

**LEGISLATIVE ASSEMBLY OF MANITOBA**  
**Monday, 14 July, 1980**

**Time 10:00 a.m.**

**OPENING PRAYER by Mr. Speaker.**

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Presenting Petitions . . . Reading and Receiving Petitions.

**PRESENTING REPORTS BY STANDING  
AND SPECIAL COMMITTEES**

**MR. SPEAKER:** The Honourable Member for Springfield.

**MR. BOB ANDERSON (Springfield):** I beg to present the Sixth Report of the Standing Committee on Law Amendments.

**MR. CLERK:** Your Committee met on July 12th, 1980 and heard representation from Mr. Frank Cvitkovitch, Q.C. representing The Mortgage Loans Association of Manitoba, with respect to Bill No. 80, An Act to amend The Payment of Wages Act and The Real Property Act.

Your Committee has considered bills:

No. 79 An Act to amend The Expropriation Act,

No. 104 An Act to amend The Highway Traffic Act (2),

And has agreed to report the same without amendment.

Your Committee has also considered bills:

No. 32 An Act to amend The Real Estate Brokers Act,

No. 59 An Act to amend The Fatality Inquiries Act,

No. 8 An Act to amend Various Acts Relating to Courts of the Province.

No. 82 An Act to amend The Clean Environment Act,

No. 85 An Act to amend The Mental Health Act,

And has agreed to report the same with certain amendments.

**MR. SPEAKER:** The Honourable Member for Springfield.

**MR. ANDERSON:** Mr. Speaker, I move, seconded by the Member for St. Matthews, that report of Committee be received.

**MOTION presented and carried.**

**MR. SPEAKER:** Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills.

**ORAL QUESTIONS**

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. HOWARD PAWLEY (Selkirk):** Mr. Speaker, the Minister of Consumer Affairs he was here just a moment ago. I'll defer my question.

**MR. SPEAKER:** Orders of the Day. The Honourable Leader of the Opposition.

**MR. PAWLEY:** Mr. Speaker, I had question for the Minister of Consumer Affairs; possibly the Acting Minister could take the question as notice. We have heard a report to the effect that the investigation pertaining to the doctored report has not gone ahead, but in fact has been terminated. What I am asking the Minister of Consumer Affairs, through the Acting Minister to the Minister, is why the investigation has been terminated and who made the decision to terminate the investigation, and who, on behalf of the Minister, had commenced the original investigation of the report?

**MR. SPEAKER:** The Honourable Minister without Portfolio.

**HON. EDWARD MCGILL (Brandon West):** Mr. Speaker, on behalf of the Minister of Consumer and Corporate Affairs, I will be pleased to take the question from the Honourable Leader of the Opposition as notice, and I am sure that the Minister of Consumer Affairs will be anxious to respond to that question, and I anticipate that he will be back in the House in a very few minutes.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. WILSON PARASIUK:** Thank you, Mr. Speaker. My question is directed to the Minister of Finance. I view of the fact that the federal government has increased the price of gasoline by one-half cent a litre, two and one-half cents a gallon, can the Minister inform us as to whether this means that there is a tax increase on gasoline by the Manitoba government as a result, and if so, how much?

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I suppose the answer is yes and no. If the formula contained in the tax changes proposed by the province of Manitoba were applied today, that you would probably find out that the tax went down rather than up, because there is a gas war on at the same time as the increase by the federal government. It would be yes in terms of the fact that eventually, barring gas wars, it will cause an increase in the price, and it will also mean that there will be some influence on the provincial tax, but it does not, of course, make an immediate impact as far as the province is concerned.

**MR. PARASIUK:** Mr. Speaker, in view of the fact that the gas war isn't taking place right across the entire province, would the Minister inform us as to how much the Manitoba tax will go up by, so that the people of Manitoba may be informed and should be informed when the Conservative government of Manitoba is levying a tax upon it?

**MR. CRAIK:** Mr. Speaker, they will be. It will be done, as the member perhaps wasn't listening, or wasn't present or something, when these bills went through the House or were debated in the Budget, but it was stated then that from time to time there would be a review, and, of course, that review will be known.

**MR. SPEAKER:** The Honourable Member for Transcona with a final supplementary.

**MR. PARASIUK:** Can the Minister give us the assurance that in the future when there are changes, either at wellhead price or by federal government action or whatever, that it leads to an increase in the tax levied by the Conservative government of Manitoba, that the Manitoba government would have the courtesy then of issuing a press release and informing the public formally that they are having an additional tax levied upon them by this government?

**MR. CRAIK:** Again, Mr. Speaker, it would be helpful if the member were present in the House when these debates took place and then he wouldn't have to ask this question five times over.

**MR. SPEAKER:** The Honourable Member for Transcona with a fourth question.

**MR. PARASIUK:** Since the Minister hasn't answered my question, I wonder if he possibly didn't hear it. I would like to ask the Minister if he would give the public the common courtesy of notifying them when a hidden Conservative tax comes into effect which adds to taxes levied upon the public of Manitoba by the Conservative government of Manitoba?

**MR. SPEAKER:** The question is repetitive.  
The Honourable Member for Wellington.

**MR. BRIAN CORRIN:** Mr. Speaker, my question is for the Government House Leader and, of course, also in his capacity as Attorney-General and chief law enforcement officer of the province, with respect to the hearing to be convened before the Elections and Privileges Committee into the allegations against the Tribune reporters, Mr. Matas. I would ask whether or not he can advise us when that hearing will be convened and whether he can advise us, with some assurance, that it will be convened prior to the completion of this year's session?

**HON. GERALD W.J. MERCIER (Osborne):** Mr. Speaker, I am not entirely familiar with the incidents that took place in the Legislature last week while I was away. I have requested hopefully Hansard will be prepared very early on this week to enable those of us who may not have been here to familiarize ourselves with the discussion that took place. Unfortunately, again I have to leave early tomorrow morning the calling of the committee will be in the hands of the Member for Morris or the Member for Brandon West who will be acting in my stead.

**MR. SPEAKER:** The Honourable Member for Wellington.

**MR. CORRIN:** I would ask, in view of the response and in view of the circumstances that have arisen in

this case, Mr. Speaker, whether it's the government's policy to consider amendments to the Legislative Assembly Act in order to prevent this sort of occurrence from happening again. I would like to know specifically whether the government will consider amending the Act so that this sort of restriction on freedom of the press will not be repeated in future legislative sessions?

**MR. MERCIER:** Mr. Speaker, although I wasn't here, as I understand this matter, there was a motion adopted by the House, unanimously, to deal with whatever happened. Again, I say I'm not familiar with that, I don't believe it is a government action, it was the House acting unanimously that it chose to refer this matter to Committee on Privileges and Elections.

**MR. SPEAKER:** The Honourable Member for Wellington with a final supplementary.

**MR. CORRIN:** Mr. Speaker, the member should remember that some of us abstained from that vote, and we did so with reason. I would ask whether or not the Attorney-General of this province, the government House Leader, feels that it's time that this particular legislation be reviewed with a mind towards bringing it into line with contemporary practice, and with essential human freedoms and civil liberties, precisely, Mr. Speaker, freedom of the press.

**MR. MERCIER:** Mr. Speaker, as I indicated earlier, I was not present. I have asked specially, and hopefully, that Hansard will be available so that I can familiarize myself with what happened. But again, as I understand it, it is a decision of the House to adopt the motion to refer this matter to a committee. It may very well be that the committee, I suppose, might make some recommendation for changes in the Act. I can't indicate, Mr. Speaker, from what I know, from what I read in the newspapers, that I am extremely concerned that anyone in this Legislature would make the kinds of adverse comments that are reported to have been made about such an outstanding civil servant as Mr. Tallin.

**MR. SPEAKER:** The Honourable Member for Elmwood.

**MR. RUSSELL DOERN:** Mr. Speaker, I would like to direct a question to the Minister of Fitness concerning boxing, and I do so as one who has followed the fight game from an early age, and not as one who wants to close down the sport. I would like to ask the Minister whether there has been an enquiry into the injury suffered by Ralph Racine, who was badly injured in a fight in Manitoba and then later after that, the same boxer unfortunately, killed an opponent in, I think eastern Canada. Could the Minister indicate whether there has been or will be an enquiry into the Racine fight?

**MR. SPEAKER:** The Honourable Minister of Fitness and Amateur Sport.

**HON. ROBERT (Bob) BANMAN (La Verendrye):** Mr. Speaker, there has not been an enquiry as far as I know. I will check with the

Chairman of the Manitoba Boxing and Wrestling Commission to see exactly what the status with regard to the member's question is. As the member knows, in Manitoba we have a Boxing and Wrestling Commission that looks after these particular problems, and also is the watchdog to make sure that people, when they do fight here, that proper medical attention as well as proper preventive medical things are done so that these injuries, as far as humanly possible, can be avoided.

**MR. DOERN:** Mr. Speaker, I would also ask the Minister whether he intends to review the provisions of the Boxing Commission, in view of a number of deaths in Canada and serious injuries, whether he will, in the light of studies that I believe the federal government is going to make, and Ontario and other provinces are taking, will he have a fresh examination of the provisions of the Boxing Commission?

**MR. BANMAN:** Mr. Speaker, without saying no to that question, I just want to say that a number of years ago when the Member for St. Boniface was in charge of the Boxing and Wrestling Commission, we had an unfortunate accident which happened here in Manitoba, and there was an investigation at that time. I believe that the Boxing and Wrestling Commission, Mr. Trifunov, who's been there now, I believe for eight, nine years, is very cognizant of the problems that are involved with regard to boxing, and as a result, I know from personal experience and from having talked with people in the fight game, that they are sometimes concerned about some of the requirements that we have in this province with regard to health checkups before somebody can fight here.

I think, looking at the problems, it's unfortunate that these accidents happen, but as I mentioned, as far as is humanly possible I think we in Manitoba are doing everything we can to try and avoid that. If something like that happens in the ring, I think we as a province have taken as much precaution as we can, and I don't know what else we can do, aside from, I guess, not allowing boxing, but I don't think that is a viable option in this particular instance.

**MR. SPEAKER:** The Honourable Member for Elmwood with a final supplementary.

**MR. DOERN:** Mr. Speaker, I would also ask the Minister whether we use brain scans or other technical equipment to examine fighters before or after their matches.

**MR. BANMAN:** Mr. Speaker, it is my understanding that we do, and this precisely has caused some of the people in the boxing and the wrestling area some concern, because they feel it's unnecessary time spent and there's the delay with regard to that. So all I want to say to the member is, we are monitoring those things very closely and again, as I said before, I don't think that there is very much more the province can do than be on our guard with regard to making sure that the people that are going into the ring are in the best physical and mental condition as possible.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** Mr. Speaker, to the Minister of Consumer Affairs. Can the Minister of Consumer Affairs confirm the report this morning to the effect that he has discontinued the investigation of the rent decontrolled monitoring doctoring?

**HON. WARNER H. JORGENSON (Morris):** Mr. Speaker, in no way do I accept the terminology that has been applied by the Leader of the Opposition that the report was doctored. It's not a question of discontinuing the report or the investigation, it's a question of having completed it.

If my honourable friend is not aware of the facts now then he should be and all he has to do is to call his friend, Mr. Chisvin, who was the Chairman of the Rent Stabilization Board, and he'll give him a pretty logical explanation. It is no different than what happens when a reporter writes a story. His story is placed before the editor, and there are times when that story is changed. It is the same thing within the civil service. What Mr. Doer tabled in this House the other day was a preliminary draft of a report. As it moved up the chain of command in the Stabilization Board, the final say was had by Mr. Chisvin, who is the Chairman of the board. He admitted in a statement to the press the other day that he had drafted several preliminary drafts himself, and it was Mr. Chisvin who has the authority to pass on to the Minister what he considers to be the final version of a report, and he signed it.

