion of elderly people in the future, these units could be occupied by them so there would be minimal waste in that kind of a proposal. I know it would mean a major financial commitment but it might assist you in dealing with some of your housing problems because, as I've heard tonight and as I believe you can appreciate, there are housing problems and those problems are not going to be solved by a few years rent controls, a few years not, a few years rent controls, etc.

We have to accept the fact that there are particular groups that are going to suffer more than others with rental housing. One of those are elderly people, another are students, and in that you have your past and your future, something that the government has tried to respect but I believe needs to respect a little bit more.

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

MR. CORRIN: It's not a question, it's more in the order of a compliment. I was very impressed with the presentation Mr. Egan made on behalf of the Students Union and I wanted to tell him so.

I don't know, Mr. Egan, whether you've become politicized or whether you will become politicized but, if that should transpire, I hope it's on this side of the fence and not the other.

MR. CHAIRMAN: No political commercials. No other questions? Thank you very kindly, Mr. Egan.

MR. EGAN: Thank you.

MR. CHAIRMAN: Mr. Parasiuk.

MR. PARASIUK: Yes, I was out of the room when there was some discussion about how we should continue. It was my hope that those people who were here tonight, who wanted to make a presentation, could have that opportunity. But I also know that a number of people who were here have gone home and I also know that a number of people who wanted to be here possibly haven't been contacted and, since we've had a very good turnout last night and tonight, a full four hours of presentations, very very useful, very interesting presentations, I'm wondering if we could hear whoever wanted to speak tonight and also . . .

MR. CHAIRMAN: Mr. Parasiuk, I've got to stop you, not because I didn't want to hear what you had to

say; we have to change the tape so we'll take a few moments recess.

Committee come to order again, please. Mr. Parasiuk, may I interrupt you for a moment and tell you that we have about another 12 names on the list. How be if I go through these 12 people and find out who is present. The Clerk's office has fairly good notes as to who was contacted and some comments, yes. There's some some that said no, we can't come today, Friday would be better and some say Saturday would be better. But when do you draw to a conclusion?

MR. JORGENSON: We're not going to go on forever.

MR. CHAIRMAN: So let me go through these names and then we will find out who is present.

Mrs. I. Brown; is Mrs. I. Brown present? Susan Poelvoorde. I believe that Sandra Oakley from the Manitoba Federation of Labour is present. Am I correct? All right. Dianna Hooper, is she present? Okay. Carl Wemass. Bertha Arnold and G.J. Towle. Wayne McNabb. Peter Thiessen. I don't see Muriel Smith because I know her. I think she has indicated that she would prefer either tomorrow afternoon or the following day in the afternoon.

Maxine Hamilton. Ellen Smith. Les Johnson and a Robert Adams and Walter Tcharchuk and he's present. Then the Indian and Metis Friendship Centre didn't leave a name of an individual but an association. Mervin Moore is the name that has been left with the Clerk from the Indian and Metis Friendship Centre; not here.

Are there any other persons present who I haven't called their names out, who wish to be added on the list? Would you like to come forward and tell us who you are, sir?

MR. GRANT WICHENKO: I'm Grant Wichenko. I was on the list but I was out of town, Mr. Chairman.

MR. CHAIRMAN: All right. We have three persons that are present. It would be my suggestion, as Chairman, that we hear these three people. Sandra Oakley.

Mr. Parasiuk.

MR. PARASIUK: Is it the intention, then, that the other people would get an opportunity to meet; will we meet tomorrow afternoon or tomorrow evening or . . . ?

MR. CHAIRMAN: I am at the will of the Chair.

MR. JORGENSON: Their names have been called three times now.

MR. PARASIUK: No, they've been called twice with a large number not being called this afternoon. I know that a number of these people were here and went home. I'm just asking, will we be meeting one more time to hear representations and if so, when?

MR. CHAIRMAN: I am at the pleasure of the committee. I don't know what the Minister or the members of the committee's intentions are.

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MR. JORGENSON: Let's hear the briefs here first. Let's hear those people that are here tonight.

MR. CHAIRMAN: Sandra Oakley, would you proceed, please?

MISS SANDRA OAKLEY: Yes. I would like to begin by stating that this is a joint presentation by myself and Brother Dick Martin, President of the Manitoba Federation of Labour.

Due to the lateness of the hour and the fact that I have to be up at 5:00 a.m. to go to work, I am just going to briefly highlight the concerns that we have with Bill 83.

No. 1 is that, as a worker in Manitoba, I am concerned.

No. 2, as a woman worker in Manitoba, I am appalled because women in this province are basically second-class citizens. We're the last hired and we're the first fired. I am right now employed by a corporation in this province and for the past two years I have lived under the threat of a layoff or have been placed in a lower position. Personally, if I had to take a lower job, I couldn't afford to pay the rent that I have now. My rent will be going up another 21.00.

Luckily for me, I am an only child and I have parents who are both working. They help me to buy my food. I hate to think what it might be like for a single parent, mother or father, who is a low wage earner and is trying to live in an apartment in this city, especially if you have a child going to Day Care when you've just been hit with a 1.00 per day increase in Day Care.

Women in this province are also low paid. They have very few chances and because there is no such thing in this province as equal pay for work of equal value and chances are slim to none of achieving that with the present climate in this province, as workers we are afraid that we are going to be forced to leave our apartments and try and find other apartments. However, this bill has a nice little wording which states that next year when you go to an arbitration that it will be the mark-up value of the surrounding area. Now, if all of the rents in the area are the same rate, what are you going to plead? Nothing.

The arbitration process is another thing that has us worried. I am appalled that it is not compulsory, because as a union member in this province I see people like firemen, who have submit to binding arbitration. I see that city council in this city, is going to be requesting that this province consider having the policemen resort to binding arbitration. Now as far as I'm concerned, when it comes down to landlord and tenant relations, the landlord is management and the tenant is labour. Therefore it seems to me that you are content to have the workers in this province submit to binding arbitrations, however, when it comes down to something that might hurt some friends, it won't be considered.

I'm also rather worried about the fact that when the Rent Review Board —(Interjection)— Are you finished?

MR. WILSON: . . . could you explain that?

MISS OAKLEY: Well it seems to me that the tenants association has been pressing this government to pass the bill that is being considered before us, the landlords, I mean.

MR. CHAIRMAN: Would you carry on with your presentation please.

MISS OAKLEY: I feel that both parties must, of course, agree to arbitration and that it should be compulsory. I feel that as a member of women in this province, I'm not going to be able to afford a rent increase, and I don't know how people who are earning less than I earn are going to face it. And that is all that I have to say for my committee. I would like to call on Brother Martin to continue the presentation.

MR. CHAIRMAN: Mr. Martin.

MR. MARTIN: Thank you. Ladies and gentlemen, Mr. Chairman, aside from what Miss Oakley talked about, the Federation of Labour wonders specifically why the Landlord and Tenant Act is being revised at this particular time, in view of the inflationary pressures that all of our members and our respective local unions are facing. We have heard here tonight about rent increases in the vicinity of 20 and 22 and 25 and 50 percent. It has often been stated by Ministers of this government, certainly members of the Legislative Assembly that they have a great deal of concern about inflation, within the province and within the country. It seems to us that by decontrolling the whole rent procedure, that you are in fact, urging further inflationary pressures to be placed upon workers' pay cheques.

I can assure you that if this bill goes past, that that will be reflected at the collective bargaining table. Because our people will have no recourse but to place further and higher wage demands upon the table in order to make ends meet.

However, if the government insists upon continuing with the decontrol, then my answer and our answer to you is, fine, proceed, but at the same time then bring in a tenants' bill that gives them the total collective bargaining powers that workers in the plant now enjoy. For it seems to us that what needs to be done is to equalize the power of both sides. But under the decontrol bill it doesn't seem to have that option.

We see that when housing mortgage rates have hit extreme heights, they're moderating to some degree now, but certainly by no ones' standards are those mortgage rates permissible or acceptable to workers earning the wages that they do now, and in fact, in most instances, exclude single family earners, and in fact, have to have two earners in the family to afford any housing accommodation. That in turn forces those families to seek rental accommodation and that rental accommodation will once again start rising and probably rise out of sight.

