

Bill No. 21 of 1950.

A BILL TO CONTROL RENTALS AND TERMINATION  
OF LEASES

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NOTE.

This Bill enacts a new Act to be known as "*The Rental Control Act*".

The Act applies to all accommodation that is subject to rental control under the Dominion Government Wartime Prices and Trade Board regulations and orders on the date on which this Act comes into force and to all accommodation that is made subject to the Act by order in council. It does not apply to new construction or to accommodation which already has been decontrolled or to accommodation which is decontrolled by order in council.

Provision is made for the constitution of a Rental Control Board consisting of such number of members as may be appointed by the Lieutenant Governor in Council. The Lieutenant Governor in Council may prescribe the remuneration and fix the duties of members of the Board and appoint such officers, clerks and servants as the Board may require.

The Lieutenant Governor in Council may also appoint for any designated area one or more advisory committees for the purpose of advising and co-operating with the Board in the administration of the Act within the designated area.

Any member of the Board is empowered to act on behalf of the Board.

The Board and any person authorized by the Board in writing is given all the powers of a commissioner appointed under the provisions of *The Public Inquiries Act* and may take the evidence of landlords and tenants and other persons on oath.

The rent payable for accommodation subject to the provisions of this Act cannot be changed unless the landlord and tenant agree on the change or the Board fixes a just and reasonable rent pursuant to the provisions of this Act.

In any case where the landlord and tenant are unable to agree on a change in the rental either of the parties may refer the matter to the Board. The Board is authorized to act as an intermediary in the negotiations between the landlord and tenant and to arrange meetings between the parties in an endeavour to bring about an amicable agreement on the rent. The Board may also advise and assist

landlords and tenants in determining the fair actual value of accommodation and in fixing a just and reasonable rent.

If the parties, after receiving the advice and assistance of the Board, are unable to agree the Board may fix an amount of rent which in its opinion is just and reasonable.

In calculating a just and reasonable rent the Board is authorized to approve an amount which in its opinion takes into account and makes due allowance to the landlord for a number of costs and expenses which are listed as well as providing the landlord with a fair return on his investment. The items which the Board may take into account include taxes, insurance, expenditures for repairs, depreciation not exceeding five per cent, cost of administration, a fair return to the landlord on his investment and such other matters as the Board deems reasonable and proper. The percentage allowed for depreciation is to be based on the fair actual value of the accommodation as determined by the Board. In determining the fair actual value of the accommodation the Board may consider cost of construction, sale price and other factors but it is not bound thereby and is directed to use its discretion in fixing the value at an amount which is deemed reasonable and proper.

When the Board has fixed an amount of rent which it finds just and reasonable for any accommodation the landlord may demand from the tenant any rent not exceeding the amount fixed by the Board and the landlord is prohibited from demanding or accepting any rent in excess of the amount fixed by the Board from the tenant in possession. The Board may review any order fixing an amount of rent if so requested by either party after the expiration of six months from the date of making the order.

Provision is made that no tenant may be evicted unless conditions exist which are set out in detail in the Act or unless the landlord obtains from the Board a certificate authorizing him to take proceedings for the recovery of possession.

The landlord is entitled to recover possession of the accommodation in accordance with the law of the Province if the tenant is in default of payment of rent, is breaking any material provision of his lease, is the landlord's employee, servant or agent, has refused to pay an increased rental fixed by the Board, etc. These circumstances under which the landlord can recover possession are practically identical with the corresponding provisions under the Dominion regulations.

The Board is empowered to grant a certificate authorizing the landlord to take proceedings for the recovery of possession if, having regard to all the circumstances of the case, it is of the opinion that it is just and reasonable so to do. Without restricting this broad discretion of the Board a number of factors are listed which the Board may take into consideration when considering an application for such

a certificate. These include such matters as whether the tenant has failed to take reasonable care of the property or has been obnoxious, destructive or objectionable or has caused annoyance or inconvenience to other occupants. The Board may also consider whether the landlord requires the property for his own use and will undertake not to rent or sell it for a period of twelve months. When the Board has granted a certificate authorizing proceedings for the recovery of possession the landlord may proceed in accordance with the law of the Province.

Any accommodation becoming vacant after this Act comes into force is automatically decontrolled.

The Act makes it an offence for any person to rent property at a rental higher than that authorized under the provisions of the Act. It is also an offence for a tenant to pay more rent than is authorized under the Act. Any conspiracy to defeat the provisions of the Act or any misrepresentation or false statement made to the Board constitutes an offence.

Any person found guilty of an offence against the Act is subject to a penalty not exceeding five thousand dollars or to a term of imprisonment not exceeding two years. No prosecution can be instituted except with the written consent of the Board or of the Attorney General. Every prosecution must be commenced within twelve months from the time of the commission of the offence.

