

First Session - Thirty-Ninth Legislature
of the
Legislative Assembly of Manitoba
Standing Committee
on
Social and Economic Development

Chairperson
Ms. Erna Braun
Constituency of Rossmere

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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON SOCIAL AND ECONOMIC DEVELOPMENT

Monday, October 22, 2007

TIME – 6:30 p.m.

LOCATION – Winnipeg, Manitoba

CHAIRPERSON – Ms. Erna Braun (Rossmere)

VICE-CHAIRPERSON – Ms. Erin Selby (Southdale)

ATTENDANCE – 11 QUORUM – 6

Members of the Committee present:

Hon. Messrs. Chomiak, Mackintosh, Hon. Ms. Oswald, Hon. Mr. Rondeau

Ms. Braun, Messrs. Cullen, Dewar, Hawranik, McFadyen, Mrs. Mitchelson, Ms. Selby

APPEARING:

Mr. Kevin Lamoureux, MLA for Inkster

WITNESSES:

Bill 21–The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization)

Ms. Sandie Matheson, New High School Lobby Group

Mr. Doug Forbes, Private Citizen

Ms. Elizabeth Fleming, Provincial Council of Women of Manitoba

Bill 22–The Medical Amendment Act

Mr. William D.B. Pope, College of Physicians and Surgeons of Manitoba

WRITTEN SUBMISSIONS:

Bill 21–The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization)

Ms. Jennifer Zyla, Private Citizen

Bill 22–The Medical Amendment Act

Mr. John E. Gray, Canadian Medical Protective Association

MATTERS UNDER CONSIDERATION:

Bill 4 – The Real Property Amendment Act (Wind Turbines)

Bill 10 – The Family Maintenance Amendment and Inter-jurisdictional Support Orders Amendment Act

Bill 21–The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization)

Bill 22–The Medical Amendment Act

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Clerk Assistant (Ms. Tamara Pomanski): Good evening. Will the Standing Committee on Social and Economic Development please come to order.

I've been informed that Ms. Braun has resigned her seat as Vice-Chair of the Standing Committee on Social and Economic Development.

Your first item of business is the election of a Chairperson. Are there any nominations for this position?

Mr. Gregory Dewar (Selkirk): I nominate Ms. Braun.

Clerk Assistant: Ms. Braun has been nominated. Are there any other nominations?

Hearing no other nominations, Ms. Braun, please take the Chair.

Madam Chairperson: Our next item of business is the election of a Vice-Chairperson. Are there any nominations?

Mr. Dewar: I nominate Ms. Selby.

Madam Chairperson: Ms. Selby has been nominated. Are there any other nominations?

Hearing no other nominations, Ms. Selby is elected Vice-Chairperson.

This meeting has been called to consider the following bills: Bill 4, The Real Property Amendment Act (Wind Turbines); Bill 10, The Family Maintenance Amendment and Inter-jurisdictional Support Orders Amendment Act; Bill 21, The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization); and Bill 22, The Medical Amendment Act.

We have a number of presenters registered to speak this evening as follows:

For Bill 21, The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization), we have Sandie Matheson, the New High School Lobby Group; Doug Forbes, private citizen; Elizabeth Fleming, private citizen.

For Bill 22, The Medical Amendment Act, we have Todd Campbell, Canadian Medical Protective Association and Dr. William D.B. Pope, Registrar, College of Physicians and Surgeons of Manitoba.

Before we proceed with presentations, we do have a number of other items and points of information to consider. First of all, if there is anyone else in the audience who would like to make a presentation this evening, please register with staff at the entrance of the room.

Also, for the information of all presenters, while written versions of presentations are not required, if you are going to accompany your presentation with written materials, we ask that you provide 20 copies. If you need help with photocopying, please speak to our staff.

As well, I would like to inform presenters that, in accordance with our rules, a time limit of 10 minutes has been allotted for presentations, with another five minutes allowed for questions from committee members.

Also, in accordance with our rules, if a presenter is not in attendance when their name is called, they will be dropped to the bottom of the list. If the presenter is not in attendance when their name is called a second time, they will be removed from the presenters' list.

In what order does the committee wish to hear the presentations?

Mr. Dewar: As listed, Madam Chair.

Madam Chairperson: A written submission on Bill 21 from Jennifer Zyla, private citizen, has been received and distributed to committee members. Does the committee agree to have this document appear in the *Hansard* transcript of this meeting? *[Agreed]*

I would like to inform all in attendance of the provisions in our rules regarding the hour of adjournment. Except by unanimous consent, a standing committee meeting to consider a bill in the evening must not sit past midnight to hear

presentations unless fewer than 20 presenters are registered to speak to all bills being considered when the committee meets at 6 p.m. There were five persons registered to speak to these bills at the time the meeting commenced. Therefore, according to our rules, this committee may sit past midnight to hear presentations.

How does the committee wish to sit tonight?

Mr. Dewar: I suggest, Madam Chair, we sit until we deal with all the bills that are before us this evening.

Madam Chairperson: Is that agreed? *[Agreed]*

Prior to proceeding with public presentations, I would like to advise the members of the public regarding the process for speaking in committee.

The proceedings of our meetings are recorded in order to provide a verbatim transcript. Each time someone wishes to speak, whether it be an MLA or a presenter, I first have to say the person's name. This is the signal for the *Hansard* recorder to turn the mikes on and off.

Thank you for your patience, and we will now proceed with public presentations.

Bill 21—The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization)

Madam Chairperson: I will now call on Sandie Matheson, the New High School Lobby Group.

Good evening. Do you have any written copies for distribution to the committee?

Ms. Sandie Matheson (New High School Lobby Group): I do not.

Madam Chairperson: Thank you. Please proceed with your presentation.

Ms. Matheson: As spoken, my name is Sandie Matheson. I'm the chairperson of the New High School Lobby Group representing southwest Winnipeg. I chair a committee of a wonderful group of people and parents who have been advocating for a number of years now for the need for a public high school in southwest Winnipeg.

Given the fact that Fort Whyte constituency is the only constituency in the province that doesn't have a high school, and that existing high schools in Pembina Trails School Division are at capacity or beyond capacity, this is a very serious need and concern, especially for the families in that sector of the city.

Bill 21 is of concern to me, our group, and citizens and residents of our area. It is redundant, illogical and it ignores the need for essential social structures in southwest Winnipeg, in Waverley West, especially social structures in the form of schools, starting with a high school. Proceeds from Waverley West should be put back into southwest Winnipeg, first, for the construction of a badly needed high school to take pressure off existing high schools in that school division, as well as for future planning for an elementary school soon in Waverley West.