Now, not one single word that I know of and I did a random check, I didn't have time to do a thorough check but on those tables that are contained in the report I am advised that there is not one single change. The only thing that was changed were the introductory remarks, and surely my honourable friend will not disagree that the chairman of the board has the right to forward on to the Minister the comments that he thinks are appropriate. Just because some junior person in the Stabilization Board felt that it was his comments that should be passed on does not justify it, and I might add that the release of that report, both by the person who released it, whoever he is and I have no idea who that person was, who released it to Mr. Doer and Mr. Doer himself are in serious violation of the oath of the Civil Service by releasing that report. It is the chairman of the Stabilization Board that forwards on a document to the Minister. That's the document I received, that's the document I tabled in this House, and I could say, Sir, without any equivocation that in my experience with Mr. Chisvin during the years that he has remained as chairman of that board and it was my honourable friends that put him on that board he has acted with honesty and integrity and I resent my honourable friends challenging or impugning that integrity of a gentleman that I think has done a conscientious job, and I think a very good job in bringing the operations of the Stabilization Board to a conclusion. I reject any suggestion by my honourable friends that he has doctored that report on my behalf. He has simply changed wording in a report, which is a very normal practice, and I hope that the matter can rest there.

**MR. PAWLEY:** Mr. Speaker, the difference between what the Minister refers to as editing a reporter's story and a document tabled in this House supposedly to provide evidence in support of a bill introduced by the Minister, Mr. Speaker, is quite clear. . . .

**MR. SPEAKER:** Order, order please. Has the honourable member a question?

**MR. PAWLEY:** Mr. Speaker, my question to the Minister: Is the Minister indicating to this House that all the changes, all the deletions that were made were minor changes, and none of the changes that were involved were in fact such changes that indeed gave evidence against the very content of Bill 83, which the Minister has introduced in this House?

**MR. JORGENSEN:** The Honourable Leader of the Opposition is again indulging in patent nonsense. Every one of the tables that are contained in the first report in the preliminary draft were contained in the second. That's the proof of the pudding, and all he has to do is to look at those tables and he can draw his own conclusions, and I daresay that anybody who reads those tables can draw their own conclusions. It just so happened that the chairman of the Stabilization Board drew his conclusions as a result of the persusal of those statements. My honourable friend is free to draw whatever conclusions he likes, but I reject categorically any suggestion that that report was doctored in any way. It was the words of the chairman of that board, that he felt should be sent on to the Minister. That's what was tabled in this House.

**MR. PAWLEY:** Mr. Speaker, the gentleman that should be withdrawing is the Minister and should . . .

**MR. SPEAKER:** Order, order please. If the honourable member has a question, this is the time for him to raise it.

**MR. PAWLEY:** Mr. Speaker, the Minister has cast a great deal of darkness in this Chamber in the past week. Now we are seeing the result of that darkness, Mr. Speaker. Would the Minister confirm that the second report in fact was edited to the extent that it is four pages in length rather than ten pages in length, which the original report was prior to the editing and the doctoring?

**MR. JORGENSEN:** Mr. Speaker, in addition to having some difficulty being honest, my honourable friend can't even count. As far as I know, there were somewhat less than four pages in that preliminary draft and there were two pages in the final draft. What Mr. Chisvin has done is reduced a four page document to a two page, and I don't think left out anything that was essential to the document.

**MR. SPEAKER:** The Honourable Member for Wellington.

**MR. CORRIN:** My question, Mr. Speaker, is also for the Minister of Consumer Affairs. Mr. Speaker, we would ask him whether he was aware of the charts appended to both the original and the final report,

which indicated that the impact of rent increases on tenants was not indeed uniform, as appeared from the averages expressed in the reports? Was he aware that the Rent Stabilization Board had determined this to be a fact that the averages were misleading, the averages as gleaned from the charts were misleading?

**MR. SPEAKER:** Order please. Questions of awareness have in the past been ruled unparliamentary and ruled out of order. Would the Honourable Member for Wellington care to rephrase his question?

**MR. CORRIN:** Yes, in setting governmental policy, Mr. Speaker, was the Minister cognizant of the fact that the averages, as expressed in both the initial report and the final report, were misleading? Was he aware that the first report indicated that, and I quote so the record is clear, Mr. Speaker, 'The impact of rent increases on tenants was not uniform, as it might appear from the averages. The variation in increases taken by landlords on one and two-bedroom units is detailed in charts', and then the page numbers are given. Knowing now, Mr. Speaker, that that was removed from the final report that was presented to the Assembly, would the Minister not agree, as a matter of . . .

**MR. SPEAKER:** Order, order please. Questions of agreement are also unparliamentary. I rule that out of order as well.

Would the Honourable Member for Wellington care to rephrase his question?

**MR. CORRIN:** Yes, I know, Mr. Speaker, as I'm sure we all agree, the Minister is probably moved to respond to all these questions. In this regard, Mr. Speaker, can the Minister also confirm that evidence of rent gouging, and I can quote that as follows from the original report, it said, decontrolled suites in old blocks prior to 1949 . . .

**MR. SPEAKER:** Order please. Questions of confirmation are also out of order. Would the honourable member care to raise another question?

**MR. CORRIN:** Yes, thank you, Mr. Speaker. Mr. Speaker, we would ask whether or not the Minister considered incidents of rent gouging as were reported to him by the Rent Stabilization Board in coming to the conclusion that Bill 83 should be introduced to the House. Did he consider that?

**MR. JORGENSEN:** Mr. Speaker, the question is based on two false presumptions. The first one was that the bill that was introduced was based on the report. The bill was introduced before the report became public. The second presumption that he makes is that I, somehow or other knew what was contained in the original report. I have stated repeatedly in this House that I did not. The only report that I saw was the one that was forwarded on to me by the Chairman of the Rent Stabilization Board, and I hope I can get that through the thick skull of the Honourable Member for Wellington at this stage, because I have repeated that several

times and I don't know why I have to continue to repeat it.

I tabled the report I received. I did not see any part of a preliminary draft. And that's not usual, to forward on preliminary drafts of reports to the Minister. The usual practice is to forward a final draft. That is the one I saw. What subjective comments were placed in there by a junior official, I don't know. And I suppose that anyone looking at the contents of a report as large as this one can draw any number of conclusions, depending on your point of view. And I daresay that my honourable friend, when he has read the report, will draw different conclusions himself. They are all subjective. The report that I received and the one that I stand by is the one that I received from the Chairman of the Rent Stabilization Board, Mr. Chisvin, who I consider, as I said earlier, a person of high integrity, and I don't think that he would doctor anything for anybody. I think he has submitted to the Minister a report that he felt, in its entirety was . . .

**MR. CORRIN:** I would ask, Mr. Speaker, whether the Minister approved of the methodology used by the officials in his employ in preparing the monitoring reports. I would bring his attention to the fact that the report was not based on decontrol returns, but rather based on a landlords' survey, and we are advised, Mr. Speaker, that many landlords did not remit the survey to the Rent Stabilization monitoring office, so can the Minister indicate whether he feels that the figures in the report are accurate, in view of the fact that it was discretionary and not based on decontrol returns actually filed?

**MR. JORGENSEN:** Again, my honourable friend seems to have difficulty understanding even the plainest of English. I don't know whether he is just completely dishonest or he is immoral, but my honourable friend should recognize . . .

**MR. SPEAKER:** Order please. The Honourable Member for Wellington.

**MR. CORRIN:** On a point of personal privilege, Mr. Speaker, I would ask that you consider asking the Honourable Minister to retract his last statement. For a member to suggest that I am alternatively either dishonest or immoral must be unparliamentary, Mr. Speaker. I accede to your judgment, Mr. Speaker, because I am much junior to both you and the Minister, but it's obvious to me that such an allegation cannot go on the basis of the fact that it imputes very unparliamentary and unkind sentiments.

**MR. SPEAKER:** Order please. Order please. I would have to agree with the Honourable Member for Wellington that if a statement of that nature had been made, it probably would have been unparliamentary. Such a statement was not made by the Honourable Minister, and therefore there is no point of privilege.

The Honourable Minister of Consumer and Corporate Affairs.

**MR. JORGENSEN:** I'll give my honourable friend a third choice, stupid, and incapable of reading what he sees.

**MR. CORRIN:** On the point of personal privilege, Mr. Speaker, whether or not the judgment of my friend is correct, Mr. Speaker, it's quite possible that I am stupid. I suppose it's quite possible that a lot of members of the public are less intelligent than the Minister of Consumer Affairs. Only the next election will tell that, Mr. Speaker.

But Mr. Speaker, in view of the fact that he is being very arrogant and in view of the fact that you did not seem to hear the representations and allegations made, I would ask whether you would consider the Hansard record and report back to the House to see whether or not those statements were indeed made this morning.

**MR. SPEAKER:** Order please. The member's point of privilege was not a point of privilege, and if the honourable member cares to read Hansard, he will find out he did not have a point of privilege.

The Honourable Member for Transcona.

**MR. PARASIUK:** Thank you, Mr. Speaker. My question is directed to the Minister of Consumer Affairs. In view of the fact that he has just told us that he did not make himself aware of the contents of the report on decontrol before bringing in legislation which would decontrol all the rental suites in Manitoba, could the Minister indicate how he could undertake such a stupid action of doing that without having reference to the facts?

**MR. JORGENSEN:** Mr. Speaker, my honourable friend is again, indulging in his favourite tactic of imputing without having any basis for doing that. The tables that were contained in the report that I tabled in this House are no different than the tables that are in the initial draft. How my honourable friend wants to interpret them of course, is up to him. As I said, one person had one interpretation and another one has another. I just happen to think that the Chairman of the Stabilization Board is a man of such integrity that I had no reason to disagree or to suggest that he didn't know what he was doing.

**MR. PARASIUK:** Mr. Speaker, I was not imputing anything about the Chairman of the Rent Control Board. I was asking about the Minister's actions. I would like to ask the Minister to explain to us why he would bring in a piece of legislation decontrolling all the rental suites in Manitoba without ascertaining the facts regarding the partial decontrol that took place last year, in order to come up with a better piece of legislation than he has come up with to date, a piece of legislation which has no review procedure, a piece of legislation that has no guidelines, and a piece of legislation that has resulted in a situation where many tenants, especially elderly tenants, are getting rent increases of 40 to 50 percent.

**MR. JORGENSEN:** Mr. Speaker, I am the first one to admit that the legislation that was brought into this House may not have all of the safeguards that I would like to see, and I ask my honourable friends to address themselves to that particular problem. But initially, the purpose was to decontrol rents in this province. You can't say you're going to decontrol them on the one hand and I have heard conflicting opinions from honourable friends opposite, some of

them say that rent decontrols should be allowed and others say they shouldn't . . .

**MR. SPEAKER:** Order please. I suggest the honourable members are debating rather than seeking information.

The Honourable Member for Transcona.

**MR. PARASIUK:** Mr. Speaker, I have a question to the Attorney-General. I would like clarification of a statement that he made to my colleague. Did I hear him correctly when he said he will be calling the Committee on Privileges and Elections to look into the matter of freedom of speech because there was a unanimous resolution passed by this Legislature? Is that his reason for calling that committee into place?