Provision is made for the admission into evidence of documents purporting to be signed by the Board.

The Lieutenant Governor in Council is authorized to bring any accommodation other than new construction under control and is also authorized to decontrol any accommodation.

The Lieutenant Governor in Council is authorized to make rules and regulations prescribing forms, fixing fees and doing anything else that is deemed necessary to facilitate the carrying out of the general intent, purpose and object of the Act.

The Minister of Economic Affairs is the Minister in charge of the administration of the Act.

KENNETH A. MCKENZIE,  
*Acting Legislative Counsel.*

*(This note does not form any part of the Bill but is offered in explanation of its provisions.)*

# BILL

No. 21 of 1950.

An Act to Control Rentals and Termination of Leases.

(Assented to \_\_\_\_\_, 1950.)

**H**IS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

## Short Title.

1. This Act may be cited as "*The Rental Control Act*".

## Interpretation.

2. In this Act, unless the context otherwise requires,—
  - (a) "accommodation" means any room or other place of dwelling that is rented for human habitation and any land on which it is situated;
  - (b) "Board" means the Rental Control Board constituted pursuant to this Act;
  - (c) "Minister" means the Minister of Economic Affairs;
  - (d) "new construction" means any building which on the first day of January, 1947, was in process of being completed by original construction and was not occupied in whole or in part before that date, and any building the original construction of which was commenced after that date, but does not include alterations or additions, structural or otherwise, to a building existing on or before that date.

## Application of Act.

- 3.—(1) This Act applies to,—
  - (a) all accommodation that is subject to rental control under the Dominion Government Wartime Prices and Trade Board regulations and orders respecting the rental of accommodation and the termination of leases on the date on which this Act comes into force;
  - (b) all accommodation, other than new construction, that has been made subject to this Act by an order of the Lieutenant Governor in Council.
- (2) This Act does not apply to,—
  - (a) new construction;
  - (b) accommodation which was not subject to rental control under the Dominion Government Wartime Prices and Trade Board regulations and orders

respecting the rental of accommodation and the termination of leases upon the date on which this Act comes into force;

- (c) any accommodation in respect of which valid notice to vacate has been given prior to the coming into force of this Act;
- (d) accommodation that has been decontrolled by order of the Lieutenant Governor in Council.

#### **Constitution and Powers of Board.**

4. There is hereby constituted a Board to be known as the Rental Control Board consisting of such number of members as may be appointed by the Lieutenant Governor in Council.

5. The Lieutenant Governor in Council from time to time upon the recommendation of the Minister may,—

- (a) prescribe the remuneration and duties of persons appointed as members of the Board;
- (b) appoint, subject to the provisions of *The Public Service Act, 1947*, such rentals administrators, rentals appraisers, officers, clerks and employees as may be deemed necessary who shall be under the direct control of the Board;
- (c) appoint for any designated area one or more committees for the purpose of advising and co-operating with the Board in the administration of this Act within the designated area and prescribe the powers, duties and remuneration of such committees.

6. For the purpose of performing any duty or function or exercising any power which is conferred or imposed upon the Board by this Act any member of the Board is hereby empowered to act for and on behalf of the Board and any act or thing done by a member shall be deemed to have been done by the Board.

7.—(1) The Board and any person authorized by the Board in writing may make all such inquiries as may be from time to time deemed advisable with regard to accommodation owned or occupied by any landlord or tenant.

(2) For that purpose the Board or any person authorized by the Board in writing may examine under oath the landlord or tenant of any accommodation and his or their servants and agents and any other person who, in the opinion of the Board or the person authorized by the Board in writing, appears to have any knowledge of the accommodation or matters relating thereto.

(3) The Board and any person authorized by the Board in writing may,—

- (a) require any person to furnish any information in any specified form and manner;

- (b) enter or authorize any other person to enter any accommodation to inspect it or to examine any books, records and documents relating thereto;
- (c) require any person to produce any or all books, records and documents relating to any accommodation at any place before the Board or any person authorized by the Board in writing, and may take or authorize any person to take possession of any or all such books, records and documents.
- (4) The Board or any person authorized by the Board in writing shall have all the powers that may be conferred upon a commissioner appointed pursuant to *The Public Inquiries Act*.

#### **Rental Control.**

**8.—**(1) The maximum rent payable for any accommodation to which this Act applies shall be the maximum rent in effect for that accommodation pursuant to the orders of the Wartime Prices and Trade Board on the date on which this Act comes into force.