I will read to you part of a letter that you might expect to see this week in the *Winnipeg Free Press*. It states: Not only has Pembina Trails School Division and the communities of southwest Winnipeg been waiting for years for a new high school, now students from Waverley West will be faced by long bus rides to schools miles away. Let's avoid a situation like that that occurred in Calgary recently. The Province continues to develop Waverley West without consideration for further schools, high schools or elementary schools, in the southwest sector. This is irresponsible planning, especially when the Province is acting as developer here. In the meantime, according to the proposed Bill 21, proceeds from Waverley West are not going toward these needs but being diverted to a political slush fund. Profits from Waverley West should be reinvested in southwest Winnipeg to address these social needs. One can't expect development without looking at these concerns. At present, the importance of building communities is being ignored as is the safety of our children. The lack of foresight and planning with such development only puts our children at risk as they are crossing more and more major arteries and spending more time on the roads. The government is not looking long-term.

* (18:40)

Here's a stark reminder: Lindenwoods and Whyte Ridge are 25-year-old developments and still there is no public high school for these areas, nor is there any indication that there might be. The Public School Finance Board and the Minister of Education (Mr. Bjornson) continue to refuse to listen to the needs of the people in this sector and in these communities.

If it's taken this long to see a high school, or not see a high school, how long might it take for any schools to develop in Waverley West? Let logic prevail. Let students go to school closer to home and

be aware of the numbers and the issues the school division is dealing with.

Last Thursday, I attended a meeting hosted by Pembina Trails School Division, which was held to inform families of how and where students from Waverley West, where they might be diverted and how that would be handled.

What it means for existing schools in the area is significant. Programs are being shuffled, students are being shuffled. Parents, the tone of the meeting I can only say was one of anger and frustration, and especially in regard to the high school situation. We know Vincent Massey is past capacity. The superintendent was discussing putting, for the next few years, 200 more students into Vincent Massey. That's unacceptable. Ask to take a walk in their hallways sometime with Mr. Rick Martin, the principal. You'll see how full that facility is already, and the other high schools are of the same situation. They are full.

In summary, it is irresponsible and premature for this government to proceed with the development of Waverley West without definite plans to build schools. Funds from Waverley West should stay in the southwest sector of the city to provide for this need. Let's start with a high school. It would take a lot of pressure off the existing schools. Logic would prevail to place a high school even in north Waverley West. It would facilitate Linden Woods, Linden Ridge, Whyte Ridge and the early developing sectors of Waverley West.

I'm not sure why it's taking so long. I wish I had some answers, but thank you for listening. For these reasons, I oppose Bill 21. Thank you.

Madam Chairperson: Thank you for your presentation. Do members of the committee have any questions for the presenter?

Mr. Hugh McFadyen (Leader of the Official Opposition): Thank you for the presentation, Ms. Matheson.

I just wanted to ask, in your latest communications with Pembina Trails School Board, as I understand it—and we've had some opportunity for dialogue in the House on the issue of a consultant's report that has been commissioned by the Public Schools Finance Board looking into the issues around the need for the high school: Can you just indicate the latest communications from Pembina Trails School Division in terms of when that report is being considered, whether it is being

made available to you and other parents who have an interest in this issue, given the significance of this to the families in that corner of Winnipeg?

Ms. Matheson: To begin with, Pembina Trails School Division and the communities spoken of have been put off three times this year waiting for that report on the high school assessment from the Public Schools Finance Board. It was first to be issued in March, then was delayed to October, and is now delayed to early November. The report is complete from our understanding and from the understanding of the school division. The school division actually has just recently seen a copy of it. The school division states that they cannot share the information contained in the report yet until a formal meeting early November with the Public Schools Finance Board.

In the meantime, Mr. Bjornson stated in the Legislature two weeks ago, a week and a half ago, pardon me, that the report can actually be shared on the directive of the school division, so we're getting many different messages. But, nonetheless, there have been many, many delays regarding the consultant's report on the high school, and our communities are still waiting.

Madam Chairperson: Any further questions?

Hon. Dave Chomiak (Minister of Justice and Attorney General): Yes, thank you, Madam Chairperson, thanks for the presentation. All of us in the community and the inner city and suburbs all want the best for all of our children. I think that's something we all work for collectively in the city of Winnipeg. That's one of the good things about where we live.

You made mention of a political slush fund, and I have to respond to that because it suggests to me something that is not contemplated either by the legislation or generally by the community, so I wonder how—*[interjection]* well, the Member for Inkster (Mr. Lamoureux) laughs, but, generally, the use of the word "political slush fund" is confined to members of the opposition who usually bandy it about in all kinds of cases in the House, but I don't understand your reference to political slush fund. I really don't.

Ms. Matheson: Funds are being diverted from this specific location, and there's no logic to that kind of specific direction. For example, our roads, road construction in the city diverted from funds from Charleswood. Why is this specific reference being

made to Waverley West? I appreciate the needs that exist elsewhere, but the social responsibility occurs and takes place with developments when the Province expects to benefit from that. That means schools.

Call it what you will. It still means we're diverting funds from one location to another and, in this case, I don't understand why it's being approached this way when there are other serious needs.

Mr. Cliff Cullen (Turtle Mountain): Thank you, Ms. Matheson, for your presentation.

I guess, in researching this, the question comes forward: Have you seen other cities or other jurisdictions actually take revenue from one area and actually pinpoint it for another area within a city or a municipal jurisdiction?

Ms. Matheson: I can't comment on that right now, but, after living and teaching in other provinces, I've seen more progressive advancements toward education. For example, Saskatoon just recently has put together a fantastic facility called the Blairmore project. It consists of two high schools, an Olympic pool, and various other recreational facilities that was a collaborative effort on the part of the City, the Province, and with some federal funds.

My wish is, my hope is that we could see some of those advancements taking place here in Winnipeg and in Manitoba. I've tried to share that concept with various political officials, including Mr. Doer. It has been shared with Mr. Toews's office in a meeting, with Brian Gray of the EPC. We're doing our best to be proactive. Thank you.

Madam Chairperson: Thank you. Our time for questions has expired, but I do have another person on my speakers' list. Is there leave to continue with questions?

Floor Comment: Leave.

Mr. Chomiak: I appreciate the fact that you mentioned Saskatoon. Were you aware that Saskatoon had land-banked land in the 1940s and then utilized it for parks and schools all around the city of Saskatoon? In fact, it is one of the more distinguishing features about Saskatoon that it has its series of parks both along the riverbank and around the city as a result of land banking and using some of that development to beautify the whole city. Are you aware of that process?

Ms. Matheson: I am aware of that feature of Saskatoon. I lived there for years, but this development, the Blairmore project I speak of, is in a new section of the city, much like Waverley West is going to be.