**MR. MERCIER:** Mr. Speaker, I attempted to explain to the Member for Wellington that I was not here, either when the meeting took place or when the resolution was introduced into the House by a member opposite and apparently passed unanimously. I have asked, hopefully, for Hansard to be prepared very early this week so that I may have an opportunity to look at that. As I understand that matter, it will be dealt with in the normal course by the Acting Government House Leader, who was here at the time, or by the chairman of the committee.

**MR. SPEAKER:** The Honourable Minister of Government Services.

**HON. HARRY J. ENNS (Lakeside):** Mr. Speaker, I'm . . .

**MR. PARASIUK:** On a point of order, Mr. Speaker. I believe I have two supplementaries to a question that I asked . . .

**MR. SPEAKER:** Order please, order please. The recognition of speakers in this House is the sole responsibility of the Speaker.

The Honourable Minister for Government Services.

**MR. ENNS:** Mr. Speaker, I am rising on a matter of privilege that is raised as a result of the questioning this morning but, more seriously, by the continued effort on the part of the Winnipeg Tribune and its senior staff to grossly misrepresent what occurs in this Chamber.

Mr. Speaker, I suggest that it is partly because of that misrepresentation by one, Donna Harvey, who I believe is the editor, that brings on these questions that we are hearing today. When it is quoted that she is very concerned about the power and the potential abuse of government in exercising the right of this kind of action.

Mr. Speaker, it is not the government that is at all involved in this matter. The subject matter was raised by a member of Her Majesty's loyal opposition and was unanimously supported by the House. It is an House action that the Tribune and the Editor of the Tribune simply does not understand and what members opposite don't understand and, Sir, we, and I, as a government member, take exceptional abuse to that continued gross deliberate and

malicious misrepresentation by one of the media of this city.

**MR. SPEAKER:** The Honourable Member for Transcona on a point of order.

The Honourable Member for Winnipeg Centre on a point of privilege.

**MR. J. R. (Bud) BOYCE:** I didn't rise earlier, Mr. Speaker, because somebody might attribute motives to me once again, but it is definitely against the rules of this House to reflect on a past decision of the House or to discuss something which is before another committee. I would suggest anything relative to this matter should be left in the hands of the Privileges and Elections Committee, which might well judge that a matter of privilege did not occur . . .

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PARASIUK:** I would like to ask the Attorney-General and the House Leader to indicate why the Conservative government of Manitoba is not proceeding with the establishment of a Legislative Committee to look into the whole matter of freedom of information, because there was a resolution that was unanimously passed one year ago by this Legislature calling for the establishment of a Legislative Committee to look into the whole question of freedom of information. Since the government is aggressively pursuing this matter, will the government not also aggressively pursue the whole matter of freedom of information?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, the government is not pursuing this matter that was referred to by the Member for Transcona aggressively. That matter apparently is being dealt with by the House. It's in the hands of the Chairman of the Privileges and Elections Committee, who will decide when the meeting will be held. It is not a government matter. Mr. Speaker, the Member for Transcona has asked me questions related to the establishment of a committee to deal with the question of freedom of information, previously, Mr. Speaker, and previously I have referred him to Hansard wherein I answered questions about this matter earlier on in the Session, in response to questions, I believe, from his leader.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. ROBERT G. WILSON:** Thank you, Mr. Speaker. I'm also concerned that I'm not receiving information . . .

**MR. SPEAKER:** Order please. The Honourable Member for Transcona on a point of order.

**MR. PARASIUK:** On a point of privilege, Mr. Speaker, I would ask you to peruse back issues of Hansard and determine whether in fact it is not customary for the Speaker, when recognizing a questioner, to allow two supplementaries. That has usually been the practice over the course of this

Legislative Session and previous Legislative Sessions. I would ask the Speaker to please investigate that matter.

**MR. SPEAKER:** Order please, order please. If the honourable member will peruse Beausheue on the question that he has raised, he will find the answer in Beausheue.

The Honourable Member for Wolseley.

**MR. WILSON:** I have a question . . .

**MR. SPEAKER:** The Honourable Member for Wellington on a point of order.

**MR. CORRIN:** Yes, pursuant to section 32, of the Rules, Orders and Forms of Proceedings of this Legislative Assembly, Mr. Speaker, I move, seconded by the Member for Kildonan, that the Member for Transcona, who has risen in his place and asked to be heard, be now heard and be allowed to speak, and I note, Mr. Speaker, the rules provide that the motion shall be put without debate.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. WILSON:** Mr. Speaker, I have a question for the Attorney-General . . .

**MR. SPEAKER:** Order, order please. The Honourable Member for Wellington.

**MR. CORRIN:** I would just like to know whether you have accepted the motion, and if not, could you give the reason, Mr. Speaker?

**MR. SPEAKER:** If the honourable member will read Rule 32, the motion that he raised at the present time is out of order.

The Honourable Member for Wolseley.

**MR. WILSON:** Mr. Speaker, my question to the Attorney-General and House Leader is based on the fact that I am not receiving the same information that members opposite are receiving and, in light of this concern and seems to be the awareness, in light of all these inter-office memos and files, and secret reports and draft reports, and rumors, or whatever, that are started by people that have access to files, will the House Leader and Attorney-General be investigating or be concerned about the fact that members opposite seem to have a lot of these inter-office files that are not available to other members in the backbench and other members who are independent or of another situation?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** No, Mr. Speaker.

**MR. WILSON:** Well then my concern goes farther than that, and I'll ask the Attorney-General a supplementary question. Are the tapes from the 19 days of wiretapping of a legislative switchboard, by at least three persons, under lock and key? If they are not under lock and key, are they in a closet shelf somewhere, as expressed in the concern and proven

by Martin Shulman, or are they in the hands of the NDP caucus?

**MR. MERCIER:** Mr. Speaker, I believe that case is before the courts.

**MR. SPEAKER:** Order please. The Honourable Member for Wolseley with a final supplementary.

**MR. WILSON:** I believe, Mr. Speaker, and I am asking the Attorney-General, can he give the House the assurance that the information gathered by these three citizens within the 19 days of the wiretapping of a switchboard within this building, is under lock and key and secure from members of the media and members opposite, or even members of the backbench here?

**MR. SPEAKER:** Order please. The question is repetitive. Time for question period having expired, we'll proceed with orders of the day.

### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable Acting Government House Leader.

**MR. JORGENSEN:** Mr. Speaker, I should like to announce, in order to take advantage of the presence of the Attorney-General, there are three bills that remained in Law Amendments after Saturday, because there were a number of representations that had to be made, so therefore I am asking the House to consider going into Law Amendments this afternoon to give those people an opportunity to present their briefs and then, depending on the type of progress that is made during the course of the afternoon, that we will either be in the House or in Law Amendments to complete the bills if they are not already completed, but it is intended to accommodate the complaint that was raised by honourable gentlemen opposite, that the Attorney-General was not here to consider his bills.

This morning I am going to call several bills. I am wondering if you would call Bills Nos. 65, 66, and 87, Mr. Speaker.

**MR. SPEAKER:** 65, 66, and 87?

Bill No. 65, The Registered Nurses Act standing in the name of the Honourable Member for Logan. (Stand)

Bill No. 66, standing in the name of the Honourable Member for Logan, The Registered Psychiatric Nurses Act. (Stand)

Bill No. 87, The Licensed Practical Nurses Act, standing in the name of the Honourable Member for Logan. (Stand)

**MR. JORGENSEN:** Mr. Speaker, I think I should indicate that we would like to proceed with these measures as soon as possible; the possibility exists that we may not permit these matters to stand much further.

**MR. SPEAKER:** The Honourable Member for Logan.

**MR. JENKINS:** The Honourable Member for St. Johns, who has been ill with the flu, will be in later

this morning, I believe, and I am holding these bills in his name. I understand, I was speaking to the member this morning, and he . . .

**MR. SPEAKER:** Order please. Order please. Order please.

**MR. JENKINS:** Mr. Speaker, I will ignore the comments from the peanut gallery over there.

**MR. SPEAKER:** Order please. Order please. Order please. We can only have one speaker in the Chamber at one time. The Honourable Member for Logan.

**MR. JENKINS:** Thank you, Mr. Speaker. As I said before, the Honourable Member for St. Johns, I anticipate that he will be in this morning sometime, and I ask the indulgence of the House until he get here. I mean, after all, I can't give him clearance to come into the House until his doctor does.

**MR. SPEAKER:** The Honourable Acting Government House Leader.

**MR. JORGENSEN:** Mr. Speaker, I thank my honourable friend for that explanation, and it is understandable, but I indicated that we would like to proceed with it, and will be calling it as soon as the member comes in.

Mr. Speaker, will you call Bill No. 23, please?

### ADJOURNED DEBATES ON SECOND READING THE LOAN ACT, 1980

**MR. SPEAKER:** Bill No. 23, An Act to Authorize the Expenditure of Money for Capital Purposes and Authorize the Borrowing of the same, standing in the name of the Honourable Member for Inkster. The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** Mr. Speaker, I indicated that I want to adjourn the Capital Supply Bill, because it was on the Capital Supply Bill, Mr. Speaker, that I intended to fulfill an undertaking, which I made to this House earlier in the Session, relative to the report of the Honourable Mr. Justice Tritschler, and an appeal against that report.

Mr. Speaker, I would like honourable members to be aware of the fact that sometimes one attempts to obtain a great deal of credibility out of a judicial report when one doesn't have credibility on their own. I want the members of the House to know that the judges are not always right, indeed they are often appealed from, and the appeals are often upheld. With respect to the report of Mr. Justice Tritschler, Mr. Speaker, I am sure that the appeal has already been entered and has been found against the decisions that have been made by Mr. Justice Tritschler, but I did promise the honourable members and the House that I would put on record, Mr. Speaker, an appeal, because I believe that sometimes one overestimates what credence should be given to a judicial report.

Mr. Speaker, any member of this House who speaks is subject to the appeal of the electorate. Any member of the government and any Minister is

subject to be thrown out of office. A newspaper that makes a report is subject to be commented upon and is therefore, Mr. Speaker, subject to some degree of responsibility. In the case of the Tritschler Inquiry, it will be noted that the judge is responsible to nobody, that he can make whatever findings he likes, Mr. Speaker, and those findings are not appealed from.

Therefore, Mr. Speaker, it is those kinds of findings that are most suspect, or should be most suspect, because they are findings on matters which are in dispute as between political parties and, Mr. Speaker, the person who makes them is not subject to any responsibility whatsoever.

Mr. Speaker, I am filing with the Legislature what would be done in a court of law. If this kind of decision was made by a judge, it would be normally appealed from, an appeal court could readily overrule it, and if it was not overruled in the appeal court, it could be readily overruled in the Supreme Court of Canada. I am using, Mr. Speaker, exactly the type of language that would be used by lawyers, because the First Minister has been so worried about what will be said about the judicial officer. I am using exactly the language that would be used by a lawyer in filing an appeal, and I am putting my appeal ground on the record.

I am heading this appeal, Mr. Speaker, in the Court of Public Opinion; I am going to present it exactly as I would be presenting it if I stood in front of the Court of Appeal and reading out the grounds of the appeal. The parties are the Progressive Conservative Party of Manitoba, who I have labelled the Persecutor, and public servants and elected representatives who accepted responsibility for development of Hydro power along the Nelson River, who I have indicated are the Intended Victims. The Notice of Appeal states as follows:

TAKE NOTICE THAT a motion will be made on behalf of the above-named Intended Victims, in the Court of Public Opinion for Manitoba at the next ensuing sitting thereof, or so soon thereafter that the motion can be heard by way of an appeal from the findings of Commissioner Tritschler of the Commission of Inquiry into Manitoba Hydro delivered in the month of December 1979, upon motion of the Persecutor directed and issued to the said Commissioner to determine as to whether the Intended Victims herein conducted the Hydro Development Program in a manner which was beneficial to the people of the province of Manitoba, in response to which the learned Commissioner, after conducting hearings, issued the report hereinbefore referred to.