(2) The rent payable for such accommodation shall not be changed unless,—

- (a) the landlord and tenant agree on the change; or
- (b) the Board fixes an amount of rent which it approves as being just and reasonable pursuant to the provisions of this Act.

**9.—**(1) In the case of any accommodation where the landlord and tenant are unable to agree on a change in the rental either the landlord or the tenant may refer the matter to the Board.

(2) The Board may,—

- (a) act as an intermediary in negotiations between the landlord and tenant in the adjustment and settlement of the amount of the rent;
- (b) arrange meetings between the landlord and tenant in an endeavour to bring about amicable agreement on the amount of the rent;
- (c) advise and assist landlords and tenants in determining the fair actual value of accommodation and in fixing a just and reasonable rent.

(3) If the landlord and tenant are unable to agree upon the rental to be paid the Board may fix an amount of rent which it finds to be just and reasonable.

**10.—**(1) In calculating the rent that is just and reasonable for any accommodation the Board may approve or fix rent at an amount that, in the opinion of the Board, takes into account and makes due allowance to the landlord for the following,—

- (a) taxes;
- (b) insurance;

- (c) the average expenditure for maintenance, repairs, redecoration and alteration;
  - (d) depreciation at a rate not exceeding five per cent per annum based on the fair actual value of the accommodation as determined by the Board;
  - (e) any costs of administration of the accommodation;
  - (f) a fair return to the landlord on his investment based on the fair actual value of the accommodation as determined by the Board;
  - (g) such other matters as the Board deems reasonable and proper.
- (2) In determining the fair actual value of accommodation the Board may consider cost of construction, sale price and such other factors as the Board deems proper but it shall not be bound thereby and it may determine the fair actual value of the accommodation in such manner and at such amount as the Board in its discretion deems reasonable and proper.

**11.**—(1) When the Board has fixed an amount of rent which it finds to be just and reasonable for any accommodation,—

- (a) the landlord may thereafter demand from the tenant any amount of rent for the accommodation not exceeding the amount fixed by the Board by serving a notice increasing the rental in accordance with the law of the Province;
  - (b) the landlord shall not demand or accept any rent in excess of the amount fixed by the Board from the tenant in possession.
- (2) The Board may review any order fixing an amount of rent if so requested by either party after the expiration of six months from the date of making the order.

#### **Termination of Leases.**

**12.** No tenant of any accommodation to which this Act applies shall be dispossessed of such accommodation or evicted therefrom and no landlord shall demand that any tenant of such accommodation vacate or deliver up possession,—

- (a) except as provided in section 13; or
- (b) until the landlord obtains a certificate from the Board authorizing him to take proceedings for the recovery of possession.

**13.** The landlord may recover possession of the accommodation in accordance with the law of the Province if the tenant,—

- (a) is in default in payment of rent for thirty days or longer; or
- (b) is breaking any material provision of his lease other than a provision to vacate unless the breach is permitted under the provisions of this Act, provided

that the landlord before exercising his rights under this clause, shall inform the tenant in writing of the nature of the alleged breach; or

- (c) is or was at the time of making the lease for the accommodation the landlord's employee, servant or agent; or
- (d) must vacate in order to enable the landlord to comply with the order of any duly constituted authority under the law of the Province or municipality in which the accommodation is situated declaring such accommodation as unfit for human habitation; or
- (e) has given to the landlord after the making of the lease for the accommodation but not as a term of the lease or condition of obtaining it a written notice of his intention to vacate the accommodation on a stated date and has failed to so vacate; or
- (f) is in occupation under a lease that is not for a term certain and has refused to pay an increased rental fixed by the Board as just and reasonable pursuant to the provisions of this Act; or
- (g) is in occupation of accommodation that is customarily let for a season or seasons and his lease is for a season or a part thereof; or
- (h) is a tenant in respect of whom the Board has granted a certificate authorizing the taking of proceedings for the recovery of possession pursuant to section 14; or
- (i) is a tenant of His Majesty or any municipal corporation; or
- (j) is a tenant of a farm house or other place of dwelling adjunct or appurtenant to any real property which is being used or was formerly used and is again intended for use solely for the purpose of agriculture or horticulture or for the keeping or breeding of horses, dogs, live stock, poultry, fur-bearing animals or bees and such farm house or other place of dwelling has been let separately from the real property and possession thereof is necessary for the efficient operation of the real property.

**14.—**(1) The Board may grant to a landlord a certificate authorizing him to take proceedings for the recovery of possession of the accommodation if, having regard to all the circumstances of the case, the Board is of the opinion that it is just and reasonable so to do.