Mrs. Bonnie Mitchelson (River East): Thanks very much for your presentation. I guess my question would be, given that the Province of Manitoba is a significant developer, they're the regulator and the developer in this area, but because they're the developer, are you aware of any meetings that were held with the community, any community consultation that was done to determine what the needs of the community were before the development was moved ahead?

* (18:50)

Ms. Matheson: To which type of needs do you refer?

Mrs. Mitchelson: I guess, normally speaking, there would be some community consultation with such significant development. Were you involved in any consultative process? Did the Province call for any community meetings to get citizen input from that area before the development was approved and moved ahead?

Ms. Matheson: Our focus is on high school and on education. Much of that consultation takes place with Pembina Trails School Division.

So, at that level, no, there was not inclusion in that process because the Pembina Trails School Division is responsible for that kind of consultation.

Madam Chairperson: Thank you. There are no further questions, so I will call on the next speaker. Thank you.

I call on Doug Forbes, private citizen. Do you have any written copies for distribution to the committee?

Mr. Doug Forbes (Private Citizen): I'm sorry, I do not.

Madam Chairperson: Please proceed with your presentation.

Mr. Forbes: Thank you, Madam Chairperson. Thank you for allowing me the opportunity to speak. I'm Doug Forbes. I'm a member of the New High School Lobby Group as well. I'm also vice-president of the Van Walleghem Parent Council, but, more importantly here today, I am a resident of Linden

Woods and the father of two children that attend École Van Walleghem School in the area.

My focus is the impact of Bill 21 on the area in which I live, specifically Waverley West. I do encourage the government to seek other ways to fund inner-city redevelopment and housing. It's a commendable effort, but I just don't believe it should be funded in this manner.

Currently, the Pembina Trails School Division has four high schools: Vincent Massey, Fort Richmond, Shaftesbury and Oak Park. None of them are in the areas that the High School Lobby Group represents. None of them are in Linden Woods, Whyte Ridge or Linden Ridge. None of them, of course, are in Waverley West yet either.

Consequently, our children are denied access to attend high school in their community and must travel to other communities in order to do so. For example, my children are in French Immersion. If they want to go to high school in a French Immersion school, they will be going from Linden Woods all the way out to Oak Park in order to do that. In my mind, that's about halfway across the city. All Pembina Trails School Division's high schools are at or beyond capacity, so adding additional children to the area will just strain them immeasurably.

We're the only constituency in the province not to have a high school. Minister Bjornson and the Premier (Mr. Doer) are both on the record on a number of occasions saying that a high school in our area is not a matter of if but a matter of when. So I submit that they have also recognized that there is a need for a high school in our area. We'd like the "when" to be defined and we'd like the "when" to be sooner rather than later. I'd like to see my daughters go to a high school in the community and not have it built after they've graduated.

Waverley West, with up to 40,000 new residents, will put in an extreme strain on the schools that are there now if they're not proceeded with to be built sooner rather than later.

Of course, finding the money to build a high school is always the obstacle. If it was free, I think it'd be done right now. So, diverting funds from the development, that's going to add strain to the area away into other areas of the city just doesn't make intuitive sense to me. We see Waverley West as an opportunity to find the funds to address the current

issues in the area and issues that are going to be exacerbated by Waverley West.

It's our position that the revenue received from Waverley West should be used to address the issues that it creates and, in particular, the need for a high school. That's why I'd ask you all not to support Bill 21. Thank you.

Madam Chairperson: Thank you for your presentation. Do members of the committee have any questions for the presenter? Thank you. I will call the next speaker then.

I call on Elizabeth Fleming, private citizen. Do you have any written copies for distribution to the committee?

Ms. Elizabeth Fleming (Provincial Council of Women of Manitoba): Yes, I do.

Madam Chairperson: Please proceed with your presentation.

Ms. Fleming: Thank you very much. My name is Elizabeth Fleming and I'm appearing on behalf of the Provincial Council of Women of Manitoba. I think you announced, the Chair announced, Private Citizen, but, in fact, I'm here for the Provincial Council of Women. I would also like to mention that our president, Maxine Balbon, is here this evening as well.

Thank you for the opportunity to speak to Bill 21, The Housing and Renewal Corporation Amendment Act which creates a fund, or proposes to create a fund, for housing revitalization.

The Provincial Council of Women of Manitoba has followed the debate on Bill 21, the questions posed by the opposition parties during Estimates of Manitoba Housing and Renewal Corporation, and we have taken careful note of the minister's responses.

The council has worked long and hard to prevent urban sprawl in and around Manitoba's urban centres. We are acutely aware of the environmental and economic costs of sprawl. For years, Winnipeggers have watched as suburban sprawl has steadily drawn resources away from the inner city, both the downtown and existing older neighbourhoods. Sprawl also removes high-class agricultural land from production, displaces wildlife and increases dependency on the automobile at a

time when we should be reducing, not increasing, greenhouse gases from transportation.

Provincial Council of Women members were pleased when Becky Barrett, then opposition urban affairs critic, asked if she could adopt Provincial Council's resolution on responsible land use planning around Manitoba's existing urban centres as a private member's bill. That bill, of course, went nowhere. We remained hopeful, however, that when the New Democratic Party formed government, it would act against sprawl. You can imagine our dismay when the NDP Cabinet proposed Waverley West, a mega subdivision the size of Brandon, Manitoba's second-largest city. It would have made sense if MHRC had developed its land banks in Meadows West and Fraipont, but these smaller parcels remain islands of undeveloped land almost surrounded by urban areas now.

We also noticed in 2005 that the Minister of Intergovernmental Affairs failed to send the recommendation based on public hearing—sorry, the Plan Winnipeg amendment for recommendations and advice, based on a public hearing. Instead, Cabinet rushed ahead to develop. This was especially disappointing because it prevented closer independent professional scrutiny of the large discrepancy between the findings of the MHRC/Ladco/NDLea cost-benefit analysis and that of the City of Winnipeg.

Disappointing, too, was Cabinet's decision to act as both the developer of Waverley West and the regulator of all lands in the province of Manitoba. This is a clear conflict of interest. It is evident that the development of Waverley West is controlled by Cabinet. Key decisions are made by Cabinet. The board of MHRC is made up entirely of senior public servants who take direction from the minister. The MHRC is a Crown corporation, but its annual reports are not reviewed by a standing committee of the House.

There are a number of reasons why we think this bill should not proceed, and I should say that we have tried to do our homework. We asked for a meeting with the minister, didn't get a meeting with the minister, but we did have a meeting with three senior officials at MHRC and we were pleased to have that. We are still however waiting for several pieces of information that they have very kindly offered to provide, but this is going to be after this hearing, unfortunately.