As Mr. Shapiro stated tonight and numerous other speakers, the vacancy rate has very little to do with competition, equalizing or keeping rates at moderate levels. As the President of the UMSU stated, south Pembina Highway doesn't experience that type of competition that will equalize or moderate the rental rates, that in fact areas of the city are affected

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trimentally because people want to live in those particular areas, have to live in those particular areas because they are attending university; and in the case of pensioners, it is very difficult for them to move; it's very difficult for them to leave friends behind, in order to move to another location where they could find cheaper rents.

I'm well aware of the SAFER program and I echo what has been stated here tonight, that it seems grossly unfair, although it may indirectly help the poorer people on lower pensions, that it seems grossly unfair that we are subsidizing, as taxpayers, landlords that will in fact be charging exorbitant rental increases in many instances, at the expense of the taxpayer. And with this bill you are in fact, assisting and aiding in that development.

We find it, under the Arbitration Act, with the arbitration proceedings, quite frankly laughable, and I'm sure that anyone who has had any experience, either from management side negotiations or labour side negotiations, if either of us had ever put that on the collective bargaining table, we would be laughed right out of the room. It has to be arbitration, compulsory, or nothing at all. To leave it to the discretion of the Minister is first of all, I believe, placing too much authority in the Minister from time to time, and too much pressure on a Minister who as a lot of other duties to perform than be an arbitrator in a particular rental dispute. We think that both parties must agree to an arbitration if we are going to proceed that way. And I say once again to you, if INCO, in my experience and the steelworkers, ever negotiated that way in an arbitrator everyone would have a big chuckle.

The 50 percent above allowable levels talked about by Mr. Shapiro, what I think should have impressed his committee here tonight, where landlords had claimed those rates and were in fact found to be 50 percent above, that seems to have an awful lot of bearing on what we are to expect if this bill proceeds through the House.

It was also mentioned tonight, that we probably, in the not too distant future will face a housing crisis because of the lack of construction on homes, private dwellings, and at that time then, whatever government is in power will be faced with bringing back decontrols when it was unnecessary to take them off in the first place.

We think that tenants should have due process to law, and as Mr. Peltz pointed out, the due process of law seems to be lacking in this present bill. I don't pretend to be a lawyer or a legal expert but I do know one area that I have very much concern in and

I think that members of all three political parties should have a lot of concern in that area because it is, irrespective of people that you try to convince to vote for your particular political party, that they should have the right to put signs up within their apartments and such and by the exclusion of that — and it's my understanding that will be excluded under the present legislation — that it would seem fundamentally depriving people of their civil liberties and their political rights.

In summation, and I'm not going to repeat a lot of what has been said tonight, I just want to point out that we do represent, within the Federation of Labour, an awful lot of people that are in fact, in some cases, the working poor. But far more of the

working poor do not have any collective bargaining process at their disposal, do not have any protection at their disposal and in fact, as Mr. Shapiro once again stated, stand in the corners and are not able to represent themselves because they are powerless and the truth of the matter is that they are powerless at the time. If you are going to proceed with the bill, then at least give those people the power to collectively bargain in a manner, with landlords, that would be fair and equitable.

If you want to not have government intervention in the marketplace, and I seem to gather that from the process of this government, then fine, but then give those parties that are within the society equal, or something similar to equal rights, within society, in order to deal on an equal type of partnership with each other, with equal power. And if you did assist tenants in that way, then I would suggest to you that there might be some moderation in the marketplace in terms of housing. I'm not necessarily advocating that, in fact, we are advocating retaining of the rent control system; in spite of all its warts and encumbrances, it is far better than having nothing which this decontrol seems to be bringing about. However, I pose that option to you, in that if you are going to proceed with this bill, then allow and assist the tenants under special legislation to have those bargaining rights. Thank you.

MR. CHAIRMAN: Thank you, sir. Would you permit questions? The same goes for Sandra Oakley. Any person wishing to ask this party a question? Mr. Cowan.

MR. COWAN: Mr. Martin, you suggested that if the arbitration process is going to work, that it must in fact be compulsory. In other words, both parties must be forced to participate, number one, and forced to abide by the decision of the arbitrator, number two.

Having had a fair amount of experience, some direct and some indirect in regard to arbitration procedures, I wonder if you would comment on how you would foresee or how you would suggest, in the event that rent controls are taken off and we are faced with this particular process that such an arbitrator be chosen, and that in the event that a number of arbitrations become necessary, how a number of arbitrators should be chosen?

MR. MARTIN: Well, of course, that's going to be an extremely difficult one. It is my understanding of the Act now, that the arbitrator would be basically a political appointment. If it was to be truly a neutral arbitrator and to bring down an unbiased decision, would have to basically work the same as contracts between management and unions work, that they have to come to an agreement. But I don't see how that's possible since tenants' associations, tenants' unions, do not represent very many people and very many tenants. On the other hand it has no problem because the landlords do have a union as we know, and a very effective union, very obvious in terms of lobbying with this bill. But I would say that they would be able to have a part in selecting an independent arbitrator. I would say that the tenants then must have a part in selecting an independent arbitrator, but I don't see any possible mechanism at

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this time, because the tenants do not have a collective association to represent them. That's the best answer I can give to you.

MR. COWAN: In other words, for the arbitration process to work now, as it works in respect to the labour relations field, it is necessary that the arbitrator enjoy the trust and the confidence of both parties. Especially when such arbitration is to be considered binding. If in fact the arbitrator does not enjoy either the trust or the confidence, then what would, in your experience, be the result of that in regard to effective use of an arbitration process?

MR. MARTIN: Well, one side or the other is simply going to call it a kangaroo court, and in my opinion they will have every right to call it a kangaroo court because of that process. Even this government or the previous government in selecting arbitrators that were to be selected by unions and or management, went through what we call the MacLean Committee. Names were submitted by both management and labour for selection and agreement, and those names are retained by the Minister and can be appointed by the Minister to arbitrate difficult decisions, but at that period there were two parties to that on the MacLean Committee, one representing management in a collective fashion and one representing labour in a collective fashion. I just don't see how it's possible to do that. The Minister in appointing an arbitrator might luck out and might appoint someone that's acceptable to both sides, but when they bring down the decision, one side or the other is not going to like the decision obviously and if they haven't had a major say in selecting that arbitrator then it certainly won't be viewed as unbiased.

MR. COWAN: So, if the parties to the arbitration do not play a part in the choice of the arbitrator, then it is your opinion, given your experience in this field, that the arbitration process will ultimately break down, more likely sooner than later because of a playing-off of the sides, no matter what the opinion of the arbitrator is. If they do not take part they do not have a vested interest in who that arbitrator is. If they do not feel that they were a part of that decision, then the arbitration in fact will be viewed by one party or another or perhaps even both, to use your words, your kangaroo court. Is that a correct interpretation?

MR. MARTIN: Yes, that's correct. There is no possible way that I think that they can receive a fair deal, either side, and I think that either side has a legitimate collective interest in settling a dispute over rent. I don't see anything terribly different about that and a dispute between two companies, a dispute between a labour union and a company, or a dispute between two individuals. Individuals at least can go into the courts. We find out through this legislation that it is difficult for the individual to pursue the matter into the courts.

MR. COWAN: Do you know, Mr. Martin, of any other experience where an arbitration process takes place on a regular basis and using regular practises whereby both parties do not mutually agree upon a

neutral third party to arbitrate or a neutral third group to arbitrate.

MR. MARTIN: Oh yes, certainly it's happened from time to time. The latest post office and the federal government dispute, that wasn't necessarily endorsed by the union, but surely to goodness we don't want to get into that kind of quagmire that existed in Ottawa at this time. Sure it happens from time to time but it's certainly not the best. It does not provide the best results to either side.

MR. COWAN: You have anticipated my next question, which was in fact, when that does happen, is there less likelihood of that arbitration award being given validity by both parties involved or is there more likelihood of distrust and thereby disabuse of the arbitration award?