On the hearing the said appeal the Court of Public Opinion will be asked to reverse many of the findings of the learned Commissioner on the grounds hereinafter stated. Mr. Speaker, the findings that I am dealing with, all of them are found within the Tritschler Commission of Inquiry Report.

Number (1), Mr. Speaker, is general. The learned Commissioner's findings are against law, the evidence and the weight of evidence.

(2) The learned Commissioner erred in suggesting that a variance of views between certain members of Hydro's staff and the views of the board of directors of Manitoba Hydro was of any relevance to the question of whether the board had made a correct

decision. Interestingly enough, Mr. Speaker, we find that there were a difference of views on members of the Rental Controls staff which were irrelevant insofar as the Chairman's report was concerned.

(3) The learned Commissioner erred in finding that the costs of Lake Winnipeg Regulation and Churchill River Diversion were continually under-estimated by Hydro with a carelessness ranging from recklessness to irresponsibility and in failing to find, as the facts are, that the same degree of cost escalation took place in numerous major projects constructed during the same period.

(4) The learned Commissioner erred in finding that in 1969 Manitoba Hydro should have discontinued Nelson River development and instead should have built a thermal plant to bide time and engage in further studies and in failing to find, as the facts are, that such a course would have had disastrous results for the people of Manitoba.

(5) The learned Commissioner erred in his conduct of proceedings in permitting counsel for the prosecutors to unfairly suggest falsity on the part of answers given by the former Chairman of Manitoba Hydro Association and then to draw the said witness into making admissions of said alleged falsity, when in fact the answers which the said counsel alleged to be false were true in substance and in fact.

(6) The learned Commissioner erred in finding that any attempt was made to block efforts to expose the facts and in failing to find, as the facts are, that unprecedented material was released to the public in hearings before the legislative committee, which fully revealed all of the pertinent facts relative to the development.

(7) The learned Commissioner erred in reflecting on the judgment exercised by the majority of the elected representatives at the Public Utilities Committee.

(8) The learned Commissioner erred in suggesting that Mr. Schreyer supported a philosophy that there should be silence on the part of Hydro Board Chairman, when there was a duty to speak, when there was absolutely no evidence for the inquiry to support such a finding.

(9) The learned Commissioner erred in finding that there had been an adverse impact on rates when there was no evidence whatsoever to support such a finding and the learned Commissioner himself found that the costs to the consumer cannot be precisely quantified, and the learned Commissioner made no efforts to examine and did not examine the adverse cost to the consumer which would have resulted from any alternative procedure and, in particular, failed to examine the adverse costs which would have resulted from the learned Commissioner's recommended form of proceeding.

(10) The learned Commissioner erred in finding that the construction of Lake Winnipeg Regulation prior to the Churchill River Diversion failed to promote economy and efficiency, when there was no evidence whatsoever to substantiate such a finding and all of the evidence before the Commission indicated that there was no substantial difference in cost between either sequence, and the learned Commissioner made no effort to calculate any savings which would have resulted from any alternative sequence.

(11) The learned Commissioner erred when he found that there was a restriction of the level of South Indian Lake to 847 feet and in failing to find that all of the evidence disclosed at the level of 847 feet was an initial stage only and that Hydro was assured that, if needed, the level would be raised to 850 feet.

(12) The learned Commissioner erred in finding that Hydro neglected to undertake studies of environment and engineering implications of the Churchill River Diversion and in failing to find, as the facts were, that Hydro participated in a federal-provincial study concerning the implications, which study was announced in the summer of 1970 and commenced and proceeded with immediately thereafter.

(13) The learned Commissioner erred in finding that the lack of knowledge of downstream affects led to costly confrontations with communities and in failing to find, as the facts were and the evidence disclosed, that such confrontation was inevitable as a result of the original agreement to develop the Nelson River in 1966 and the failure of the federal government to accept its jurisdictional responsibility under the said agreement.

(14) The learned Commissioner erred in finding that a very large sum would be borrowed by Manitoba, as a result of the hydro development, when there is no evidence to testify to this conclusion and, in the learned Commissioner's own words, it is not possible to compare accurately the cost of what has been built to that which could have or should have been built.

(15) The learned Commissioner erred in suggesting that there were irreconcilable versions as to living allowances paid to David Cass-Beggs, when the evidence given was clearly to the effect of this having been simply an administrative procedure, and the learned Commissioner failed to call the Provincial Auditor as a witness who could easily have dealt with the matter.

(16) The learned Commissioner erred in coming to a conclusion that Mr. Cass-Beggs knew of an estimate in June of 1972, when the evidence of Mr. Cass-Beggs was that he did not know of this estimate until its official date of July 1972, and there having been no evidence whatsoever adduced that Mr. Cass-Beggs did in fact know of the said estimate, and the learned Commissioner erred in basing his finding on a matter which he considered important, namely on the belief capacity of the Commissioner, which cannot be relied upon to impune the testimony of anybody.

(17) The learned Commissioner erred in making totally subjective findings based on personal preference and completely unsupported by any evidence whatsoever that doing engineering work in-house was unwise and that specialized engineering work should be best left to outside consultants.

(18) The learned Commissioner erred in finding that the decision to proceed with Jenpeg in August of 1972 was a serious and costly error and in failing to find that the evidence disclosed that the decision was based on the more sound and responsible judgment of the General Manager, Engineering, of Manitoba Hydro.

(19) The learned Commissioner erred in finding that a large expenditure of public money was made

for a project that was redundant and cost 190 million and in failing to take any steps to determine the value of the said project to the hydro-electric system.

(20) The learned Commissioner erred continuously in second guessing the desirability of contract settlements made by the management of Manitoba Hydro, without any evidence that more favourable settlements could have been made and with an apparent total lack of understanding that it is impossible to determine that the settlements that were made were not reasonable under the circumstances under which they were made.

(21) The learned Commissioner erred in attempting to substitute his judgment for the judgment of the elected representatives of the people on a question of pure public policy, namely the division of costs of consolidating South Indian Lake Village as between the government and Manitoba Hydro.

(22) The learned Commissioner erred in showing a total lack of appreciation of the settlement demands of the Northern Flood Committee and in finding that, under the agreement signed by the Roblin administration, there remained a veto power over the Nelson River development on the part of Indian communities situated in Manitoba, and in finding that the New Democratic Party government should have signed an agreement, when the learned Commissioner himself, in a separate finding, states none of the parties has an accurate assessment of the probable cost of its implementation.

(23) The learned Commissioner erred in finding that the government, in concerning itself with negotiations involving the thousands of acres of Crown lands, forestry rights, hunting rights, and economic development of Manitoba communities, became an advocate for Hydro and was not able to fulfil a meaningful role for the citizens of Manitoba affected by Manitoba Hydro.

(24) The learned Commissioner erred in stating that the difficulties and problems encountered by Hydro were repeatedly foretold by Eric Kierans, Douglas Campbell, and Kristjanson, witnesses before the Water Commission and the National Energy Board and in failing to find, as the evidence disclosed, that rather than having foretold the difficulty, the said sources gave completely conflicting opinions and warnings which in no way substantiated the findings made by the Commissioner and in fact contradicted most of them.

(25) The learned Commissioner erred in failing to make a specific finding that allegations that the sequence followed by Manitoba Hydro wasted 600 million were totally wrong, when all of the evidence and the findings of the Commissioner indicate that no such wastage could be substantiated, and 'that the information and analytical tools of the Task Force did not permit the establishment of an economic preference for sequence, commencing with either Churchill River Diversion or Lake Winnipeg Regulation', and those are the quotes of the Commissioner.

(26) The learned Commissioner erred in involving himself in a debate with the Hydro Directorate of Public Affairs in the 1979 Annual Report, simply because senior management did not concur with the opinions and findings of the Commissioner, and the Commissioner erred in finding that such senior management is well aware that the public

pronouncements were inaccurate, thereby impugning the integrity of such person on the basis of no evidence whatsoever.

(27) The learned Commissioner erred in finding that managerial blunders during preceding years had affected the Hydro ratepayers without having shown that any alternative form of development would have been less costly, and on the contrary, the learned Commissioner's recommendations relative to doing nothing and conducting further studies while maintaining supplies by the purchasers of power or by the building of a thermal plant would in all probability have resulted in a much costlier program and correspondingly higher Hydro rates, and would therefore have been a major blunder.

(28) The learned Commissioner erred in becoming involved in a self-serving debate with the public relations releases issued by the Manitoba Hydro, when the contents of such releases were not discussed in the evidence before the Commission, and without hearing the views of the persons issuing the releases and, in particular, when such releases were issued many years after the terms of reference establishing the inquiry.

(29) The learned Commissioner erred in recommending that Hydro should seek to reinforce its management team from outside, when there is no evidence supporting this recommendation before the Commission, and without making any attempts to compare the economics of having in-House expertise as compared with outside consultants.

(30) The learned Commissioner erred in urging that the Standing Committee on Public Utilities should be disbanded and in recommending that there should be established a committee similar to the B.C. Legislative Committee on Crown Corporations, and in failing to appreciate that the said B.C. Committee is in principle a similar type of committee as the Standing Committee on Public Utilities. There is no substantial difference between the two committees: One is a statutory committee set out in a statute, Mr. Speaker, but the members are appointed by majorities; they sit with the majority; the Chairman is a majority member of the House, and it operates in exactly the same way as our Public Utilities Committee and, significantly, the Minister has not changed the Public Utilities Committee.

(31) The learned Commissioner erred in finding that the Churchill River Diversion Project was limited to Elevation 847 feet, when the direct and uncontradicted evidence before him was to the effect that Elevation 847 was not intended to be a limit, and that the learned Commissioner further erred in finding that the said limit was likely inspired politically when there was absolutely no evidence which supports such a finding.

Then I complete, Mr. Speaker, such other grounds as counsel may advise in the honourable court of law, and take notice that in support of this motion will be read the Report of the Commission of Inquiry into Manitoba Hydro and the evidence of such other material.

Mr. Speaker, all of these grounds are fully substantiated in this report and at this point normally what would take place in a court is that we would start arguing, but it has been argued, Mr. Speaker, there is no real point in arguing it again. All I am

indicating to you, Mr. Speaker, is this is the kind of appeal that normally such judicial finding are subject to and which are not available under the circumstances of this case.

So, Mr. Speaker, you can take this report; if you have got a library you can file it under the Dreyfus trial, the same place where you keep the Dreyfus trial, the trial of Galileo, the trial of Sacco and Vanzetti, and put in your library under that category of material.

I believe, Mr. Speaker, that it should henceforth be referred to as the Tritschler Report Into Power Economy and you can deal with that as you like.

**MR. SPEAKER:** Are you ready for the question? The Honourable Minister will be closing debate.

**MR. CRAIK:** Mr. Speaker, I believe you are correct and I intend to adjourn the debate.

I would move, seconded by the Member for Gladstone, that debate be adjourned.

**MR. SPEAKER:** If the Honourable Minister adjourns debate, that means no one else can speak on it.

**MR. CRAIK:** That's it.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, we had better try the other bills that are in your hands, Bills 83.