So reasons why it shouldn't proceed: (1) Bill 21 is not necessary, except perhaps to take the bad look off Waverley West. One of the purposes of The Housing and Renewal Corporation Act as it now stands is you can see in 2(b) "To enhance the affordability of, and accessibility to, adequate housing for Manitobans, particularly those of" lower and moderate income. The MHRC already has the authority in its current act and can channel revenues for inner-city housing, and does.

* (19:00)

(2) the lack of prompt and complete answers to the critics' questions during discussion of Housing Estimates does not inspire us with confidence. This is a public development by government. It's not even a joint venture. Land development carries risks. Private-sector developers have much sharper pencils and more to lose than do governments. The government should be transparent and accountable.

(3) It is difficult for citizens to see how the MHRC accounts publicly for its land development costs and benefits, and this fund that is being proposed will do nothing to help. In fact, it could mask the true costs, for example, loans under the Loans Act that may or may not be paid back, and benefits that allow government to take credit for an alleged profit that is in fact just creative accounting. We know that land development has high costs in the early years and the profits come later. Manitobans do not know yet who will pay the costs for the largest-ticket item, the Kenaston extension or how and when that cost will be shown on the books.

(4) The minister mentioned that the numbers on Waverley West are being reworked. We do not seem to have a baseline for the cost benefit and this is with a lot of changes to things like construction costs which are going up very rapidly, as we saw in today's *Free Press*. This is a moving target, but I think we do want to have the baseline so that we can see how the government is proceeding on this public venture on our behalf.

What happened with the joint venture agreement was that it was actually tabled in the House with a pro forma. There was debate and questions from the opposition. In fact, it was very lively at the time because people wanted to know and they were truly anxious about how this might proceed and they wanted to have transparency and accountability brought to it. So that was discussed by politicians

but, on this case, there's no such debate and it's 100 percent government owned and led.

Therefore, in conclusion, we would like to see the government be much more open, forthright and accountable about its land development enterprises. Bill 21, we feel, is redundant, misleading to the public and, we believe, it shouldn't proceed.

Thank you very much for this opportunity to present.

Madam Chairperson: Thank you for your presentation. Do members of the committee have any questions for the presenter?

Mr. Kevin Lamoureux (Inkster): Yes, Ms. Fleming, I appreciate your presentation. I appreciated the discussions we've had in the past in regard to MHRC properties.

I agree with your assessment in terms of the need of the legislation, but I want to approach it from that inner-city perspective. The question I have for you: Do you feel that it is misleading for the government not to make the commitment to ongoing, annual, an annual strategy, if you like, in terms of dealing with inner-city housing? Would that be better than bringing forward a piece of legislation like this, in your opinion?

Ms. Fleming: I think it would be helpful if maybe, perhaps the government made targets for inner-city housing and actually, numbers that they would achieve through MHRC and other means, maybe with the private sector as well. That probably would do a lot, I think, to focus attention on inner-city housing and the need for it.

I mean, obviously now a lot of money is spent there and I understand on the Affordable Housing Initiative, that there was government direction, Cabinet direction, to spend more on inner-city housing and that's happened. But they didn't need to set up a special fund within the fund to do that, which is the point.

Mr. Lamoureux: Yes, and finally, if you take a look at it from the perspective of those communities, you make reference to Meadows West. That's an area that I'm very familiar with because it's in my constituency. There is this desire that if land is going to be developed there, those monies should be at least perceived as not in real sense, reinvested in there to support infrastructure, whether it's schools, whether it's road construction, whether it's rapid transit, whatever it might mean.

You, representing the organization, what would your position be on that? Or do you have a position on that?

Ms. Fleming: My understanding is that when a new suburban development is approved through the Plan Winnipeg process and then once it's rezoned and subdivision approval is given, then there is an onus on the City to provide a certain level of services and that's negotiated through development agreements, et cetera, and those costs are taken into consideration.

When the Province is involved, I'm not sure that it's treated any differently. My understanding is, and I'm not an expert on this, but I understood that there is a different pot of money kitty for schools that goes through the public schools board and that is separate from any revenues or—I mean, there is nothing that goes directly from one development into that for a particular school, but rather the public schools board looks at the overall need for schools based on criteria. But there, again, I'm not sure about that. And I'm not sure that—I can see why, because there are a lot of costs that are paid for by the City, in particular, going into new development, that those should not be earmarked for that development, that they should go back into general. If the City is helping to pay from it for taxpayers at large, then maybe it should go back to taxpayers at large, any profits. I don't know if that answers your question.

Mrs. Mitchelson: Thanks, Ms. Fleming, for your presentation. I do remember the issue and the debate and the discussion back in 2005 when Waverley West was a hot topic in this Legislature and out in the community, and how there were many in the province that felt that the government was in a conflicted position being both the regulator and the developer, and that the whole Municipal Board process was bypassed at that time. I remember we had some discussions, I believe, around that time, too. It doesn't seem like they've been any more open or accountable and just seem to be moving ahead without the transparency and having questions answered that do need to be answered.

In your meetings with the department, did they make any commitment to time lines on when they might get back to you with answers to your question?

Ms. Fleming: No time lines, no. I did try and get hold of—I didn't know if there was a spreadsheet or any briefing notes that explained the intention of these amendments in any more detail. But I did ask the minister's office for that. I didn't get anything

before I left. But it is fairly last-minute. We asked for this meeting on Thursday and got it today. I think the Estimates that we were looking at were from last Tuesday, and I don't know if that information came forward. So I would have liked, personally, to have had more information, but to answer your question, we don't know when we'll get that information.

Madam Chairperson: Our time for questions has concluded. Is there leave to continue with questions?

Mr. McFadyen: I think Mrs. Mitchelson actually had one more.

Mrs. Mitchelson: One more short question. I want to answer your question and say that, no, the answers to my questions haven't been forthcoming as yet.

Do you think possibly that the government should lay this bill aside or at least postpone it until some of the answers and some of the public accountability questions are answered?

Ms. Fleming: From the point of view of the Provincial Council of Women of Manitoba—and by the way, we are acting from policy on freedom of information here, this is one of our issues that we have a resolution on—definitely, we would like to see that information before all decision-makers and the public before this goes ahead. I think, too, we really do have to reconsider, is it necessary? And that's a matter of looking at Manitoba Housing and Renewal Corporation's record on inner-city housing. If they're reaching targets, if they're doing a good job, why do we need this? Is it just window dressing?

* (19:10)

Mr. McFadyen: Thank you, Ms. Fleming, for the presentation and, in particular, the comments about the conflicting roles of developer and regulator, which we appreciated you putting on the record. It's certainly an issue that we have raised.