MR. MARTIN: As I said before, I think that it's not going to be credible to either party and it will end up putting whatever government or whatever Minister is in charge in a very very difficult and ticklish situation; that won't be satisfactory in the end result anyway. It just simply isn't going to work the way it has been put down in the legislation. I can't add very much, because that is experience in terms of negotiations and arbitration of disputes, that unless it is accepted by both parties it cannot possibly work, because both parties do have a legitimate interest in the outcome of the arbitration.

MR. COWAN: One final line of questioning, Mr. Martin, in your opinion is there any workable method of allowing the tenants an opportunity to participate in the decision as to who the arbitrator will be, given the present situation.

MR. MARTIN: Not in the present situation, because the tenants' associations, the tenants' unions aren't highly enough organized. I suppose an effort could be made to get representation from the tenants' associations, but I wonder how representative that would necessarily be of all tenants within the city, and of course just because of that maybe there would a tenants' association in one apartment block, and a landlord in one apartment block, and they may perhaps agree upon an independent arbitrator, but are we going to go in all those disputes from apartment block to apartment block; and apartment block to apartment block does not have tenants' associations, so in terms of selecting someone I don't see how it's possible until the tenants are much more highly organized than they are now, and of course in order to become more highly organized specific legislation must be brought in to assist them in that organization and to give them safeguards such as contained under The Labour Relations Act.

MR. COWAN: That, Mr. Martin, is another topic that would probably be much more interesting at another hour, so I won't pursue it with you, but I do wish just to note some interest and curiosity on my part as to how that work, but again it is late and we will pursue that at a different time.

I would just like to in closing ask you if I am incorrect in drawing from your remarks in conclusion that you believe the arbitration process thereby

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under this act to be totally ineffective, unworkable, and doomed to failure right from the start.

MR. MARTIN: Yes, that's what I think I said.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Mr. Martin, a membership colleague of yours, Mr. Wally Johansson speaking to The Rent Stabilization Act, said that if you have a 10 percent vacancy factor in the rental market, you don't need rent controls; you don't need rent controls, because the market will regulate itself, and yet you have said you favour rent controls. I wonder if you would care to comment on Mr. Johansson's position.

MR. MARTIN: Yes, I disagree with Mr. Johansson, and that isn't the first time either, I might add. But in any event, Mr. Shapiro pointed out, and it's been, I think, adequately pointed out here tonight, and perhaps it was in other submissions before this committee, that vacancy rates do not necessarily have very much bearing on what the rents are going to be. The area, as I pointed out, and was much more eloquently pointed out by the president of the Students' Union, that most students at the University of Manitoba want to live on Pembina Highway and south Pembina. Obviously they don't want to live up on Burrows or McPhillips, and so the bearing has on South Pembina, those people, those landlords, have a captive market so to speak. So it was with pensioners. Pensioners do not want to move out of the areas they are in many times, because many times they have lived there all their lives. Their friends are there, and in fact if they do want to move, the movement of furniture and such is going to carry a cost with it. My Lord, pensioners want to, in their spare time, be associating with their friends and their colleagues, in the areas that they know, not starting over a life anew in another section of the city or province, and surely there has to be some compassion for them. I am saying to you, vacancy rates do not in the so-called premarket economy necessarily have all that great a bearing on it.

MR. WILSON: Mr. Martin, do you also agree or disagree with — and speaking on May 10th, of 1976, the Honourable Ed Schreyer said that the matter of rent control was tied in with the matter of the anti-inflation guidelines in Canada. In other words he was indicating that once the anti-inflation guidelines come off that we could get out of controls. I am interested in putting some fairness into this new bill, and I sort of have to say to you that if you take a losing position and rent controls do not stay, that this bill is successful, would you not then face the reality that controls are being phased out and assist us in making the bill with the amendments that will give it the fairness and equality that tenants are looking for in certain sections of the city, i.e. senior citizens and students? In other words do you have . . .

MR. MARTIN: Let me answer your question. Two points. First of all, Mr. Schreyer and I didn't agree either on anti-inflation board guidelines. Let's make that very clear. —(Interjection)— No, I never had any trouble, I just disagreed with him on it.

The second point of the matter is that, yes, I realize the rent controls were brought in under the anti-inflation board and that Mr. Schreyer had made those comments. I was of the belief and understanding, and the labour movement was even before that, that rent controls were necessary. The push on wages comes before wages do the push, and we believe that if costs and the costs of living had been kept in line all through, including now, that wage demands would not spiral. Wage demands follow the cost of living. It's as simple as that. People are not going to make ridiculous wage demands at any point if the cost of living is not ridiculous.

In answer to you, if the rent increases are going to be exorbitant, and we have every indication that they are going to be exorbitant, there is going to be rent gouging, that our wage demands are going to have to reflect that increase in the cost of living of our members, and in fact the government is going to have to deal with that too, in terms of the minimum wage, which I might point out hasn't gone up for a long time, and those people are living in apartments at the same time and are subject to these increases. I would suggest to you if you are going to decontrol, you should also decontrol the minimum wages and bring them up.

In final answer to your question, that in anything that is positive I am prepared to help and assist the government in any way, in anything that is positive and constructive; what I think and feel is detrimental, I am prepared to do anything I can against it.

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

The next delegate, Dianna Hooper, Chairman, Board of Directors, Community Education Development Association.

MS DIANNA HOOPER: Thank you very much for taking the time to listen to us. There are copies of the brief here for anyone who would like to have them.

Mr. Chairman, thank you very much for the opportunity to present the views of the community education development association regarding Bill No. 83, a piece of legislation that will if enacted, seriously undermine the legal rights and the welfare of many of the families and children we serve.

Let me begin by giving you or your committee some background history on CEDA. Previously we were the community schools' program supported by the province and Winnipeg School Division No. 1. CEDA is now funded by Winnipeg School Division No. 1, the United Way and The Winnipeg Foundation. We a 25-member board of directors composed of people who live and/or work in the inner city. A brochure which is attached to the brief will explain our goals and objectives to you.

Mr. Chairman, many citizens and members of both sides of this House have expressed opposition to Bill No. 83, and most of the attention has been focused on the removal of rent controls. We concur 100 percent with this opposition. Later in our brief we will have more to say about how the removal of rent controls and the substitution of the so-called arbitration system will be harmful to our members. However, we wish to state right at the beginning, that even without the rent control provision, this bill

is a disaster for inner-city families who are renting their accommodation. Even if this committee made wholesale changes in the rent arbitration section we would oppose this bill just as vigorously and urge you to shelve it indefinitely.

Let me explain some of our apprehensions. The first one is the one-rent-increase-per-year rule, Section 116(1). Section 26 of the bill proposes to amend the present provision whereby a landlord may only raise the rent on a unit once in a given year. Instead increases would be permitted every time there is a new tenant. Obviously in buildings where most of the tenants are long-term residents, this amendment will have very little impact. By contrast, in areas where the turnover is high, landlords will be able to extract multiple rent increases per year.

CEDA operates in the inner city of Winnipeg, the area of greatest tenant mobility, and we are therefore concerned about unfair rent increases being imposed on the people we serve. Even from a landlord prospective, we see no justification for this amendment. Landlords were always able to pass through costs on an annual basis, even under rent control, and now that restraint too may be removed. Financial statements are generally prepared and reviewed on an annual basis, at which time any necessary rental adjustment may be made. While some cost of doing business may arise several times per year, many of the major expense items arise annually or less frequently than that; city taxes, labour agreements, mortgage refinancing. It is crystal clear to us that a landlord's legitimate business expenses can be met by means of annual rent increase where necessary, so what is the rationale for changing the act to allow more frequent changes? The only conclusion we can draw is that the law is being changed to legalize and facilitate rent gouging, i.e. frequent, unnecessary and excessive rent increases. No responsible government should pass legislation where the main effect will be to approve of practice universally condemned by landlords and tenants alike.

CEDA would like to remind the committee that in the inner city many tenants are welfare recipients whose rent is paid directly to the landlord by the government. Is this supposed to be a soft touch for the landlords? Will we witness a major public subsidy by the government to inner city landlords? Worse still from the point of view of the welfare recipient is the problem created when the social allowance granted does not cover the full costs of rent. Often the department will tell people that only a portion of the rent will be covered, leaving the tenant with the option of moving or alternatively, using money from the food or clothing allowance to meet the rent payment each month. Either way the family suffers and the children suffer the most.