(2) Without restricting the generality of subsection (1) the Board in dealing with an application for a certificate may consider,—

- (a) whether the tenant or his sub-tenant or someone living with the tenant or sub-tenant,—
  - (i) has failed to take reasonable care of the property or has caused it to deteriorate;
  - (ii) has been obnoxious, destructive or otherwise objectionable;



- (iii) has so conducted himself as to harm the character of the accommodation or to cause annoyance or inconvenience to other occupants;
- (b) whether the landlord requires the property for his own occupancy and will undertake not to rent or sell the accommodation for a period of twelve months; or
- (c) such other matters and things as in the opinion of the Board ought to be considered other than the amount of the rental.

**15.** Any accommodation becoming vacant after this Act comes into force shall be automatically decontrolled and any accommodation leased to a tenant who was not a tenant of that accommodation on the date this Act comes into force shall not be subject to the provisions of this Act.

#### **Offences and Penalties.**

**16.—(1)** No person on behalf of himself or of another person shall let or offer to let or rent any accommodation at a rental that is higher than is authorized by the provisions of this Act or shall charge, demand, receive, collect or pay such a rental.

(2) No person shall pay or offer to pay a rental for any accommodation which he knows or has reason to believe is higher than the rental that may be lawfully charged for such accommodation pursuant to the provisions of this Act.

(3) No person shall attempt to commit or aid, abet, counsel or procure the commission of any offence against the provisions of this Act or conspire with any other person by any means whatsoever to commit an offence against the provisions of this Act or enter into any transaction or arrangement designed for the purpose or having the effect of evading any of the provisions of this Act.

(4) No person shall make any misrepresentation or false statement to or for the use or information of the Board or any member, employee or agent thereof, or any police officer or any other person concerned in the administration of this Act.

(5) No person shall in any manner impede or prevent or attempt to impede or prevent any investigation or examination authorized by the provisions of this Act.

**17.—(1)** Any person who contravenes or fails to observe any provision of this Act or any order of the Board or any regulation made pursuant to this Act shall be guilty of an offence and liable on summary conviction to a penalty not exceeding five thousand dollars or to imprisonment for any term not exceeding two years or to both such fine and imprisonment.

(2) Any director or officer of any company or corporation who assents to or acquiesces in any such offence by such

company or corporation shall be guilty of the offence personally in addition to the said company or corporation.

**18.**—(1) No person shall be prosecuted under this Act except with the written consent of the Board or of the Attorney General.

(2) A prosecution for any offence under this Act may be commenced at any time within twelve months from the time of its commission.

**19.** In any proceedings in any court,—

- (a) a document purporting to be signed by the Board or any member thereof shall be received in evidence without proof of the signature or of the official character of the person or persons appearing to have signed the same without further proof thereof;
- (b) a document purporting to fix an amount of rent for any accommodation if purporting to be signed by the Board or any member thereof shall be conclusively deemed to be the final decision of the Board in the absence of evidence to the contrary.

**20.**—(1) Where any person is charged with an offence under these regulations it shall not be necessary for the prosecuting authority to establish that the person so charged,—

- (a) had not been exempted from the provisions of this Act, the regulations or of any order of the Board;  
or
- (b) had not received the permission of the Board for any act or omission.

(2) If the person charged pleads or alleges that he had been so exempted or had received such permission the burden of proof thereof shall be on the person so charged.

#### **General.**

**21.** The Lieutenant Governor in Council from time to time upon the recommendation of the Minister may,—

- (a) designate any accommodation other than new construction, the rental of which shall be controlled and made subject to the provisions of this Act;
- (b) designate any accommodation, the rental of which shall be decontrolled and exempted from the provisions of this Act;
- (c) prescribe rules and regulations governing the administration of this Act;
- (d) prescribe rules and regulations governing the procedure in applications to or proceedings before the Board;
- (e) prescribe forms;
- (f) prescribe a tariff of fees to be taken or received by any person on account of service performed by

him in connection with any application or proceedings before the Board or in respect of any act or thing done pursuant to the provisions of this Act;

- (g) prescribe the manner in which the Board shall execute all or any of its powers, duties and functions;
- (h) make such other regulations as may be deemed necessary or desirable to facilitate the carrying out of the general intention, purpose and object of this Act.

**22.** The expenditures incurred in the administration of this Act shall be paid out of such moneys as may be appropriated for the purpose by the Legislative Assembly.

**23.** This Act shall come into force upon a date to be fixed by Proclamation of the Lieutenant Governor in Council.

No. 21

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FIRST SESSION  
TWELFTH LEGISLATURE

14 GEORGE VI

1950

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**BILL**

An Act to Control Rentals and  
Termination of Leases.

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Received and read the

First time .....

Second time .....

Third time .....

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HON. MR. HOOKE.

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