Secondly, the issue of earmarking of funds from a development, which is another concern we have about this bill, in that there is a revenue stream which is uncertain, and, at some point in the future, and that there seems to be little logic in attempting to attach that revenue stream to something concrete when there's certainly more flexibility in the government's regular year-over-year appropriations in dealing with needs as they arise.

Finally, just as a question, I want to say that on the issue of costs and benefits of new developments, which I know has been one that the Provincial Council of Women has been asking for, in light of

the fact that historically costs tend to be understated and benefits overstated when it comes to analyzing decisions around new subdivisions which creates an incentive sometimes to proceed without fully accounting for all future costs, I'd just like to ask you, tying back to the presentations made by the earlier presenters, which I think we're getting at one of the specific issues arising from that challenge as to whether or not you believe that pressures created by a new development for things such as schools ought to be included in that cost-benefit accounting and whether they should be part of the accounting when it comes to decisions about how development proceeds are allocated.

Ms. Fleming: Yes, full cost accounting would include schools. It would just cover the gamut of everything it needs to sustain a subdivision. But, on the way that things are set up here, there is a divide because, I mean, here they are planning this huge area and perhaps putting aside an area of land for schools here, there and everywhere, but there's no planning from the point of view of the way we organize our financing of schools. That's just a different track altogether.

But, in an ideal world, yes, everything should be done together and it should be included.

Madam Chairperson: Thank you.

Bill 22—The Medical Amendment Act

Madam Chairperson: Seeing no further questions, I will call on the next speaker. Todd Campbell, Canadian Medical Protective Association. His name will now be placed at the bottom of the list.

We will call on Dr. William D.B. Pope, Registrar, College of Physicians and Surgeons of Manitoba.

Do you have any written copies for the committee?

Mr. William D.B. Pope (College of Physicians and Surgeons of Manitoba): I do not, Madam Chairperson.

Madam Chairperson: Please proceed.

Mr. Pope: Thank you. My name is Bill Pope, and I am the registrar and CEO of the College of Physicians and Surgeons of Manitoba, which is the regulatory authority for medicine and for physicians. This particular piece of legislation is, in fact, aimed at our college. I did want to come tonight to answer

any questions that any members of the committee might have about the legislation.

There are just a couple of brief comments I would like to make first about one or two of the primary principles. The first one relates to the issue of the requirement to report and the protection allowed to individual physicians who do report other members who are, and I hasten to underline, a risk to the public.

This is not, in fact, something new. This originated as a major public issue several years ago when the pediatric cardiac inquest occurred and Judge Sinclair left his report. Since that time it has become a general principle across the country, so many of the regulatory authorities, many of the colleges of physicians and surgeons in this country do, in fact, have an ethical requirement to report.

My college is the same. Several years ago, they approved a statement which is mandatory practice that physicians must report a member who is a specific risk to the public. What this does is it allows individual physicians who have some significant concern about potentially being sued by colleagues who are angry at this situation to, in actual fact, do so with comfort. We think that extremely important under the circumstances. So we very much support that.

The other issue relates to the quality assurance questions of laboratories. We presently have an arrangement where the college actually operates the quality assurance program for laboratories and diagnostic imaging in this province. We do it with funding from Manitoba Health. In fact, the agreement has just recently been determined on how we will proceed in the future.

Because laboratories are public institutions and because patients go to them and expect to be able to understand the situation and the safety of them, we have agreed that there are certain bits of information that relate to the labs which are appropriate to be released to Manitoba Health and to the government, who is responsible for and funds those laboratories.

I should add, if I might, that all of the pieces of information in this Medical Amendment Act have been carefully considered by the Council of the College of Physicians and Surgeons, which does have on it both physicians and public representatives, and it was unanimous agreement to support this amendment when it went to government. Thank you.

Madam Chairperson: Thank you for your presentation. Do members of the committee have any questions for the presenter?

Thank you very much, seeing no questions, I will now call on Todd Campbell, Canadian Medical Protective Association. He will now be dropped from the list.

We do have a written presentation from the Canadian Medical Protective Association that was distributed. Is there leave to include this in *Hansard*?

An Honourable Member: Leave.

Madam Chairperson: Leave. Thank you.

Okay. This concludes the list of presenters I have before me. Are there any other persons in attendance who wish to make a presentation? Seeing none, that concludes public presentations.

In what order does the committee wish to proceed with clause by clause consideration of these bills?

Mr. Gregory Dewar (Selkirk): As listed on the Order Paper.

Madam Chairperson: Okay, as listed on the Order Paper. Thank you.

Bill 4—The Real Property Amendment Act (Wind Turbines)

Madam Chairperson: Does the minister responsible for Bill 4 have an opening statement?

Hon. Jim Rondeau (Minister of Science, Technology, Energy and Mines): Just a very quick one. Basically, Bill 4 will simplify the registration of wind farm easements and the searching of interests that affect only those easement interests, and basically, what it's doing is it's splitting the title between the landowner and the owner of the wind tower.

Madam Chairperson: We thank the minister. Does the critic from the official opposition have an opening statement?

Mr. Cliff Cullen (Turtle Mountain): Well, thank you, Madam Chair, and I thank the minister for his comments on this particular legislation. From our perspective, it is really a housekeeping bill and something that's been maybe overlooked when we got into the wind farm development here in

Manitoba, so we certainly agree with the premise of this particular legislation. We certainly feel that the rights of the landowners have to be protected going forward, and we also feel that the rights of the people developing the wind farm also have to be recognized. Hopefully, this bill will provide what those two entities require.

Certainly, we hope that maybe this was one of the pieces of the puzzle that have been holding back future development of wind farms in Manitoba, so we foresee, once this particular legislation has been passed, once it is passed, we are very much looking forward to hearing some announcements from the government in terms of future development.

We know it has certainly been quite some time coming. We've been through the expressions of interest for the last couple of years. I believe it's been 15 or 16 months since the requests for proposals have been requested, and we know that it's probably with Manitoba Hydro now or in government for their review. So we hope it won't be too much longer before we can actually move on in this capacity.

Now, we do know there are a lot of private investors that are looking at Manitoba to invest some money in terms of wind farm development here, and we hope this is just another piece of the puzzle in terms of moving that forward.

* (19:20)

So, with that, we certainly hope that the government will be positively looking at the wind farm development in Manitoba, and I do think there is a real opportunity for us here in terms of wind farm development, especially in remote areas.

The other thing that I hope the minister will look at, and it's certainly within the purview of his department to look at it, in the energy, science and technology side of it, there's other issues there, from a technical point of view, in terms of batteries and those sorts of technologies that could really enhance the wind farms and the wind farm development throughout the province. So I hope that the government will take those comments into light. Thank you.