CEDA has been working to improve educational opportunities in the inner city. This particular provision of Bill 83 will undermine progress being made by CEDA and other agencies such as the Winnipeg School Division No. 1. We will have some further comments about migrancy later in the brief.

My next section dealt with the tenants' right to organize and I hear that that's been taken out or amended so I won't go into it.

The next section has to do with eviction during the school year, which is Section 113.5. The Landlord

and Tenant Act presently prohibits eviction of families with school-aged children during the school year unless the tenant has violated his or her obligations under the Act. Tenants who are in arrears of rent, create disturbances or cause property damage can be forced out. However, where there is no such fault on the part of the tenant, the Act places the interest and rights of children ahead of property owners. The only exception occurs where there is no lease and, after a bona fide purchase, the owner intends to live in the premises personally. But where a landlord wishes or ought to do repairs or renovation, to demolish, to take over occupation himself or to provide accommodation for his relatives, in each instance the school-aged children are protected against disruption of their educational opportunities. This is a sound policy.

Section 24 of the bill proposes to put the rights of condominium developers ahead of the rights of children. This is perhaps the most shameful section in a thoroughly disgraceful piece of legislation. Condominium conversions are planned well in advance and we see no reason why owners cannot wait until the school year-end to take over possession from families with children. The effect of this amendment can only be to destabilize communities and to aggravate the migrancy problem which CEDA and other agencies are trying to cope with in the inner city.

The Winnipeg No. 1 School Division has conducted research on the extent of the migrancy phenomenon. Inner city schools have migrancy or student turnover rates as high as 98 percent. Approximately one-half of the 59 elementary schools in Winnipeg Division No. 1 have a migrancy rate of over 20 percent. This legislation can only increase this rate. The effect on the child of moving from school to school can only be called an educational disability. Poor learning, poor reading levels, low educational and social skill development and a general ability for the child to ever catch up to his or her peers are just some of the effects of migrancy upon the child.

Further information on the effects of migrancy on a child's learning are readily available from the Division No. 1. A table outlining the extent of this phenomenon is attached to the end of this presentation. There seems to be a trend toward upgrading older blocks and creating condominiums, using their character and charm as a selling feature. The effect is to remove these units from the low income rental market. Forcing children to move in mid-year, often across school boundaries, only adds insult to injury. We therefore urge you to maintain the integrity of Section 113 and to take a stand for the rights of children. Section 24 of this bill must not be passed.

I'm sorry, on our brief there is a typo-error, it says Section 133 and it really should say 113.

The end of rent controls. Winnipeg tenants are now receiving notices from their landlords and the size of the rent increases being imposed clearly shows a need to retain rent controls. As an example, one of our board members is aware of a fourplex suite on Magnus Avenue where the rent will be raising from 85 to 157, a staggering 46 percent increase. People in our communities cannot meet such a rise in their cost of living.

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The Rent Stabilization Board report on decontrols for the 1979 year showed that the overall average increase in rent was 6.5 percent. That figure seems reasonable but it is deceptive as an average figure. The report also says, one and two-bedroom suites in older pre-1950 blocks experienced the highest average increases of voluntarily vacated units, a 9.25 percent for one bedroom and 10.15 percent for two bedrooms.

Inner city tenants living in older lower-priced rental units are most in jeopardy as a result of the removal of rent control. Does the rent arbitration system proposed to replace rent controls solve the problem? CEDA joins the chorus of voices, including the editorial page of the Winnipeg Tribune, in answering, no. The scheme is a bureaucratic and administrative nightmare. Also, it depends on the initiative of the Minister personally, which we say is not a good policy under any circumstances.

The proposed Section 120.7 suggests that individual cases would not be covered by the system which is aimed at classes of rental units. Moreover, even where increases are clearly excessive, as defined in the bill, the Minister need not appoint any arbitrator unless alternate accommodation in the area is limited. In other words, Bill 83 says to the tenant, if your rent is exorbitant you have to move.

The policy of the bill is to encourage greater mobility of tenants, to undermine security of tenure and to disrupt family life. There may be an alternate accommodation in the same general area but there is no mention here of school boundaries. The result will often be that children are forced to change schools in mid-year, to a detriment of their personal and educational development. CEDA must oppose such a heartless attitude toward inner city families and youth. Surely the legislators of Manitoba can create better laws than Bill 83.

Mr. Chairman and members of the committee, thank you for your time and your attention, especially at this late time.

MR. CHAIRMAN: Dianna Hooper, would you permit questions from the members?

MS HOOPER: I'll try my best to answer them.

MR. CHAIRMAN: Are there questions from members?

Mr. Parasiuk.

MR. PARASIUK: I want to thank you for bringing this particular perspective to us. I don't know if we've had the perspective of the children brought to us as forcefully as you have tonight. We've had mostly older people coming forward. You have some attachments here regarding migrancy in schools.

MS HOOPER: Yes.

MR. PARASIUK: In Fort Rouge. Those tables are fairly explanatory. Most of these schools with the high migration obviously are in the inner city.

MS HOOPER: Yes, they are.

MR. PARASIUK: Who did this survey?

MS HOOPER: This is a survey done by the Winnipeg School Division No. 1. There is more information that probably could be gotten through the division or through the Department of Education.

MR. PARASIUK: Was this the one that also indicated that a lot of the people in the inner city are unemployed; that they have low income levels? Was that the one done by the city of Winnipeg on that?

MS HOOPER: Yes, I think that's the one.

MR. PARASIUK: So that actually when you've drawn these particular surveys you've actually used the fairly scientific surveys done by the Winnipeg School Division No. 1 rather than just sort of an informal poll of your own people, to come up with these figures.

MS HOOPER: No, this is a study that was done — I'm not quite sure when it was done — but it was done by the Division No. 1.

MR. PARASIUK: Okay, thank you.

MR. CHAIRMAN: Any further questions?

Mr. Cowan.

MR. COWAN: Yes, thank you. You indicated in your brief that one of your board members is aware of a fourplex suite on Magnus Avenue where the rent will be rising from 85.00 to 157.00. I'd ask you if, in your experience or to your knowledge, is that an isolated incident or should one expect that to be fairly commonplace in that particular area?

MS HOOPER: I would say that's probably maybe not quite to the highest extent, but it would probably be very common. If you would like to ask the person who is familiar with this one increase, if you'd like to ask her — I'm not sure whether I'm the only one who is allowed to answer questions or not, I don't know the procedure too well — but we have two members with me that have said they were willing to answer some of the questions, if I couldn't answer them all. I don't know if that's allowed or not, though.

MR. CHAIRMAN: Yes, you may have them come and join you and ask them to give their names.

MS HOOPER: We have Paulette Labarre, our Vice-President, and we have Verna McKay.

MR. CHAIRMAN: Perhaps, Mr. Cowan, you could repeat your question.

MR. COWAN: I was referring to the example that was presented in the brief of an 85.00 to 157.00 rent increase on Magnus Avenue. My question was, is that expected to be a fairly commonplace phenomena? Are there a number of increases of that magnitude? And further to that, are there a number of general increases that may be of a lesser magnitude but are still significant occurring in that general area now?

MS LABARRE: I'm President of the subcommittee of the William Whyte Community School. That is one

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of the isolated cases but there are many. There are a lot of absentee landlords and what happens in a case like that is that there are derelict homes and the families move from one, two, three homes, then they think, oh well, the first house is better and by that time, because of the increase, he ups the rent. So it does go that high.

MR. COWAN: The landlord, under the new provisions of the amendments, will be able to up the rent if he or she so desires each time a tenant moves.

MS LABARRE: That's right, and we have a very high migrancy rate.

MR. COWAN: So that would be a problem that would be of specific concern to your own group and to other persons living in the area.

MS LABARRE: Yes, and it does affect the kids because the children move from one school to the other and it could be within the radius of two blocks.

MR. COWAN: So the provision that's provided in the amendments for persons who are not satisfied with certain actions to move would in fact work against your group in many respects because what it would be doing is, encouraging landlords to say, well, if you don't like this move, therefore forcing higher migrant rates within the areas; is that true?