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

**MR. SPEAKER:** Bill No. 83, the Honourable Member for Logan.

**MR. JENKINS:** The Honourable Member for Elmwood wishes to speak on Bill No. 83.

**MR. SPEAKER:** Bill No. 83 and the amendment moved by the Honourable Member for Inkster.  
The Honourable Member for Elmwood.

**MR. DOERN:** Mr. Speaker, I believe that this bill is one of the most significant of the legislative session and a giant step backwards in terms of progress, but one that comes with little surprise to, I think, members of the opposition or members of the general public, because I think that in any given instance it is clear that the government bias towards property will show itself, that the bias of the New Democratic Party is towards people and the bias of the Progressive Conservative Party is towards property. So when the crunch comes and the decisions are made, then I think that it is clear that this type of decision-making will occur and when we look at an instance of landlords and tenants, I think that it is clear that the Progressive Conservative Party will decide on the side of the men of property, that they will protect their friends, namely the Sidney Silvermans and the Martin Bergens of this world.

Mr. Speaker, I am concerned about what will happen as a result of this legislation if the government decides to proceed. It seems to me that there will be exorbitant rent increases, that there will be another round of inflation, all of this by a government that gives lip service to fighting inflation but, at the same time, undertakes a number of measures that have in fact fanned the fires of inflation.

We saw the First Minister, only a few days ago in this Chamber in response to questions that I put to him, freely admit that his government is in fact, according to his logic, creating deficits which are the prime result of inflation. Now I myself do not believe that governments are the basic cause of inflation in the economy. I believe that the individual consumer and that the corporations of Canada play a greater role but that government, too, may be considered, but it is certainly not the basic cause of inflation in the economy. But here we are now clearly having, in addition to the government throwing away its former tenet in the balanced budget, we have an instance of the government clearly adding to inflationary pressures in the economy, and we know that in this instance, this is where people will get hit the hardest. When it comes to food and when it comes to shelter, these are the two areas that people cannot, in effect, cut back on.

So I say that the government is once again, exhibiting a lack of concern for people, particularly old age pensioners, particularly the working poor, and so on.

Mr. Speaker, I received a phone call from a woman who is well known in the Civil Service of Manitoba, who told me that she would come and appear before the Law Amendments Committee when Bill 83 was going to be discussed. She described her circumstances in outline, but I believe that they are representative of a group of people that we have to be concerned with. She is a retired person and everywhere she turns now, she is being confronted by rent increases and in particular, condominium conversion, so there is kind of a twin effect that is causing her a lot of problems. And that is another point in regard to this bill, that condominium conversions will now become easy and that a lot of people will find themselves forced out of their accommodation and moving around, trying to find a comparable rent or reasonable rent, and on the other hand, attempting to avoid another shift because of a threatened condominium conversion.

Mr. Speaker, I wish that the Minister of Consumer Affairs was here, because I have told him to his face on a number of occasions, that he is not properly protecting the people that he is supposed to. He is supposed to fight for the rights of consumers, and the consumers in this case are, of course, the tenants, and we have seen him, on more than one occasion, lie down under the pressure of some other Minister or some other circumstance. We see, and we'll be debating this shortly, there is a milk decontrol coming in; we see that the Minister has yielded to the Minister of Agriculture, that he is not going to fight for the consumer, he is going to yield to the Minister of Agriculture and to the Conservative back bench. Who, on the Conservative side, speaks for the consumer?

Then when we come to rent decontrol, the same thing. The Minister is not going to continue a program whereby people were protected, he is going to move the controls and move the protection and throw people at the mercy of the marketplace.

Mr. Speaker, no matter what problem we draw to the attention of the Minister when it comes to consumer protection, his answer is standard. His answer is well, you know, we'll leave it up to the industry to regulate itself. I don't consider that a positive role, or an activist position in regard to his portfolio. The person in that portfolio should be very sensitive to the needs and the requirements of consumers, and should be intervening on their behalf, should be fighting for their rights, and instead we have a situation where the very opposite occurs. Where, over a long period of time, we have had protection for certain classes of people and certain people who find it hard to make ends meet, we now see those controls being removed and we see those people being thrown at the mercy of people in a more powerful position.

So this is the old *laissez-faire*. It's *laissez-faire* when it seems to be to the advantage of people in positions of power and influence, but it's protection and subsidy when that is required. That reminds me of the old story of Tommy Douglas about *laissez-faire*, about the elephant dancing among the chickens, as he said, every man for himself, and this to me, is another example on the part of the government.

Mr. Speaker, it's clearly a government without a heart, and I think, in a number of instances already demonstrated, a government without a brain. I'll deal with that a little later. So I'm simply saying to the government that their Minister, who is now coming in to hear the debate, that their Minister, and I say to him directly now, that his mandate, in my judgment, is to protect the consumer and he should be doing that. When it comes to rents, he should be protecting the tenants of Manitoba, and when it comes also to the suggestion of decontrolling milk, that he should be on the side of the consumer again, and he has either lost both these rounds or he has failed to fight. He has remained silent, or worse still, he has either mounted these campaigns himself or supported both of these decontrol programs.

Mr. Speaker, we saw, on the part of the Conservative government, their SAFER program which they introduced during the by-elections last October, and I think ultimately, if you analyze that program, it tends to put money in the pockets of the landlords, that although it appears to protect senior citizens, I think to a large extent, it's a direct rental subsidy to the landlords who own those particular buildings. I don't know if we ever would have had such a program if it hadn't been for the by-elections themselves. But at any rate, the government was concerned about its status and the government decided that they better have a few programs, so they had their programs.

The Minister of Fitness announced the first program, a grant to Winnipeg for the arena, and then the Minister of Consumer Affairs or I guess it was the Minister of Housing, introduced the SAFER program these were the two by-election programs. Neither of them worked(Interjection) Iona Campagnolo? Well, I can tell you, I'm not one of her

supporters. I do remember her; I'm glad she's out of the House of Commons and I'm glad she has her own TV show now in British Columbia. A tough lady? Certainly was tough, and not a lady of the old school.

At any rate, Mr. Speaker, I say that neither of those programs, although they were announced with considerable flourish, neither of them helped because the government expected to get new votes, a new area of support, and they didn't. They failed to win Fort Rouge where they ran third, and they failed to win Rossmere.(Interjection) The Minister of Fitness says, next time. But you know how it is, a miss is as good as a mile. Even if you lose by one vote, in the end it doesn't matter. We have had people in this Chamber, Mr. Speaker, not you and I who rack up those massive majorities in proportion to our ability, but we have had people in this Chamber who barely squeaked in, and I think of the former Member for Portage, who a couple of times got in by the skin of his teeth and the Member for Crescentwood, who barely made it one time, and so on.

Mr. Speaker, one of the, I think, interesting things about the rental control and the decontrol program is that it hits differently in different parts of the city, that this program does not affect people equally in terms of the suburban areas versus the central city, and a lot of the apartments in the suburban part of Winnipeg have been relatively new and they were not, in fact, under rent control. So that you had a peculiar situation where you had the older apartments in the downtown area under rent control but a lot of the newer, larger blocks that are found in all the suburban areas of Winnipeg not covered, and therefore subject to potentially higher rents and higher vacancies.

So I think, Mr. Speaker, when you're looking at the comparison of vacancy rates, you can't just look at the averages. You have to look at the various areas, and I think that you would discover that there were much higher vacancies in the suburban portions of the city of Winnipeg.

I think therefore, when you take averages, you discover that you're getting a distorted picture. So you have older sections with low vacancy rates and more reasonable rents, and then you have suburban apartments with higher vacancy rates and higher rents. Then you average this type of picture out.

Mr. Speaker, one of the interesting questions that the government has not answered and I think the Minister is going to have to give us some kind of an answer on is, what does he regard as an exorbitant rent increase; or on the other hand, same question, what does he regard as an acceptable range of rent increase? Because Mr. Speaker, all that the Minister has told us in general is that he felt that the increases would be in the neighbourhood of 2 percent and over. I think we've already heard of suggestions of 50 percent, 20 percent, 80 percent, maybe as high as 100 percent in some instances, but there certainly have been a lot of increases in the 20 percent range, and I would suggest that when you get into rents that go 10 and 15 percent, they are getting very high, Mr. Speaker, and that when you hit 20 percent, if 10 percent isn't exorbitant, or 15 percent, 20 percent certainly is. Because that means that a person who is in an apartment in the 200 to

250 range, which would be modest or moderate in the city of Winnipeg, would be confronted with a 40 to 50 increase, which I think is a considerable amount of money.

So I am waiting for the Minister to give us a definition, and I am waiting for anybody on that side who wants to bite the bullet to provide a definition of an exorbitant rent increase, because I think ultimately that must be defined. We all know what the word 'exorbitant' means. Everybody in this Chamber knows what it means, but when you apply it to a specific instance, you'll have a range of opinion, and I think that that really must, in fact, be spelled out because the people who are monitoring in this weakened kind of watered down version of some sort of rent 'control', those people must be given some sort of a guideline. Otherwise, all they're going to do is record ad nauseam all the rent increases that abound and then, I suppose, they'll average them out.

Mr. Speaker, I don't know what the government is going to do in the future in regard to this particular program. They gave us SAFER during the by-elections and now they're giving us rent decontrol and milk decontrol for the general election. I will be very happy to oppose them directly on those two positions, because I believe that in both positions there should be government guarantees in regard to a lower rental and a lower price of milk, lower rents and lower price of milk, which I believe will only come about when the government plays a role in the economy. It's government intervention and it runs contrary to the thinking of the gentlemen opposite.

I welcome, Mr. Speaker, the statements of the Member for St. Matthews. He says that he's going to go out into his riding and sell the people of St. Matthews on this particular government program. I welcome that, and I encourage him to go out. I encourage him to come into our areas, as well. I think that it will be very interesting to see how well that gentleman does in the next rounds of election.

You know, Mr. Speaker, one of the interest things that's come out of this debate, one of the more interesting tidbits is that apparently some of these bills are not vetted through caucus. Apparently the Conservative government runs in a very peculiar manner. They bring in legislation, and they don't inform their backbench of what's in it. The Cabinet doesn't tell the backbench, the Ministers don't tell their colleagues, and the First Minister doesn't know what's going on. There have been a lot of mix-ups in there. I say to my honourable friend, the former football player from Weston Wildcats, who's now responsible for Corrections, that there's a mix-up in the backfield and the ball's been dropped and some of the halfbacks and fullbacks are running into the wrong hole, they're running into the wrong players and they're not taking their blockers. Things are not working very well.

And while there's this problem, the First Minister leaves. I'm worried about that, Mr. Speaker. He's gone down to Detroit to see whether or not he could become Ronald Reagan's running mate. Ronnie Reagan's looking for somebody to run for Vice-President and the First Minister's gone down, he's been called many times, not by me, but by Allan Fotheringham, among others, he's been called a version, a smaller version of Ronald Reagan, and I

think he is in tune, completely in tune with that would be, hopeful American President.

It's interesting, Mr. Speaker, that the Conservatives, of course, do identify with the Republican Party, and we, to a certain extent, I guess identify with the Democratic Party. And I have to say in passing that whereas the Premier goes down in 1980 to Detroit, I myself did visit a Democratic Convention in 1964 in Atlantic City. That was the year that Lyndon Johnson was looking for a Vice-Presidential running mate. I didn't go down there to offer my services, I went down to watch. I wasn't an MLA at that time. (Interjection) That certainly was a happy plank for them later on.