Madam Chairperson: We thank the member.

Clauses 1 and 2—pass.

Shall clause 3 pass?

Mr. Rondeau: I have an amendment in clause 3. It will just be distributed now.

I move

THAT the proposed subsection 112(6), as set out in Clause 3(4) of the Bill, be amended by adding "pipeline" before "agreement" wherever it occurs.

So we're adding the word "pipeline."

Motion presented.

Madam Chairperson: The motion is in order. The floor is open for questions.

Mr. Rondeau: This amendment will amend subsection 112(6) of The Real Property Act to clarify that its requirement for a certified and approved survey plan only applies to a pipeline easement; it does not apply to the wind turbine. So it's breaking up the two.

Madam Chairperson: Is the committee ready for the question?

The question before the committee is as follows:

THAT the proposed subsection 112(6), as set out in Clause 3(4) of the Bill, be amended by adding "pipeline" before "agreement" wherever it occurs.

Shall the amendment pass?

An Honourable Member: Pass.

Madam Chairperson: The amendment is accordingly passed.

Clause 3 as amended—pass; clauses 4 and 5—pass; enacting clause—pass; title—pass. Bill as amended be reported.

Bill 10—The Family Maintenance Amendment and Inter-jurisdictional Support Orders Amendment Act

Madam Chairperson: Does the minister responsible for Bill 10 have an opening statement?

Hon. Dave Chomiak (Minister of Justice and Attorney General): No, Madam Chairperson.

Madam Chairperson: Does the critic from the official opposition have an opening statement?

Mr. Gerald Hawranik (Lac du Bonnet): No.

Madam Chairperson: Clauses 1 and 2—pass; clause 3—pass; clauses 4 through 6—pass; clause 7—pass; clauses 8 through 12—pass; clause 13—pass; clause 14—pass; enacting clause—pass; title—pass. Bill be reported.

Thank you.

Bill 21—The Housing and Renewal Corporation Amendment Act (Fund for Housing Revitalization)

Madam Chairperson: Does the minister responsible for Bill 21 have an opening statement?

Hon. Gord Mackintosh (Minister of Family Services and Housing): No.

Madam Chairperson: Does the critic from the official opposition have an opening statement?

Mrs. Bonnie Mitchelson (River East): Yes, thank you, Madam Chair. It was interesting to listen to the presentations that were made today, both from the school perspective and from the Provincial Council of Women's perspective on many, many questions that need to be answered, and that this bill has been really ill-thought-out.

I would like to, if I have the opportunity, ask the minister some questions about some outstanding issues and answers that he hasn't provided to me yet, so we have a better understanding of exactly what we're dealing with with this legislation before we move clause by clause.

Madam Chairperson: We thank the member.

Shall clauses 1 and 2 pass?

An Honourable Member: No.

Mrs. Mitchelson: I wonder if the minister could indicate to me today how many lots in phase 1 would be MHRC lots that will be developed. That's the phase that we're initially undertaking.

Mr. Mackintosh: Phase 1 has three components. They're called 1A, 1B, and 1C. In 1A, 100 lots have already been sold, and we'll continue to see that number rise. The total in 1A will be 186, and in 1B the total is 162, and 112 for 1C, so that will comprise the first phase.

Mrs. Mitchelson: Are these all MHRC lots, or is that the total development?

Mr. Mackintosh: Those are just the MHRC lots.

Mrs. Mitchelson: Can the minister indicate what the up-front costs of servicing those lots are?

Mr. Mackintosh: This falls on some of the questions in the House the other day about how this is paid for, and I was struck because I think we have to sort of go to fundamentals here. When a developer develops a tract of land for housing, the developer is responsible for all the costs that are in that area, all

the sewer and water, the roads and the connection, of course, to the infrastructure of the municipality. Those are capital expenditures that are necessary in order to then sell the lots and move towards the profit piece.

The member was asking about that. When the Province is the developer, those are capital expenditures that are made and, of course, Finance then has a formula in terms of billing the department for the ongoing expenditures, making sure that interest is paid and then that there's a repayment on the capital.

Now, the cost of servicing the lots is part of the development of the whole division, whether it's the sewer, the water and so on. Those have all been accounted for. I might also add that—is that what the member is getting at? I think that was the answer to her question.

Mrs. Mitchelson: I asked for the cost, the dollar amount.

Mr. Mackintosh: Is the member asking for just the sewer and water and roads, or for the cost of developing Waverley West MHRC lands?

Mrs. Mitchelson: The up-front costs to service the lots in the first phase.

Mr. Mackintosh: Is the member asking for a per-lot average cost, or does she want us to try and list it? Because the lots are of different value in the area, first of all, but we could certainly do some math and divide up the infrastructure costs for 1A by the number of lots. Perhaps that's the number she's looking for.

* (19:30)

Mrs. Mitchelson: I'd like the total for 1A, B and C. What will the total cost? Not per lot, but the total cost of servicing all of those lots in order to sell them.

Mr. Mackintosh: Then the member is really looking for the cost of developing the first phase, that first neighbourhood. So what goes into that, of course, are also the hydro investments, the park investments and all of that.

Mrs. Mitchelson: But, surely to goodness, as the developer, the minister would have some idea of what the costs are going to be to the developer.

Mr. Mackintosh: Well, we can talk about hard and soft costs and have that discussion now if the member wants that. But hard costs, those are the

land, sewer, the water, the roads, hydro, maintenance, there's signage, that's \$69 million. There are soft costs. Those are payments and there are a number of fees. Of course, there's the cost of financing, registrations. There's overhead. That is in the range of \$11 million. Then, of course, there are all the engineering, planning, architectural investments and that's at \$9 million.

So what we have are expenses that are pretty close, actually, to the most recent cash-flow forecast of \$89 million.

Mrs. Mitchelson: So that's \$89 million. How will that be financed?

Mr. Mackintosh: Like other government capital investments it's through Part B Capital, and so it's flowing through the Department of Finance, the repayments from the department. For example, right now we're charged quarterly for interest costs, and as the cash flow mounts, there's a schedule, an arrangement made by way of protocol from Finance.

Mrs. Mitchelson: Is the Loan Act authority, then, a vehicle for funding Waverley West? How much of the \$41 million in Loan Act authority that's going to the Department of Housing in this year's budget will be used for Waverley West?

Mr. Mackintosh: The estimate we have in hard dollars, April to October, but this year the capital draw will be just over \$15 million, \$15,113,000.