MS LABARRE: That's true.

MR. CHAIRMAN: Just before you carry on, madam, could you for the record of taping the proceedings, give us your name please?

MS LABARRE: My name is Paullette Labarre. I'm President of the subcommittee of the William Whyte Council on housing.

MR. CHAIRMAN: Thank you kindly. Sorry to interrupt you, Mr. Cowan. Have you further questions?

MR. COWAN: Just a few, Mr. Chairperson. This migrancy rate is affecting itself in the educational abilities and educational opportunities for the children at the schools, is this not true?

MS LABARRE: Yes, that's true.

MR. COWAN: Have there been studies done to that effect, to show the exact impact it's having in that regard?

MS LABARRE: The studies have been done in Dufferin School and the William Whyte and it has been done by the School Division No. 1. Because of the fact that the parents constantly move and it's not only single parents but a lot of them are unemployed and because of the derelict homes, and what it is that we are trying to change the environment, trying to show the children that this isn't the only type of environment that they can get used to. But we need the co-operation of the landlords in order to fix up these homes but unfortunately 70 percent are absentee landlords and this is the problem we face.

MR. COWAN: So are you suggesting then that you're not getting the type of co-operation which you would like to see from the landlords because of the absentee nature of many of them.

MS LABARRE: That's right.

MR. COWAN: In your opinion, do you think that the changes that have been presented to the Legislature in regard to The Rent Control Act will make your work that much more difficult in regard to improving your neighbourhoods, in regard to providing a more stable environment for school children and also in regard to providing for better educational opportunities for those students?

MS LABARRE: Yes. The reason for that is that the majority of them are on welfare and they have X-number of dollars. The welfare is only allowing them X-number of dollars so they must take that money from their clothing or from their food. Because of the conditions of the house they just simply cannot move into another area, so they must stay in the inner city, and that hinders their education and it also doesn't give them any motivation whatsoever, and they're sort of stagnant in one place.

MS HOOPER: Another point that we can make, too, is that a lot of the tenants, because they are on welfare, don't know what steps they can take in the first place and if this bill goes through it's going to be one more thing that they're not going to know. So one more, I guess, it would be another piece of legislation or whatever that they have to learn that they have to make themselves aware of. So, it's that much harder for them to know.

MR. CHAIRMAN: Mr. Cowan.

MR. COWAN: You had anticipated my next question, and I don't know whether you were here earlier when Mr. Shapiro gave his brief, but we talked about the problem with a certain segment of society that are not used to or not well versed in how to exercise their rights, not being able to have access to the arbitration mechanism here because, number one, as Mr. Shapiro said, it is a change in the pathway to the mechanism. In other words, before it was the Rent Stabilization Board and now it's a whole different process which will tend to alienate the arbitration process from those people. The other was that generally, it is a more tortuous route, that there is more bureaucracy involved in coming to a final conclusion. Do you think that you have a significant impact on the people that you are here representing this evening? That they will find it, number one, harder to make their way through the maze and, number two, having become familiar with one process now, will have to familiarize themselves with an entirely new process that will take some time and energy on their part.

MS HOOPER: Yes, it's right. Yes, it's going to affect them very badly. Already they are feeling powerless, like Mr. Shapiro said. Already they feel, well, what can I do? I don't have any money, I don't have this, I don't have that. I haven't got any rights; I can't do anything. It's going to be even harder because now

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they are still not going to know what's going on. They are still going to have to learn that much more.

MR. COWAN: So, in your opinion, these changes will discourage them from exercising their rights, and in your opinion also there is a need for us to encourage them to exercise those rights, because they are probably under-utilizing those rights right now. Would that be a correct assumption?

MS HOOPER: Very correct, very correct.

MR. COWAN: So this, if I can use a vernacular, this set of amendments will tend to victimize even further those who are already victims of the system. Would that be accurate?

MS LABARRE: That's right.

MS HOOPER: It's an understatement.

MR. COWAN: That's an understatement.

MS LABARRE: Unfortunately, it hurts the children the most.

MR. COWAN: In other words, what will impact on the family will ultimately reach its way to the children.

MS HOOPER: When you talked earlier with the gentleman from UMSU and he talked about "we are your future," yes, they are our future, but what about the younger ones who are going to be even "their" future? You have got to look that far ahead as well.

MR. COWAN: We've talked a bit about the impact of the migrancy on the individual children. Does it also have an impact on the school? In other words, a school that has a high migrancy rate or a high number of children evolving through it, is that negatively affected by the migrancy rate, as well as the children who are moving from school to school? Does it have an impact on the programs in that particular school?

MS HOOPER: Well, obviously, if the children are moving from school to school, the teachers are having a hard time keeping the programs, from school to school, the same. So it would affect them that way. Textbooks aren't all that easy to get, as well, workbooks. When you count on having a certain number of children at the beginning of the year and then throughout the whole year you end up with almost 100 percent turnover, you're going to be very low in textbooks, so what does that do to the operation of the school?

MR. COWAN: So it has an effect on the individual and it also has an effect on the entire educational system.

MS. HOOPER: That's right, it does.

MR. COWAN: I thank you for your brief. It is a new perspective, one in which we need very carefully to consider and one which, I might say, that I had not considered previous to your presentation.

MS HOOPER: I think I'd like to make another correction that, when we were talking about the increase of the rent of the place on Magnus, I think 46 was an understatement. (Interjection)— Yes, it's pretty close to 100 already, so I think I'd like to make that change as well. (Interjection)— Thank you.

MS LABARRE: Could I just make one comment? When there is an increase, a lot of them are scared, even because of the fact that I am on a — they are still scared to come to me and say: Have I any rights? Simply because I represent authority — I don't, and I think if there was some type of information centre, and CEDA is trying to become an information centre, but people are still scared to reach CEDA.

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

MR. COWAN: Just to that point, if I can. I know it to be a fact as well as you know it, that people are many times frightened or scared to approach what they consider to be a symbol of the system or symbol of authority — do you believe that there could be an educational program that would accompany legislation such as the rent stabilization legislation, such as these changes, as negative as they may be, that would better enable persons who are not used to exercising their rights, to do so, and that that should be made a part of the process. In other words, when you're putting in legislation of this sort, that has an effect, that is supposed to be protective, or in this case does remove some protections, that there should also be accompanying that legislation an educational program that reaches out into the community at all levels so that people are advised of their rights, advised of their responsibilities and can therefore feel somewhat better about exercising it. Would that be an appropriate mechanism?

MS HOOPER: Definitely.

MS LABARRE: Yes.

MS HOOPER: Anything that is going to educate the people would be just — what's the word — what is needed.

MR. COWAN: Thank you.

MR. CHAIRMAN: Mr. Corrin. I just might, before you start, Mr. Corrin, ask the two ladies that if only one of them would speak, the gentleman operating the machine can give the name to the person that will eventually type from it. So if only one of you give an answer, it doesn't matter who, he gives the name to the operator. Thank you. Carry on, Mr. Corrin.

MR. CORRIN: Ladies, either of you can respond to this, as you are able to. During the course of these hearings we have on occasion heard evidence to the effect that one of the reasons that rent control can be taken off is because there is a surplus of housing, both private and public, and it's the latter category, public housing, that I want to talk to you about. We are told that if people in your position are forced into

situations where they are unable to contend with the private housing market, that there is readily available housing in the public sector. This is socialized housing. I'm wondering, in the area that you come from, do you know whether indeed there is a surplus of available public housing? Perhaps this is a question that should have been put to you by the Minister, but I am curious. Is there such a readily available source in this particular area?

MS LABARRE: Not to my knowledge, there is not. We're basically interested in trying to get the people to look after the homes that they are in right now and we're mainly looking at derelict homes. To my knowledge, there is not. At least, I have not been informed. The only knowledge that I know is the housing or CANU, and because of the very extreme low rent, the people are quite content in living in low rentals because of their income.

MS HOOPER: Could I answer that? I've just been told that there is some public housing but there is such a long waiting list and you have to wait up to three to six months before you can even get in.