So I'm saying, the First Minister is away, the Attorney-General is busy, and there is confusion in regard to legislation. Apparently some of the backbenchers, Mr. Speaker, are not happy with this legislation. Well, I'm not sure I believe them. I'm skeptical. Does this mean that they didn't see the legislation before, or that now that it's been drafted they are unhappy with it? Surely they must have known something about it. Surely the Minister responsible must have indicated that he was going to bring in legislation along certain lines.

We'll be interested in seeing, Mr. Speaker, how they vote. That's what I want to know. I don't want to hear them get up in this House and say how they don't care for this and they're hoping about that, and they wish that amendments will be introduced and they are going to go and sell the program and so on, I want to see how they're going to vote. I have a feeling that they are going to support the legislation. They're not going to buck the government. (Interjection) Exactly. My colleague from The Pas says they will vote against the best interests of their constituents, and I believe that's true. I'm going to vote in the best interests of my constituents, and that's going to be against this kind of legislation.

So I don't care, the back bench can posture all they want, the back bench can indicate and intimate that there's going to be some sort of pathetic revolt, but I know what's going to happen in the end. The Cabinet will prevail, the legislation will go forward, and depending on what happens in Law Amendments, but essentially I assume that the government will ignore a storm of public criticism and that even though there will be dozens and dozens and dozens of briefs, and even though people will come here and plead with the government and try to persuade the government to withdraw this legislation, that the government will not listen to public opinion.

I see that my friend from Radisson is listening, and he is a reasonable man. I suspect that he is having a hard time with this legislation, that he is going to have to think very seriously about it, but that the pressure will be overwhelming in terms of him having to vote for this type of legislation.

Mr. Speaker, I just want to put a couple of questions to the Minister of Consumer Affairs. I want to ask him whether he will define for this Chamber, and for the citizens of Manitoba, what an exorbitant rent increase is. I know that certainly, when we talk about figures of 50 and 80 percent, I know that's exorbitant. I'm suggesting to him, however, that 20 percent is high, and I think that he's going to have to

tell us just where he feels an acceptable range is. Is he going to accept 10 percent, 15 percent, 20 percent, or a higher figure? Because if he's going to start accepting figures of 15 and 20 percent, he's going to get some very stiff opposition from this side of the House and from the public as well; and he's going to have to indicate to his monitors, the monitors that are set up in this particular regard as to what he feels they should be on guard for.

It's not good enough for him to be silent on this matter, Mr. Speaker. He must say, at some point in the debate, what he will accept. Because if not, then his people are going to be in a complete quandary, they are not going to have the faintest idea what to do when they want to flash a red light to the Minister.

Mr. Speaker, we know that there are pent-up pressures in the economy, we know that there are people who are just waiting for an opportunity to have this legislation passed and then they will raise the rent and raise the roof, and the result will be very hard on the tenants of Manitoba.

Mr. Speaker, the former system, I think, was reasonably fair. Average rent increases were set for guidelines, people who were raising their rents within that context could do so. They also then had an opportunity to pass on, cost-pass-through system, that seemed to be a good system. The public seemed to be happy with it, and now we are going to revert, in effect, to a dog-eat-dog situation, where landlords will set rents as high as the traffic can bear and other people will have to either eat less food or move into smaller and smaller accommodations in order to survive.

I want to say in conclusion to the Minister, that he should be first in line to oppose this kind of legislation, that he should be the one who defends the interests of tenants. He should not be the one who throws the tenants to the wolves in the form of throwing the tenants to the mercies of the landlords. You know, it is very interesting, Mr. Speaker, that the government wants to set about decontrolling segments of the economy that have historically been protected. There is good reason why legislation has been introduced over the years to set minimum standards and to set maximum rents and maximum prices, it is to protect people from the harshness of the marketplace.

If I wanted to take the time, I could read the honourable members some very interesting segments about the good old days that they longed for when there was no legislation to protect consumers, when there was no legislation to protect the workers back in the industrial revolution. Those were the good old days that the honourable members long for, when it was a totally free marketplace. And what did you have in those days? You had children working, you had women working under terrible conditions, you had people working sixteen and eighteen hour days for peanuts, you had children as young as five and six years old working in factories. One rich factory owner was asked why he had a six-year old boy sweeping in his factory since the boy wasn't that productive, and he said he was trying to instill proper work habits in this little boy, so that eventually, maybe when he was seven or eight, he would get his money's worth. We know about people being chained to machines and working with no health

protection or wage protection or safety protection and so on.

So now we have that kind of legislation. We have labour laws, we have health laws, safety law, pollution standards and so on, and the removal of those will benefit certain people who want to make money. If you are only interested in making a buck, it is cheaper to eliminate that sort of control, and this is precisely what this government is doing. They are decontrolling a couple of areas that have been protected. I give only the most recent examples again; milk, there has been a historic protection there, and now rents, which have been in effect for a number of years; and they are protecting not the weak, but they are allowing in some instances the strong to plunder the weak.

So I say then in a final sentence or so, Mr. Speaker, that the government is simply demonstrating once again its bias towards property, as this political party will demonstrate its bias towards people, and that the ultimate result of this legislation is that the average person will be hurt because of the fact that rents will increase, and the basis of this decision is that the Progressive Conservative Party is simply protecting its friends, the Sidney Silvermans and the Martin Bergens of this world.

**MR. ACTING DEPUTY SPEAKER, Morris McGregor (Virden):** Are you ready for the question? The Honourable Member for Transcona.

**MR. PARASIUK:** Mr. Speaker, I was waiting for some Conservatives to get up and try and support this bill, but I find that they can't so they won't. The way in which this legislation has been introduced certainly is a set of blunders. The Minister has said that it was the intention of this government, despite any facts to the contrary that might develop with respect to rent decontrol, to get out rent controls two years ago, but if that in fact was their intention, I can think of no worse way to come forward and try and decontrol suites than this government has followed.

What it has done, it has deliberately held back any legislation until after the rent increase notices were sent out, creating a tremendous pressure, allowing uncertainty to develop, and in a sense letting some landlords get off the mark and establish some levels of 50 percent without any mechanism to appeal right now, without any way of investigating that, without any way of turning that psychology around, and either, Mr. Speaker, that action was the result of complete blunders, or it was incredibly machiavellian. I tend to think that it was a set of blunders, a set of mistakes. I do not think that even this government in that much in the hip pockets of certain apartment owners and developers, because many of the apartment owners and developers have been pretty straightforward on this issue, but some of them have in fact come up with documented rent increases in the order of 50 percent.

Mr. Speaker, we asked the Minister a number of months ago about rent controls. We asked him where the reports are; we asked him those questions a year ago; we asked him those questions at the beginning of the session. We asked him repeatedly, when are you coming up with your guidelines for the

period after October 1st? Will you have an appeal mechanism? We kept asking the Minister those questions, and the Minister kept getting up there and really not answering them, saying, soon, or whatever little catchy phrase he had at his disposal at that time to avoid this particular subject. So he was forewarned very early on that everyone expected a crisis to develop after October 1st, indeed prior to October 1st, or prior to the notice time required to raise rents for October 1st. We were pointing out examples of people having very high rent increase notices sent them for rents that were coming due on August 1st or September 1st. Again the Minister took no notice of those.

One gets the feeling, and we had this feeling two years ago, or last year, when the Minister was appointed to this portfolio, that the Minister doesn't care about consumer protection, doesn't care about consumer rights, because in order for a Minister to care about that he will have to intervene somewhat in the marketplace to ensure that consumer rights are protected, because the little people in the marketplace often aren't protected, and this Minister ideologically doesn't accept that role. He doesn't want it.

So the blunder is not totally the Minister's, Mr. Speaker, the blunder is the First Minister's for appointing this type of Minister into that position, into the position of Minister responsible for Consumer Affairs, especially protection against rent increases and gouging. Everyone expected that this Minister would in fact pull a set of boners as he did with the McGregor spill, and we were frankly trying to forewarn him of that, that is why we raised questions in the House on this, that is why we wanted information.

You know, it is nice for us to get information; it is nice for us as people on this side of the House to have the Minister get his government into this type of mess with respect to rent decontrol, but we are not looking for any easy gifts from this government, because unfortunately when that happens, when we do have a rent decontrol mess, the benefits that we gain politically are greatly outweighed by the suffering that Manitobans have to undergo because of the incompetence of this government.

When I get pensioners phoning me, telling me that their rents have gone from 185 to 245 and that they do not know what to do, they cannot make that type of adjustment with respect to budgeting within a month, within two months, that they just cannot adjust, that they don't know what to do, that they are at wits' end; they are tragic cases because right now nothing can be done. I asked the Minister questions about this, he said, refer it to the Rent Stabilization Board staff. I have referred these cases to the Rent Stabilization Board staff; I found that these cases have not been investigated; I have found that staff are being laid off from the administration of the Rent Stabilization Board. So these people find themselves in limbo right now, they find themselves in limbo should they sign this lease hoping that they may be able to appeal something in the future, when no appeal mechanism that is workable exists right now, apart from the Minister's vague promises that something may be brought in. The people can have no faith in that type of proposition, because the Minister has had a full two years, so he has told us,

to develop decontrol legislation, but he has been able to develop any effective decontrol legislation, even though he had two month's notice, two year's notice, how can he try and redraft this now within a week or two?

So these people find themselves in limbo. They don't know whether they should sign those leases, stay in a situation where come October 1st they will not be able to pay those rent increase, or come, say, November 1st or December 1st, they find that they might be able to pull together a bit of extra money for that one first monthly payment, but what do they do in November when they can't continue this absurd situation of having to deal with a 30, 40, 50 percent rent increase? Do they then move out? Do they then default on their rent? They are still held liable for that rent, they are obligated to pay it, so what Never Neverland has this Minister put those people into in the summer. They have put them in a horrible situation.

Do they then not sign their lease? Do they then move out? I will point out later, Mr. Speaker, that the vacancy rates in particular parts of Winnipeg are far lower than the 4.8 percent average. The vacancy rates in Transcona, for example, my constituency are very low, they are 1.4 percent. In St. James-Assiniboia they are 1.7 percent, incredibly low vacancy rates. Do you realize that those vacancy rates are lower than the vacancy rates that exist in all of the nursing homes of Manitoba, because when we were reviewing the estimates of the Department of Health, we found out that the vacancy rates in nursing home beds was just under 2 percent; that was the time it took to get new people in if someone moved out of a nursing home or died, really called the frictional vacancy rate.

When we look the apartment survey carried out by CMHC with respect to apartment structures of six units and over, we find that the vacancy rates for St. James are 1.7 percent. We find that they are 1.4 percent for Transcona.

There really are no other alternatives for older people in those areas if they find that they cannot trust this government to set up an appeal mechanism that may lower their rent increases from an unaffordable 50 percent or 40 percent down to say 12 percent, 10 percent, 9 percent, a more realistic livable figure. They have nowhere else to turn to unless they move out of their communities, the communities that undoubtedly they spent a great deal of their time to date in. So you have uprooting of people because of that. It strikes me that this is incredibly callous and incredibly incompetent.

This government tried to create the impression that they are both competent and humane but increasingly, as they bring forward program after program that is ill-defined or inoperable for three or four or five months, or as they bring in legislation that is badly drafted or maliciously drafted, we find that they are incompetent. Of course we know their callousness over their three-year record in office, and the people are sick and tired of that approach. The Minister surely should have some explanations as to what people are supposed to do in situations where there are no vacancies, realistically speaking: The inner city, St. James, Transcona. What these people are supposed to do now that they have received rent increase notices that are monstrous, that they have

to sign and then supposedly appeal later on, or that they have the choice of not signing and not finding alternative accommodation in their area; there is no choice at all. There is no choice at all for these people, Mr. Speaker, and that is bad planning, bad management, bad blundering on the part of this government.