Mrs. Mitchelson: So the \$89 million in the development costs, over what period of time will that money be needed? We've got phase 1A, B and C, a hundred lots already sold. I would presume they're serviced. Are all of the lots going to be serviced this year?

Mr. Mackintosh: No, there are going to be continued investments and draws in the years ahead. I mean, the draws began in '03-04 on capital and continued every year, and they'll be running for about five more years.

Mrs. Mitchelson: So that's a total \$89 million over five years for the up-front costs, and they started a few years ago?

Mr. Mackintosh: Yes, that will be for more than five years. It began in '03-04.

Mrs. Mitchelson: How does the department propose to pay back the loan for the up-front development costs?

Mr. Mackintosh: Until there are lot sales and cash flow. Right now, for example, we're billed quarterly and so we're on interest payments and that is paid from operating. As the cash flows begin, then the payments will be made from cash flow, which, by the way, there's a positive cash flow that's forecasted, according to the most updated cash-flow estimate.

Mrs. Mitchelson: What would that cash-flow estimate be?

Mr. Mackintosh: The numbers are just re-crunched, and the revenue forecast is just over \$104 million.

Mrs. Mitchelson: Would it be fair to say then that the money would be paid back, to the debt of the province of Manitoba, before there would be any realization of profits? Or is part of that \$104 million, would that go into the fund that's being created?

Mr. Mackintosh: The \$104 million is the total revenues over the whole life of the cash flow for the project.

Mrs. Mitchelson: So, then, once the lots are sold, where does the money go, the profit from the sale of the property?

Mr. Mackintosh: Well, of course, Finance gets its money back, the capital fund. There has to be repayment on capital along with interest, and there is an interest that Finance charges our department.

The net revenue then, is now based on this cash-flow estimate of approximately \$15 million which should be characterized as a gross revenue because, as a result of discussions with the City of Winnipeg, in order to complete the Kenaston extension—and you have to see the map in terms of how Kenaston is being extended because there's a series of extensions there—but that extension that will go all the way to the Perimeter is going to be facilitated and leveraged, if you will, by a contribution from the gross revenues of approximately \$15 million. Half of that will go to pay the City's portion of that extension. So that was a way for us to make sure that we have the completion of Kenaston for the purposes of the subdivision. Otherwise, the whole project, quite frankly, was in serious question. So there would be a net profit then of approximately \$7.5 million to the fund based on current-day estimates.

We've heard a presentation about increasing costs, but there also have been increasing land values. But, as a result of the number-crunching by people who do these things—and we have some rich

experience working on this project from the private sector that's been involved in the development of a similar land development project—these are the most recent numbers that have been provided since we had our discussion in Concurrence last week.

Mrs. Mitchelson: The minister's saying, after all of the improvements and after all the debt and the interest is paid back, there's a profit of \$7.5 million. When would he anticipate that that \$7.5 million would be available to go into the fund?

* (19:40)

Mr. Mackintosh: The numbers I gave are what the cash-flow estimates are from the number crunchers. Of course, the money that goes into the repayment is according to schedules that are provided to us from Finance. We can expect that there would be some portion going into the fund in '09-10, and will continue on for, of course, several years.

Mr. Gerald Hawranik (Lac du Bonnet): I have a question for the minister. You just indicated that there are \$800 million in total costs being projected to be spent over the next five years within that subdivision; 89 million in total with architecture, engineering, soft costs, hard costs. You indicated, also, the revenue is \$104 million, which indicates a net revenue of \$15 million and half goes to the City for the Kenaston extension of which there's only \$7.5 million left. One thing you haven't accounted for is interest on \$89 million. Where's that interest going to be paid out if you are going to use \$7.5 million to be applied toward city of Winnipeg housing under Bill 21?

Mr. Mackintosh: The numbers I have are, again, expenses, 89 million, almost like you can round that. It's very close to 89 million in expenses. Revenue is 104 million. You can almost round that. It's very close to exactly 104 million, given the current-day cash-flow projections. That should leave 15 million, and of the 15 million, according to the agreement with the City of Winnipeg on the extension of Kenaston, one half of those profits, of those revenues are to now assist the City with its cost of the extension of Bishop Grandin to the Perimeter Highway. There are other formulas for Kenaston further north.

Mr. Hawranik: So that leaves \$7.5 million anticipated to be applied to the purposes as outlined in Bill 21. However, is that \$89 million in costs that you just indicated—69 for hard costs, 11 for soft

costs, architecture and engineering 9 million—is any of that money for interest?

Mr. Mackintosh: Yes. I said those were the expenses. There's a long list.

Mr. Hawranik: How much is anticipated within that \$89 million for interest?

Mr. Mackintosh: The estimate indicates about half a million at this point.

Mr. Kevin Lamoureux (Inkster): I actually have a series of questions also. First and foremost, I would ask the minister, one of the presenters which represents the Provincial Council of Women indicated, and I concur with the statement, that the bill itself and the necessity to have the bill here is only because of this government's desire to put in legislation. My understanding is MHRC does have the authority to pass money over to general revenues. Is that not the case?

Mr. Mackintosh: Well, I know there has been a lot of—I mean, this is the second time the bill has been here. It's been around in the public domain for debate for some time, and, quite frankly, I think a couple of years ago a lot of the debate was about whether this represented suburban sprawl and was a threat to older neighbourhoods and the strength of the city.

I think the market is very clearly showing now the demand for lots. There were projections a few years ago that showed that the City was down to a very nominal number of lots available for infill housing and for further development, particularly in the south end, in the southwest in particular where there was a great demand. So I think that the market is speaking for itself right now in terms of demand.

But the point has to be made that Waverley West does not, in our view, represent suburban sprawl. This is to guard against ex-urban sprawl, which is very damaging to the well-being of this city. To undermine the financial basis of a municipality always has to be guarded against, and, if we do not address the lot shortage by way of development within the city limits closer to all the amenities, then we're going to see the growth of suburban districts outside of the city of Winnipeg, detracting from the tax base and what we can do for ourselves as citizens in the city of Winnipeg. So I think that's being borne out.

But I want to also address another statement that I've heard around this table. I've heard repeatedly, well, why would you do this bill; you as a

government are investing in the inner city anyway. You know, I'm not as concerned about this government. I'm concerned about the one that I just saw in the '90s that destroyed my neighbourhood almost, where the property values bottomed out.

You know what this does? It's not a constitutional amendment, but it does put in place legislation if there is another government that comes in, and, you know, those things happen. *[interjection]* But it happens. You know, it does happen, and voters are never wrong. So it's very important that we take steps to I think reduce the risk of an abandonment of older neighbourhoods by a future government. This at least allows a fund now to be mandated with a flow of dollars from a suburban area to areas in need.