MR. CORRIN: So, when we're told that there is a surplus of public housing and that the situation is under control, that may well apply in some communities, but it doesn't apply in the inner-city areas of Winnipeg. Is that what you're saying?

MS HOOPER: If there is a waiting list of three to six months, then, obviously there is not a surplus of public housing.

MR. CORRIN: It's just important for me to understand and appreciate that because, as I said, we've heard time and time again that there are very high vacancy rates in public housing and that everybody who needs a unit can simply move in. But you're telling us from practical experience that is not the case in your particular community and I note that you've told us already that there are a great many poor people living in that community.

MS HOOPER: That's right.

MR. CHAIRMAN: Any further questions? If not, thank you, very kindly, ladies.

Walter Tcharchuk. Would you tell us, sir, whether you are representing a group or are you appearing as a private citizen?

MR. WALTER TCHARCHUK: Mr. Chairman, I am representing myself, not even my family. I don't want to mention them, they have suffered enough, warm home and other taxes that are being imposed. I'm taking advantage of you at this time of the morning for the simple practice, as in Europe, they say the more you impose on somebody, the longer they remember you. So I will do my best.

Mr. Chairman, Mr. Minister, members of the committee, I have been watching very close the procedures, some statements, being not Canadian born I tell you very frankly I'm proud of being a Canadian citizen and I am very much disappointed about the bleeding hearts on this side, particularly. Because what you people are trying and carrying

further, you are carrying further the will for society, and going back to the days of honourable memory, President Kennedy, who stated, unfortunately very little implemented, "It's not what the state can do for you; it's what you can do for the state."

Now, when I remember the days when J.A. Armstrong, chairman and chief executive officer of Imperial Oil, on one occasion he stated that there is not even free lunch in a welfare society, and yet, we have a welfare society right now. You, gentlemen, some of you are trying to continue it. Now you are providing the greatest disservice to the people of Canada and the people of Manitoba, obviously, since Manitoba still is part of Canada, rather than to encourage people in a better relationship of the groups that were mentioned today, the class distinction by the law of this country and Her Majesty consented to, it was created way back. I was in this house; I was sick of it.

Now, my God, they told me Canada is free. You can do many things and here, I look at the law books, and even you presented 100 more laws or so in this last session. Why not give more thought to an average person like myself and make our life a little bit easier? Stop governing people. Stop helping us when we don't ask your help. Maybe we are able to come to another individual that we depend upon one way or another and either from a religious upbringing point or home upbringing, whatever you take, we might be able to settle our problems. We might be able to discuss them and, sure as hell, it's much easier to sit at the round table and discuss the issue, but to rely on some tired politicians, without any derogatory remarks, that are going to tell me, you have to obey paragraph so and so and so in due course.

I appeal to you the seriousness, have faith in people. You already produced quite a challenge to the people of Manitoba in the form of this last session where you suggested development, and I hope you will implement development of human resources, natural resources, a great deal indeed. As a matter of fact, I say further, if you will implement this electrical project of yours, perhaps you will go further and go across the board. (Interjection)—Mr. Chairman, I'm just deviating one sentence. You might be able to stop . . .

MR. CHAIRMAN: I want you to at least once in a while mention the bill and mention The Landlord and Tenant Act. I'll give you lots of leeway, but occasionally mention it so that . . .

MR. TCHARCHUK: Mr. Chairman, Landlords . . .

MR. CHAIRMAN: Just mention the bill at hand, once you made your presentation . . .

MR. TCHARCHUK: . . . Landlords and Tenants Act, sir, is personification of the unfortunate way of the system where people really are misguided, instead of being guided. I further come to the point that I hope I will live till the next session and see you present here, where you will work slightly in reverse, instead of putting 100 new bills, wipe out at least 100 or more archaic laws, that people don't need them, but they don't have the guts to come here after 1 o'clock, after midnight, and tell you that. That is

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much more effective and beneficial to people. I'm not here to insult you, surely this gives me opportunity as far as the bill is concerned, but I'm very much surprised, or maybe I should have even condolences to some of the people that they are so enthusiastic about predicting disaster, all of a sudden geniuses being capable to foresee, crystal ball in front of them. I was sitting here when Honourable Mr. Craik presented estimates on energy, on petroleum matters, 80 million income, that this province gets, there was not one word said or question asked. Now how am I going to believe certain individuals that they are sincere on this particular issue; simply it's a political lobby in the poorest taste. I hope I see you in good health at the next session and you will do in reverse, clean up archaic laws. Good health and good luck to all of you.

MR. CHAIRMAN: Thank you, sir. Are you open to questions from members of the committee?

MR. MINAKER: Are you for the bill or against it?

MR. TCHARCHUK: Sir, the sooner you wipe out control of the people through your powers that much sooner you will have unity of Canada, and I mean of Canada, because parochial laws, they only split people. As I said before, sir, you already created the class distinction by the law in writing. Now even my friends from Eastern European bloc countries, they say, you have many more laws than we can ever afford to have, because our unions would raise hell. Excuse my language.

MR. CHAIRMAN: Any other further questions? Seeing none, thank you, sir.

MR. TCHARCHUK: Well, thank you for being in a hurry.

MR. CHAIRMAN: One more that I'm aware of. Mr. Grant Wichenko.

MR. WICHENKO: Good morning, Mr. Chairman. I had good evening written down, but it is now morning. I will be brief in my remarks to the committee. There have been many good briefs today, Mr. Minister, and I hope you take the remarks that have been made to heart because I think that people have expressed many grave concerns about your piece of legislation.

It appears once again, in Bill 83, that the Minister has decided to ignore the facts about rent control. I've made up my mind, the Honourable Mr. Jorgenson, is saying, don't confuse the issue with facts. Editorials in the newspaper here, tenants both rich and poor, complaining about high rent increases they're suffering, those are the facts, Mr. Minister, and the facts show that the bill is unfair and unnecessary.

Let me give you a bit of background on rent control because there has been much debate about what rent controls are, or what they are not. Housing, Mr. Minister, is not like butter, or any other commodity in the marketplace. If the price of butter goes up, people can stop buying butter, it's a somewhat simple decision to make — or other non-luxury items. However, moving, Mr. Chairman,

because of a high rent increase is a difficult and a very major decision. Children are settled in a neighbourhood and it means moving them away from their playmates. As a result, because of that difficult decision, rents can go up and tenants may have to accept them, and as we've seen today, people are showing you that increases are coming up 10, 20, 30 percent, and I believe to be quite unnecessary.

Rent controls, Mr. Chairman, moderate rent increases, they reduce rent gouging or major increases in rent. That is why the Minister's use of the average rent increase statistics hide many major increases now happening in specific blocks in Winnipeg.

The other thing that's been at debate is the question of the vacancy rate. Mr. Wilson raised the question of the vacancy rates. Well, Mr. Minister, vacancy rates are only useful when analysed in comparable blocks, thus you may quote a statistic of the average vacancy rate being 4 or 4-1/2 percent. However, when you look at the vacancy rate in specific blocks for low and moderate income tenants, you see that the vacancy rate is still around 1 percent. To remove controls, Mr. Minister, one needs to increase the supply of low and moderate income housing . . .

MR. CHAIRMAN: May I stop you sir, and asks you if you would direct your remarks through the Chair, and not at a specific member of the committee?

MR. WICHENKO: Okay, I apologize, Mr. Chairman. Anyway, Mr. Chairman, as I was saying, to remove controls, one needs to increase the supply of low and moderate income housing. Something that this government to date, seems to refuse to do.

For the Chair's consideration, the facts on rent controls to date are as follows: landlords have not been unduly hurt by rent controls, the statistics show from the initial stages of the program that most accepted, I believe 75 percent accepted the rent increases in the guidelines and those landlords who wanted increases above the guidelines, simply justified them by showing their costs. Many other factors, such as a very slow housing market, and high rent increases have slowed down housing construction, Mr. Chairman, not rent controls, and tenants, Mr. Chairman, have benefitted as well. I seem to recall a statistic, and I guess I'm quoting myself, from the 1978 Hansard, where over 4 million was saved by tenants due to unjustified rent increases.

So given the clear facts, Mr. Chairman, that no one, other than what appears to be a few greedy landlords, want to get rid of controls, why are controls being removed?