If in fact they said they were going to get out of controls, if they were determined to do so, then surely they should have at least managed the affairs that they are in control of in such a way that adequate notice was provided, that possibly alternative housing, especially for elderly people, was erected in suburban areas like St. James, or like Transcona, which are defined communities, like St. Vital, so that older people who possibly can't afford rent gouging that is tolerated by this government may in fact be able to find alternative accommodation better suited to their incomes. But this government didn't take that action; in fact it compounded its blunders by introducing the rent decontrol legislation after all the notices were sent out.

The Minister can really never live down that type of incompetence, which is really quite shocking in a Minister who has been around for some time and surely must know the timing. In his own day, he used to get up on this side of the House and rant and rail about the fact that important legislation was being introduced right at the end of the session. If you will look through a Hansard you will find that the Minister or the member of the opposition at that time, who used to complain most about that, is now the offending Minister, dealing with the most contentious issue of this session and introducing it late, introducing it flawed, if not inoperable, and being very very stubborn about changes regarding it, and also being very stubborn in terms of even knowing what his legislation is about. He got up here and said we have an appeal mechanism, don't bother me, we have an appeal mechanism. Now he is conceding that there isn't an appeal mechanism because he is predisposed, he is ideologically committed to wrecking the rent control system, wrecking a system of fairer rents without having anything fairer to offer in its place.

The discussion we had this morning reflected that. The Minister is saying that really there were no changes, there were no substantive changes in the reports on last year's rent decontrol that he tabled last week in the House. And then he goes on to say that really, before he tabled those reports, he really hadn't read them. Before he drafted the legislation bringing about the abolition of rent controls, he hadn't read the documented evidence as to what had taken place in suites that were decontrolled.

**MR. JORGENSEN:** The honourable member is playing fast and loose with the truth. The report that I said I hadn't read was the one that was tabled by Mr. Doer, just on Friday; that's the first time I'd seen that.

**MR. PARASIUKE:** Mr. Speaker, he has said he did not read those reports. He felt that it wasn't even necessary for him to table them, that he was doing so as a courtesy to us. Frankly, he should have done so as a courtesy to himself, to improve his

knowledge of the situation with respect to decontrolled suites.

Imagine a situation where the Minister would come forward with legislation to abolish decontrols, to abolish rent controls and not even try to find out what happened in those suites that were decontrolled last year. That is the height of incompetence, that is the height of stupidity and that Minister has used that word. He was the first one to use that word as to what constitutes stupidity, and it is tragic that he would do something like that. He should have read the reports. He should try to find out before he drafted the legislation what had taken place, and if he would have, Mr. Speaker, he would have found out that in older structures the rents tend to go up higher than any average; that in many of them the rent increases were over 30 percent and if the Minister had read that, as he now he claims he had, if he was aware of that, if he had knowledge of that, why did he bring in legislation without any guidelines? Why did he bring in any legislation without any appeal mechanism, if he knew that? But of course he didn't know that, he didn't want to know that, he didn't care.

He had no idea of what was involved, and when he now turns around and says the reports really weren't changed that much, it is very critical in a decontrol process to know, for example, that in certain areas the vacancy rates are very very low; to know, for example, that in those areas where vacancy rates are very very low, you have a lot of older apartments where, in the past, given decontrols last year, the rents went up over 20 and 30 percent. And that information was in the Report No. 1 and that information was taken out of Report No. 2 that was tabled here, and the Minister turns around and says, that's not important.

That is critically important to us. It should have been critically important to him, if you are actually trying to set up a fair system, and that's not what he is doing. He is not setting up a fair system at all and he cannot explain whether in fact the 10 percent increase is fair, or a 15 percent increase is fair, or a 20 percent increase, or a 30 percent, or a 40 percent or a 50 percent. He is saying that he doesn't want to do that, Mr. Speaker, because if you establish a guideline, say of 8 percent, the guideline that this government establishes for increases in funding for hospitals for example; they establish a pretty rigid guideline of 8 percent, they won't bend no matter what comes up. But this Minister isn't willing to establish a guideline of 8 percent because he said that automatically will become the ceiling. What he is then saying, what he is implying is that, in his mind, rent increases below 8 percent may be unjustified. What he is telling the public to do is to take every rent increase and appeal. He is not saying that the cost of living for one year may be a rough approximation of a guideline, he is telling them he is not going to give them any indication; he's not in a position to provide that type of guideline. He is telling everyone, take your rent increase notice and appeal.

While he is doing that, he is cutting back on the staff of the Rent Stabilization Board. He's decreased it by 50 percent. As of October 1st, I am quite certain we will not have the capacity in the Rentalsman's Office to investigate rent increase reports, and what

he is hoping is that the people will take that shock in this year; that they will somehow have to absorb it; that all the dislocation, all the misery that attends those people taking that tremendous shock in their rents, will be borne this year and possibly forgotten next year.

Let me assure members of this House, I am quite certain that, with this set of blunders, this government will be too terrified to go to the electorate over the course of the next year and they are going to wait for some time, hoping that the public will forget about their incompetence and callousness with respect to this particular issue, and of course they won't.

The elderly people especially watch their budgets very very carefully and when they find themselves in a situation where their rents go up dramatically, where they have no appeal mechanism, where they can't do anything about it, where they feel powerless, then they feel that the important thing is to remove this government.

The amazing thing is the number of phone calls that we have received, and I'm quite certain some of the backbenchers on the other side of the House and, I would daresay, even the Minister's have received calls about this matter as well. I first raised this matter in the House with respect to the October 1st, deadline, I think I raised it about five weeks ago, and I found that I started getting a lot of calls and people were pointing out that their rent increases were 25 percent, 30 percent; what are they going to do; put them in touch with the Rent Stabilization office; no action took place. Everyone was stalling for time at that time because the staff probably was aware that the government was going to kill rent controls. They couldn't tell me. They weren't in a position to tell me. The government hadn't gotten its act together to move on this, so people found themselves in that horrendous situation, and the calls have mushroomed. Never in my experience as an MLA, and it's not been that long, have I received as many calls from different parts of the city regarding an issue as I have received on this particular issue.

The interesting thing is that in the past whenever I would go before the Manitoba Landlords' Association or other groups like that and speak on the issue of rent controls, and speak on the issue of fair rents and vacancy rates because there has been debate in the past about vacancy rates, I've received calls from tenants, but I'd also receive a number of calls from irate landlords. The amazing thing is that with respect to this issue, no landlord in five weeks has phoned me to complain because they know that 45 percent is rent gouging. They know that 25 percent increases are rent gouging. Even if the Minister doesn't know that, they know it. They are not prepared to defend that type of action.

Sidney Silverman the head of the Landlords' Association isn't prepared to defend 20 percent, 25 percent, 30 percent rent increases. He is saying, as a general guideline, that they shouldn't go over 10 percent, but his association basically is an association of the little landlord. The big landlords, the big strong supporters of the Conservative Party, on the other hand, never were members of the Manitoba Landlord Association. They were never a part of the Sidney Silverman approach. They

wouldn't complain in public. They complained behind the doors.

If you can recall, two years ago we had a scandal of changes of pressure being put on the Minister by Edison Realty. They were more sophisticated. They appealed one set of rents before the courts. About 2,000 people were involved. That issue was first raised in November of 1978. It has still not been decided. It took a year and a half for the case to be heard because the Rent Stabilization Board, itself, didn't pursue the matter diligently; didn't take up the case; remanded the case over and over again. Why? Because in the interim the judge had ruled that the rent rebates, which the Rent Control Board ruled should go to the tenants, would in fact be held by Edison Realty. Hundreds of thousands of dollars are now involved. We've in fact given a gift in the interim to Edison Realty for a period of time. They were quite content to stall the matter out before the courts. This government was quite content to remand the case over and over again. It was finally heard on April 22nd, and the judge still has still not made a decision. It may be two years before those tenants have any justice with respect to their particular case, have any decisions made, and in the interim the landlord has kept the extra money, the money at issue, without having to pay interest. I would assume that a number of tenants from those apartments have in fact moved out. They may have died. Who will get the rent rebates due them if the judge rules that the original decision of the Rent Control Board was valid?

That shows the incompetence of management of this particular government. One would have thought that they would have pressed for a quick expeditious decision to try in fact take the interests of the tenants into account at least once in awhile, to provide some type of balance, that this Minister wouldn't act in that respect, and those people have found themselves in a limbo situation, which I would suggest is the result of the deliberate inaction of the Minister.

Now, if we look at the bill in particular, Mr. Speaker, we know that the context in which it is presented is a terrible one. We know that there is a great deal of injustice in the marketplace right now with respect to rent increases. We know all those things. That's the general context, it's a tragic one. If you look at the bill specifically, it's just as bad. I mean, if the Minister accepts as a principle the notion that families with school children, during the course of a school year, should be evicted, then let me assure him that people on this side of the House do not believe that. We do not believe that, as a principle, school children should be evicted. We do not believe that, as a principle, landlords in trying to convert their apartments to condominiums should be able to force out elderly people, who because of their age, may not be able to qualify for a mortgage. We do not believe that that is just and fair legislation, but the Minister, in principle, agrees with those particular malicious aspects of this legislation.

He hasn't explained why he is doing that. Who has put that pressure on him? This is especially critical when one takes into account the analysis of the Social Planning Council, which indicates that those people in greatest need of decent and affordable housing are single parents. So is it the intention of

this legislation, in a sense, to force all those people out of their accommodation in the winter? Surely not. I would hope not. If that's the case, why did the Minister introduce those particular sections within the legislation, encompassing those principles that I'm sure we, on this side of the House, don't agree with, but possibly members on that side of the House do agree with. And if they do, I would believe that they will not be able to explain that to their constituents, whether in fact their constituents are renters or not. I believe that the general public doesn't believe, nor does it agree with that type of approach.

There's another principle with respect to this legislation that we find abhorrent, and that is that you can have a multiplicity of rent increases in a unit within one year. That never used to be the case. The rents were raised yearly. They were raised in relation to costs, supposedly, plus some rate of return on investment. But this legislation allows the landlord to raise the rents each time a suite is vacated, and we know that there is seasonality in the renting of suites; we know for example, the students will be especially affected by this. We know that students vacate apartments in May, they're rented over the summer, they look around, there's an influx of people in the summer time, students then try and rent them in the fall. You can have a 30 percent, 40 percent rent increase that can be covered up in this manner because it will be done in two stages.

I'm quite certain the Minister didn't intend that. We certainly don't agree with that principle. I would like the Minister to explain why he has done that. Does he agree with that principle? Does he feel that rents should be increased as many times per year as the market will allow, because frankly the market and this is the thing that I find about sort of, the free market economists, or people who try and put forward a free market philosophy, a free market economy depends on perfect knowledge. Perfect competition depends on perfect knowledge. And indeed, what takes place in the real world is that there is an imperfect market and imperfect knowledge.

It's important for people to know, for example, that rents have gone up two or three times. Then maybe the market would be working better, but they won't know that. There won't be any obligation on the part of the landlord to post what the rent was last year, to post whether in fact there have been more than one or two changes in the rent levels. That isn't in this legislation, and it's not as if this is a piece of legislation that the Minister had to hastily devise in the last two weeks in order to put before us in the Legislature. This is a piece of legislation which is the result of long-term planning on the part of this Minister. This is the action of this Minister who has had as much time as anyone would possibly hope to, or want to have, in order to come up with a program that reflects the philosophical bent of this government. He's had enough time, he's taken that time, he's done supposedly his best job in decontrolling rents. This is the best possible job that this Minister could have done, because he told us that he was going to get rid of them two years ago, so he was surely leading up to this stage, and he knows then that October 1st was the cut-off date, that there is three months notice required, that July

1st then would be the time that this whole thing had to be unveiled.