I think one reason is that there any many apartment housing units coming on the market. Those housing units are called MURPs (Multi Unit Residential Properties). The blocks now, when you look at the vacancy rate statistics, in the suburbs where these MURPs are located, or many of them are located, the blocks are basically empty, or the vacancy rate is very high. And I believe that the landlords want the rent controls off, in the hope that tenants will move into those blocks.

Again, Mr. Chairman, the Minister has argued that the vacancy rate is very high, but it is in those kinds

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of blocks. And I said already, that when one looks at the vacancy rate of moderately priced housing, it is very low. So if the government is caving in to pressure by the Landlords' Association, I want to ask just who is going to be living in those expensive blocks? Senior citizens, whose incomes won't even match the rents charged in these MURPs, or social allowance recipients — just who? The people who have just come and spoke to you, from living on Magnus Avenue, are you going to expect them to go and live in a multi-unit residential property in Tuxedo? Sorry, that's not the case.

The other point I think why rent increases are coming off, is that landlords have probably found that they can get away with major rent increases in a first year of controls and we've seen major major increases, and I think by moving controls, they can continue to charge very high rent increases and tenants are either forced to move, in other words make a major decision to move, or they stay.

In some, Mr. Chairman, there is no rationale for removing rent controls in Bill 83. In fact, the new Conservative government in Nova Scotia is continuing the program, and I quote from the Chronicle Herald, February 5, 1980: "Rent Controls to Continue. The Consumer Affairs Minister, Laird Sterling has rejected submissions calling for the abolition of controls in Nova Scotia" — and this is the Minister quoting and I take the record to be accurate. "A responsible landlord, running an efficient operation, has nothing to fear from the rent review program. In fact, the Minister, in keeping with the government's commitment to reduce the paper burden, the financial information form was simplified." So in fact, Mr. Chairman, what they are trying to do is make the program work even better, not eliminate it. The Conservative government in Manitoba, Mr. Chairman, is taking away the one rent increase per 12 month regulation.

Well, in Ontario, Mr. Chairman, they've just introduced that regulation, where it states in the regulations that no rent can be increased until 12 months have passed since the last increase. So what you are undoing in Manitoba, they are in the process, or have done in Ontario. And I believe, as well, Mr. Chairman, that rent controls are in effect in Ontario until June of 1981.

Je n'ai pas préparé mes remarques entièrement en français mais il me fait un grand plaisir de présenter quelques mots en français.

M. le président, le ministre, n'a pas encore démontré la raison d'être pour éliminer les contrôles sur les loyers. J'ai dit déjà que les contrôles du loyer protègent les locataires et je crois les propriétaires aussi. En sommaire, M. le président, ce projet de loi 83 est injuste et inutile.

So I would conclude my remarks by saying, Mr. Chairman, that I do not see the need to remove rent controls. The program has worked reasonably well in the past and I would encourage you to withdraw the provisions therein in Bill 83. Thank you.

MR. CHAIRMAN: Would you permit questions, sir?

MR. WICHENKO: Yes.

MR. CHAIRMAN: Are there members of the committee that wish to question the delegate? Mr. Parasiuk.

MR. PARASIUK: Mr. Wichenko, to your knowledge, which provinces are retaining rent controls and which ones are getting out of rent controls?

MR. WICHENKO: I'm not positive, but I believe rent controls are being retained in the Maritimes, and in Newfoundland, they've been in Quebec for 30 odd years, they are being retained in Ontario. A form of rent controls is being retained in Saskatchewan and I believe in B.C.

MR. PARASIUK: So it's just Alberta . . .

MR. WICHENKO: It's just Alberta and Manitoba where controls are coming off.

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

Are there any other persons in attendance that wish to make a presentation, who have not made one to this committee on Bill 83? The lady at the back, would you like to make a presentation?

Come forward and give us your name please and tell us whether you are here as a private citizen or representing a group.

MISS BERNADETTE DRISCOLL: My name is Bernadette Driscoll, I live at the Devon Court Apartments and I am coming from a meeting of the Devon Court residents this evening. The Devon Court Apartments are located at 376 Broadway. They sit directly in the shadow of this very building. The tenant population there is of two distinct segments. There are the elderly who are long-term residents, many of them who have been at the building for 20 to 30 years and there are young persons like myself, who have recently moved into the building, and have been there for only a short period of time.

We are on a month to month tenancy, even those who have lived there for the 20 to 30 years are not accorded the privilege or the security of feeling that they have some stake in their home for the future.

Our main concern, that brings me here this evening, is that a residential population be maintained in the downtown area and specifically in the area right around this building. The Devon Court is one of the very few residential apartments on Broadway; we're an island of tenants in the midst of highrise office buildings and the area right around here is very heavily populated, between the hours of 8 to 6 p.m., but after that time it's deserted. In fact, I was ready to leave this evening and I walked outside and the fact that it is totally without people moving about, made my point that much more clearer to me and forced me to come back this evening to speak to you.

I'm sure that members of the committee are well aware of what the effects of such a population are on the centre part of the city, and for those of you who would like to brief yourselves a little more, a very excellent study was done by Jane Jacobs, called The Death of American Cities. I myself have only recently come to Winnipeg and I came here from Washington, D.C. That city has greatly suffered a

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loss of residential population in the centre core and it has contributed greatly to the crime in that city and only recently have people been inclined to move back into the centre part. And it's a very very trying experience because what people are left with in areas that were once beautiful homes, beautiful residential areas, has been raised and high office buildings have been put back, so they do not have the sort of residential climate that you would want in the centre part of your city, and I think Winnipeg is too lovely a city to suffer that. It's happened in most major American cities and who knows how much time we have here in Canada before the same thing happens. And yet I think it's at a meeting such as this evening and at a point such as Bill 83 and the lifting of rent controls which is an opportunity to safeguard the city from that sort of destruction. And that the end of my presentation.

MR. CHAIRMAN: Would you permit questions, ma'am?

MISS DRISCOLL: Of course.

MR. CHAIRMAN: Mr. Wilson.

MR. WILSON: Thank you for coming forward on behalf of Devon Court. Welcome to Winnipeg. I was the city councillor for that area for a number of years and we envisioned a massive shift of population to the downtown area which hasn't quite materialized. I have had a number of complaints and I have forwarded them on to the Minister. I think this is the type of thing that I envision that our arbitration procedure is looking at. Would you be able to tell me how old that block is and who the management people or owners of that block might be?

MISS DRISCOLL: I do not know the exact age of the block. I know that the long-term tenants, one of whom has been there for 43 years, so it is at least that old. The present management is Ken Jacobs Limited. It was signed over from Morley Golden Limited a few months ago, however he merely represents the owners and we have not been given the names of whoever those owners might be.

MR. WILSON: Are you attempting to find out who the owners of the block are?

MISS DRISCOLL: This evenings meeting was the very first meeting of the Devon Court residents, and so we will be negotiating or speaking with Ken Jacobs unless there is a specific need to go to the owners. At this point we don't see it.

MR. WILSON: Are you considering as a group approaching the Minister of Consumer Affairs as he has invited people to do?

MISS DRISCOLL: I feel that we have done this this evening; and yes, we have prepared petitions with regard to our objections to Bill 83, and have found that most of the residents in the apartment agree with it and have signed.

MR. WILSON: A Mr. Gatehouse of that block phoned me and said that there hadn't been any

major repairs to that block for a number of years. Would that a be a fairly good assessment?

MISS DRISCOLL: Mr. Gatehouse was one of the persons who was at our meeting this evening and he is a very long-term resident of the block. I would say a minimum of sixteen years, I don't exactly how long he has been there, but in that period of time, the block which he has resided in has never been painted. Excuse me, two rooms in his apartment have been painted but other than that there has been no painting done to his suite.

MR. WILSON: What were the increases that you have been asked to . . .

MISS DRISCOLL: It has varied across the board. From persons that I have spoken to, the lowest I have heard is an 8.00 increase. I don't know what that represents percentage-wise, but I have talked to other persons who were going to pay as much as 46 which is more than a 25 percent increase in their rate, and this woman in particular is 88 years old and definitely on a fixed income.

MR. WILSON: My last question is, for the record, would you say with all the office building construction that the land value of that block has gone up?

MISS DRISCOLL: I would imagine that the Broadway strip is extremely valuable as an investment area, but I'm not a real estate . . .

MR. WILSON: So you would consider a 28 percent increase rather unjust at this time?

MISS DRISCOLL: I would consider it extremely unjust given the fact that there has only very recently been any interest shown by the management in making improvements to that building. Personally, after being there for about four weeks I suffered a major repair, a major appliance that went out and it took me six weeks and three calls to the Rentalsman's office and a number of threats of further action to the management company before the stove was repaired, and what I heard was that there was, "no gas stove in Winnipeg to replace the one that was burnt out."

MR. CHAIRMAN: I thank you. Any further questions to the delegate? Mr. Kovnats.

MR. KOVNATS: I would like to ask a question, Mr. Chairman. Is the Devon Court the one just directly across from that waterfall?

MISS DRISCOLL: No, it's further south, further this way. It's at the cross street at Edmonton and Broadway and it's a lovely large building that shares the street with — right across Edmonton from the Federal Development Bank.

MR. KOVNATS: Well it's the wrong one that I was thinking of because I went walking down the street yesterday just to see what signs were out for rent, and I noticed that there was a hose in a little courtyard there and I wondered what the hose was because it never looked like it was ever used for

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watering anything and I thought maybe that was the one.

MISS DRISCOLL: We found out wonderful things about the apartment building this evening. For instance the top floor of the building, which is all very small one room suites, was actually a maid's quarters. The entire top floor of the building was all maid's quarters with a central dining area. It's really a lovely building and I think that it's of historical value to the city.

MR. CHAIRMAN: Mr. Corrin would you ask the delegate a question pertaining to the bill and not hoses and so on? Mr. Corrin.

MR. CORRIN: Yes. My question, I suppose it's one — here is where I suppose I have some real qualms with respect to the retention and conservation of buildings that are of an historic and an esthetic value in the prime commercial district of the inner part of the city. I tell you that I do not believe that we can retain that sort of structure on a residential basis unless that sort of building — well, in the absence of a conversion. I think that economics are such that those buildings on those very very desirable commercial streets probably are uneconomical from the point of view of what the land value is.

MISS DRISCOLL: I can certainly understand that; however, the area in the side streets surrounding Broadway is quite residential and I think that maintaining that building, the Devon Court and the Atholl Apartments and the other apartments that are directly on Broadway, contributes to the safety of Broadway, and I feel that very strongly. It might be quite idealistic and not economically feasible and yet I think that it's one of the values that Winnipeg itself has maintained over the years which makes Winnipeg quite different from a lot of other cities and certainly is an attraction to me as a downtown resident.

MR. CORRIN: I agree with you with respect to the off streets. I quite agree with you with respect to the residential character of those streets and the retention of that character, but I suppose I am just asking you whether you would agree that it would be worthwhile as a goal, as an end unto itself to try and preserve buildings like your apartment, the Devon Court, even if that meant that they had to become converted to commercial office space.

MISS DRISCOLL: Yes, I suppose that there would be commercial purposes that could be served by the building itself; however, I find that it's quite highly desirable as a residential building and even if it were to be reconverted to a very elite dwelling place, which it obviously had been in the past, that it certainly has that potential.

MR. CORRIN: I don't think I am telling any secrets, but I know people are looking at the Devon Court, they are doing studies and I think that the studies have determined that the only sort of hope for the building is conversion to commercial premises. They were looking at converting it first of all along the lines you have suggested, into, I think it was, a luxury

condominium thing with sort of executive tenants, large corporations renting suites for their guests, but they found that there were no companies in the city that could sustain that sort of cost. It's just not that sort of city. It's not a Toronto or a Montreal or a New York.

MISS DRISCOLL: Yes, that would certainly explain the high jump in our rents at this point. Thank you very much for that information. I will pass it on to my neighbors.

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

Are there any other persons in the room that wish to make representation regarding this bill who have not yet had an opportunity?

Seeing none I would move that representation having been heard that we conclude representation on Bill 83, as far as the committee on Statutory Regulations and Orders . . . Mr. Corrin.

MR. CORRIN: On that point, I think we should first of all decide on what terms and conditions we are concluding. Are we adjourning on the basis then that we will not hear any more representations if people come forward and to when are we adjourning?

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSEN: Mr. Chairman, we can't carry this process on indefinitely. Every name on that list has been called twice. That's a normal practice, that they are given an opportunity twice. Some of them have been called three times and that process has now concluded as far as I'm concerned. Our next meeting of this committee will be to consider this bill clause by clause.

MR. CORRIN: When?

MR. JORGENSEN: It won't be tomorrow, I can tell you that.

MR. CHAIRMAN: Mrs. Westbury.

MRS. WESTBURY: Mr. Chairperson, I did have my hand up to speak. Could we find out please, how many of the people whose names were down to speak were not contacted about the meetings?

MR. JORGENSEN: They were all contacted two or three times.

MR. CHAIRMAN: The Clerk's Office, Mrs. Westbury tells me that they have done everything in their power both yesterday and today . . .

MRS. WESTBURY: Oh, I am sure of that. I just want to know — there were people who left tonight at 10:30 . . .

MR. CHAIRMAN: We have heard from 29, 30 counting Mr. Martin, of 84 names that I had.

MRS. WESTBURY: Mr. Chairperson, I suggest that it's unfair to cut people off from speaking who have expressed a desire to speak, and I am not on this committee but I sat here to listen and as far as I'm

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concerned the people who are on the committee have a responsibility to sit here and listen to those who want to speak.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: Mr. Chairman, I don't suppose Mrs. Westbury was here in past years, but I can assure you that when my honourable friends were government for those eight years, they would have not given those delegations an opportunity to come back here tonight, as I did at 3:00 o'clock this afternoon. That would have been the end of it at 3:00 o'clock. I gave them a second opportunity to come back here tonight. They have had it. I think we have had a good meeting, we've had a good hearing and everybody that has wanted to make a presentation here has been given that opportunity.

I move that the committee rise.

MRS. WESTBURY: Mr. Chairperson, if the previous government was less generous than this government, then they were wrong too. But I am just saying, Mr. Chairperson, that we are here . . .

MR. CHAIRMAN: I have to tell you that Mr. Jorgenson is a member of the committee and a motion that committee rise is not debatable.

MR. PARASIUK: Point of order on that. Mr. Jorgenson, didn't have his hand up. You recognized him in the midst of June Westbury speaking. I had my hand up to be next in order. If you are going to let the Minister jump in to move an adjournment that is not debatable that is very unfair and completely unparliamentary. I think you follow some rule of procedure in recognition. You let the Minister interrupt to clarify a particular point; surely you don't let the Minister then move adjournment at that stage. There is the Indian and Metis Friendship Centre which we knew were here. They knew we were going. They saw a huge list of people that were ahead of them. I know they went home. I know that they would probably have a very important and particular perspective to offer this committee, for one. We met again this evening. I am glad we did. We got some excellent presentations. The Minister himself said to Ms Krindle, please help me and draft some amendments. He made those particular points.

MR. CHAIRMAN: Are you on a point of order?

MR. PARASIUK: Yes, I'm on the point of order, Mr. Chairperson, on this. Therefore, what I am saying is that I don't think that the Minister should cut off the debate on this particular point because I think all of us have some very important points to make that I think would convince the committee, if they were interested in getting full representation of all perspectives and all dimensions regarding rent control, not to cut off representation.

MR. CHAIRMAN: Mr. Jorgenson.

MR. JORGENSON: I move that the committee rise.

MRS. WESTBURY: Can we at least have the vote on it, Mr. Chairperson.

MR. CHAIRMAN: Sure. The Clerk is here. All in favour.

MR. WILSON: I don't have a vote. I'm not a member of the committee.

MR. CHAIRMAN: The Clerk knows who's the member of the committee.

MR. CLERK: Five.

MR. CHAIRMAN: Opposed?

MR. CLERK: Three.

MR. CHAIRMAN: The motion is declared carried. Committee rise.

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