The interesting thing is that he didn't even consult his own backbenchers. He didn't even consult the Member for Wolseley; maybe he's too much of a maverick, maybe he's not the apple polisher that some of the other people are within that caucus. I don't know if he consulted the Member for Crescentwood, although I find now that the Member for Crescentwood is telling us publicly, himself, that there will be changes, when the Minister isn't even telling us that himself. That's right. Amazing, that he wouldn't even have consulted his own backbenchers, many of whom represent urban constituencies with a great number of rental units in them. And that, given the fact that the Minister tells us he had two years lead time to prepare for this, shows bungling and incompetence at its worst. The Minister has no comeback to that. Why would it be so bad? Why wouldn't he at least have consulted his own urban members? Why wouldn't he respond to letters sent to him, months ago, by the Association for Senior Citizens of Manitoba, by the Winnipeg Association of Senior Citizens, which said, look, rent controls are slated to come off on October 1st. We're terrified. We're defenceless, we're powerless, what are you going to do about it? Can we meet with you, can we talk to you about this? Disregarded. This is the product of the planning and programming and detailed homework, supposedly, of this government and of this Minister.

He has no full justification for decontrolling or really abolishing all rent controls as of October 1st, apart from saying that, when they were first introduced, it was the intention to phase out of them. There is a grain of truth to that, but again what he avoids is the context of that time and the fact that we did have a vibrant housing construction industry. We did have a greater range of housing stock at that time. We didn't have the vacancy rates in areas that are as low as they are today. We did not have vacancy rates of 1.4 percent and 1.7 percent when rent controls were introduced. We had a senior citizens housing program that worked. We had a family housing program that didn't work as well, especially because it wasn't providing living space for single parents, especially single parents in the downtown part of Winnipeg, inner city of Winnipeg. But there was an attempt, there was something being done at that time to deal with it. We had a federal program that was operational. We don't have any of that happening right now. We've had the federal government move away from housing. They have tried to shift this responsibility on to the province. The province has ducked its responsibility in that area, as well. The city is ducking its responsibility in the area of housing. We've got a general economic decline in this province, in part brought about by this government's cutback policy, and we find ourselves in a situation where housing starts have gone down tremendously, where if it wasn't for some tax dodge housing called MURBS that were built two years ago in order to allow wealthier people to dodge their taxes, rather than try and build housing which was geared to middle and lower income people, especially the elderly . . .

**MR. SPEAKER:** Order please. The honourable member has five minutes.

**MR. PARASIUK:** . . . that we wouldn't have had any vacancies at all. But those vacancies aren't geared to those people we are concerned about. We're not particularly concerned about people who are paying 500 or 700, or 800 a month. Those people are pretty mobile. They're pretty sophisticated. They can look after themselves; they've got some bargaining power. We're more concerned with those people who are trying to get two-bedroom accommodation for 250 a month or less; older people who are on fixed income; those are the people we are most concerned about; those people say, between the ages of 55 and 65, whose earning power has probably plateaued; single parents. That's the big group that we are concerned about. Frankly, if the Minister was so committed to rent decontrol, he could have come in with a phase program; he could have come in with a program that takes into account the age of buildings, the geographical location of buildings. He could have been a bit more sophisticated. He could have shown a bit more finesse, and he hasn't done that.

The thing that is really quite astounding about this legislation, Mr. Speaker, is that having taken two years of painstaking, Conservative effort to bring about this piece of legislation, the Minister comes up with such an incomprehensible appeal process; an appeal process that really doesn't work at all; an appeal process which requires both sides to agree to arbitration; an appeal process that requires his direct intervention. In how many cases; 10,000 cases? Would he then go on holidays or will his office not respond to calls?

Now, having had this brought to his attention immediately, by people who looked at the bill, he's now saying, well, he's going to try to figure out something different. He won't tell us what that is. But everyone else, even his own backbenchers, immediately recognized the inherent weakness of this particular bill with respect to appeal. His own backbenchers aren't willing to accept that there is a very bad housing situation in their area.

When the Member for St. Matthews says that he is willing to support this legislation, while at the same time probably walking past house after house that's condemned, that is boarded up, I find that very surprising. I find it suprising.

At least the Member for Wolseley had the integrity to get up and point out the errors and point out the fact that he wasn't consulted. I'm amazed. Maybe the Member for St. Matthews was consulted in this respect. Maybe he was consulted on this piece of legislation. Maybe it's just the Member for Wolseley who is disliked by his colleagues, who wasn't consulted on this matter. Maybe the other ones were. But you know, the Member for St. Matthews has already told us a number of times, he's got up and sort of given us some of the rhetoric about the bad housing situation in his area, and frankly, from time to time, he's made sense on the issue. If that's the case, why wasn't he consulted? Why weren't any of those people consulted? Or, if they were consulted, that means that they must have agreed with the bill as originally presented to us and as exists before us right now.

If that is the case, Mr. Speaker, I invite them, I beseech them to get up and defend what their caucus approved, to get up and defend why, in fact, and explain why in fact they would put this badly flawed piece of legislation, this legislation which isn't workable, the timing of which is horrible, which has created a psychology of rent gouging and a psychology for rent gouging, why they would have permitted all of this to take place, if indeed they had been consulted. Because what we have here is a piece of legislation that is bad, we have a housing situation which is horrible, and we have rent gouging, rent gouging, Mr. Speaker, which cannot be tolerated, will not be tolerated, and will be fought by members on this side of the House even if members of that side of the House are willing to accept and condone such an outrageous practice.

**MR. SPEAKER:** Are you ready for the question? The Honourable Minister without Portfolio.

Before I recognize the Honourable Minister of . . .

**MR. JORGENSON:** On a point of order. I think I should point out that bill is in the name of the Member for Churchill, so that there is no way that you could call the question at this time.

#### INTRODUCTION OF GUESTS

**MR. SPEAKER:** Before I recognize the Honourable Minister without Portfolio, I would like to introduce to the honourable members Mr. Tom Trewin, Member of Parliament for the State of Victoria in Australia. Mr. Trewin in his private life is a farmer and sheep rancher and he is now presently on a Commonwealth Parliamentary Tour, and I would like all members to welcome him here this morning.

#### BILL NO. 83 AN ACT TO AMEND THE LANDLORD AND TENANT ACT AND THE CONDOMINIUM ACT (cont'd)

**MR. SPEAKER:** The Honourable Minister without Portfolio.

**MR. MCGILL:** Mr. Speaker, I did wish to say a few words in respect to Bill No. 83. Members will perhaps recall that two years just about this time I had a responsibility with respect to rent controls and I did introduce a bill outlining the government's policy and position, and at the same time made a statement with respect to general policy which gave a clear indication, Mr. Speaker, of the intent of the government with respect to the phasing out over the next two years from that time of rent controls. I was anxious, of course, to listen to the comments of the Member for Transcona, who two years ago was one of the principle speakers from the opposition's side in opposition to the bill, which then introduced the phase of controls extending from that period forward.

He will recall, no doubt, that it was quite clearly stated that it was the intention of the government to continue with Phase IV and then to continue rent controls in Phase IV until June 30th of this year, and then to provide for the phasing out of rent controls, but to continue a monitoring process which would provide some relief for those people who felt that

rents under a decontrol situation were being proposed excessively high, that increases were being asked that, in some instance, would be considered to be excessive.

Mr. Speaker, the government's policy has progressed and has not deviated from that notice of intent, so when members opposite suggest that there is some surprise or that they didn't realize that this was the intention of the government, I can hardly understand such a position being placed.

There has also been the position indicated by a number of speakers that members opposite have clearly been in opposition over the years to any cessation of rent controls. Mr. Speaker, one needs only to examine the records from 1976 to put that idea to rest. The records will show that in many statements the undertaking was given that rent controls would be a temporary measure. They were introduced by the previous administration in conjunction with anti-inflation controls, and it was in April two years ago that those Anti-Inflation Board controls began to be removed.

We indicated that we felt that while it was a reasonably simple measure to place in position a device to control rent increases and to keep them within certain guideline limits, that we anticipated it would be much more difficult in the disengagement process, and it was agreed on all sides of the House that there would eventually be a time when rent controls would need to be eliminated. It was agreed that there would be difficulty, whenever that time should be, and it is interesting, I think Mr. Speaker, to go back to see what the comments were in opposition to the bill introduced in June of 1978, particularly in view of the comments this morning by the Member for Transcona.

He has found a number of faults with the government's procedure in respect to introducing this bill, and he feels that the whole matter is one that has been ill-thought-out and that we have not proceeded in a manner that would provide the protection for some of the, particularly the difficult areas in the rental situation. But even the Member for Transcona two years ago agreed, as I recall his statements, that it would be necessary to phase out rent controls.

As a matter of fact, I think he said almost two years ago this time, on July 10th, 1978, he said, Mr. Speaker, and I am quoting from his words in Hansard. 'We say that rent controls can only be phased out when the vacancy rates are of the order of 4 or 5 percent.' And, Mr. Speaker, he went on further to say, 'What is happening is that the vacancy rates aren't increasing to 2 or 3 or 4 percent, they are going the other way,' meaning in July of 1978 they were going the other way.

Mr. Speaker, he was quoting some what I suspect were rather selective statistics this morning with respect to vacancy rates, but as far as I am able to determine, Mr. Speaker, the vacancy rate as of April 1980 in the city of Winnipeg was 6.7 percent. This information, I believe, was supplied by CMHC to the Federal Minister of Housing perhaps just prior to the Liberal Convention in Winnipeg. But, Mr. Speaker, it is interesting to consider that statistics. Winnipeg has in the statistical review, which has been completed by CMHC, the second highest vacancy rate in Canada. The only other city of major size which

exceeds Winnipeg in terms of vacancy rate is Hull, Quebec.

**MR. SPEAKER:** Order please. The hour being 12:30 . . .

## BUSINESS OF THE HOUSE

**MR. SPEAKER:** The Honourable Member for Gladstone.

**MR. WALLY. J. FERGUSON:** Thank you, Mr. Speaker. I would like to move one change on Law Amendments, Mr. Galbraith for Mr. Johnston.

**MR. SPEAKER:** Is that agreed? (Agreed)  
The Honourable Member for Kildonan.

**MR. FOX:** Mr. Speaker, I would like to also indicate a change on Law Amendments, the Honourable for Rupertsland to replace the Honourable Member for St. George.

**MR. SPEAKER:** Is that agreed? (Agreed)  
The Honourable Government House Leader.

**MR. JORGENSON:** Mr. Speaker, it is our intention to have Law Amendments Committee meet at 2:00 o'clock. The business for the House tonight is a little uncertain at the moment, it depends on how well we deal with those three bills that are before the Committee. I am going to provide the greatest incentive that I can provide to my honourable friends to get those bills completed before 5:30, and that is by allowing the House to come back in at 8:00 o'clock and then they can have their second question period of the day.

**MR. SPEAKER:** Accordingly the House then stands adjourned until am I correct, until 8:00 o'clock tonight?

**MR. JORGENSON:** That is the uncertainty, Mr. Speaker. If it looks as though it is not possible to complete the consideration of those three bills, then we will go straight into Law Amendments Committee this evening as well.

**MR. SPEAKER:** Order please. The House is then adjourned and stands adjourned until the call of the Chair.