Now, I'll say this, though, if the opposition is opposed to this bill, I think it's already sending a signal that affordable housing in older neighbourhoods and in areas of need maybe aren't on. Maybe they want to talk about that, but I know what their record is.

But I think it's really important that we have legislation so that at least when another government wants to have a change in priorities, that they bring in an amendment and we have a debate in the Legislature, and we can have it out. At least then there will be a transparent discussion about changing priorities and whether a government wants to then shift housing dollars and housing profits to other areas. I don't know how there could be other areas that would be in greater need of investment.

Mr. Lamoureux: Madam Chair, you know it's interesting; it wasn't that long ago I can remember standing in Question Period and I had a pile of press releases. These were press releases that were from this particular minister. This minister has no problem in terms of wanting to—the desire to have legislation pass, whatever it is. It's only a question of time before he passed a law that would make a criminal act illegal.

Now, Madam Chair, what I hear the minister say, if you follow the logic of what the minister is saying, that all these programs that the government has, there's a good way to protect them, pass legislation. So every program, can you imagine every program that the provincial government enters into and now we're passing legislation. Why? He says because he wants to prevent future governments from doing something that he disagrees with philosophically, I guess. Well, some might look at it

as possibly creating a slush fund, possibly trying to appease members of his own political party that questioned why a government would go into urban sprawl to the degree this government has done that. He coined the—I'll have to read *Hansard* to find out exactly what he meant by this ex-sprawl or whatever statement it was.

The question I asked the minister specifically was, how does this bill enable MHRC to do something that it's not able to do today?

Mr. Mackintosh: Well, contrary to some statements that have been made, it makes for a transparent fund now for areas in need from suburban profits. So it actually does the opposite of what the member opposite was alleging.

Second, I think my former comments stand. This mandates governments now, first of all, to use profits from developments (a) in the housing envelope (b) in the same municipality (c) in areas of need. Good public policy.

Mr. Lamoureux: Well, I think the jury will be out in terms of whether or not this is good public policy by bringing in a piece of legislation of this nature.

Does the minister realize—and when you look at the figures that he's talking about, \$104 million in terms of revenue, this government tends to believe that the economy and the prices will continue to escalate. At times they underestimate their actual costs. One only needs to look at the floodway to get a good example of that.

* (19:50)

You're talking about a 5 percent factor. If revenues go down by 5 percent, there is no profit. The only thing this bill will do is assist in a demolition of a tree, nothing more than that, and maybe feed into some propaganda.

Madam Chairperson, I'm wondering if the Minister of Housing is bold enough to say that we don't have to worry because his revenues are so right on that it's taken into consideration any sort of devaluation of property over the next six, seven years when this property is supposed to be coming on stream. Where does it get its economics from in regard to that?

Mr. Mackintosh: The cash flows are estimated based on what is known today, and there are contingencies built in. The cash-flow estimate is actually a conservative one, small "c," and one that has contingencies built into it. So what the member

says is that we understate costs is not the methodology that was used by the people that do this.

The member talked about decreasing property values. What we have seen, though, is a symmetry between increasing property values and increasing construction costs, infrastructure costs. The two went hand in hand over the last couple of years, but we have to make estimates based on what we know today. I leave it with people who understand this market, that understand the private sector market to give advice.

Mr. Lamoureux: I guess it's more of a word of caution, if the minister is familiar with the situation that happened in Alberta in the late '70s. Many economists couldn't have predicted the housing market and what was going to happen there. I think that you're taking a chance. There's no way you can guarantee that there are going to be profits, and even if you could guarantee that \$7.5 million, which you're not taking into consideration, is the other infrastructure needs of a community when you establish one.

We had two people present in terms of the need of a high school. There are other community facilities like community clubs. Once it's all added up, it will quite easily cover that \$7.5 million that the minister is looking at. That's why it's somewhat disappointing. I have a vested interest in this because, quite frankly, the Government of Manitoba owns property, a good chunk of property in Meadows West, and what it does here, I suspect, is there is a great likelihood that it might attempt to do in Meadows West.

I don't want this government raiding Meadows West and the future community of Meadows West and a portion of The Maples because it wants to make a political statement that it cares about inner city. If it cares about inner city, put it in your annual budget. Make that commitment.

That's all I have to say. Thank you, Madam Chairperson.

Madam Chairperson: Okay. I have Mr. McFadyen and I also have Mrs. Mitchelson after.

Mr. Hugh McFadyen (Leader of the Official Opposition): I just want to come back to the numbers again. The minister, I believe, had indicated that the expenditures began at '03-04 in terms of the development, and that currently, on the revenue side, there are 100 lots sold. Can he just indicate how

much cash will be realized on the revenue side of the development this year as a result of lots sold?

Mr. Mackintosh: As I recall, 20 percent of the lot prices go into a trust fund that are held and the other 80 percent is then paid out when the building begins on these houses. Given the expectations of building in 2008, we'll begin to see some cash flow in 2008, yes.

Mr. McFadyen: Coming back to the matter of interest then. You indicated that of the \$89 million in costs, \$88.5 million is in actual costs and \$0.5 million is in interest?

Mr. Mackintosh: Yes, I indicated that there is an estimate of 500 on the interest, but there are also contingencies that are built in. There is some cushion on that as well. That is the usual.

Mr. McFadyen: So, if expenditure began in '03-04 and you're expecting cash flow to begin in '08, we're clearly carrying debt, and at \$88.5 million in actual costs and \$0.5 million in interest, just a rough calculation would indicate that you're borrowing at a rate of 0.6 percent. I'm just wondering how you managed to arrange for that interest rate.

Mr. Mackintosh: I think there's an error in the calculation there. We're having quite a different number there with a different decimal point, so we'll just double-check on those numbers. We can let the member know about the calculation of interest and how that is done for the purpose of the cash-flow estimates.

Mr. McFadyen: I mean \$89 million in costs and less than a million in interest would indicate that you're paying interest at below 1 percent, without any need for further analysis. I'm just wondering, recognizing that it will now be four years of expenditure before any cash is realized—well, they're saying no. The minister indicated that spending started in '03-04 and we'll start to realize cash in '07-08, so four years, and that cash will come in 20 percent up front and 80 percent as the lots are sold. So it's back-ended in terms of revenue. We're not just talking about one year of interest payments; we're talking about interest being paid over several years of debt. That interest number just cannot be right, so I wonder if the minister can just go back and try to establish what the true interest costs are for the borrowing on the project.

Mr. Mackintosh: First of all, we have to correct some assumptions there. The money is not all borrowed all at once all up front, so you can't just do

a raw number like that. As well, there have been interest payments paid going back in previous years, so it's not all ahead of us either.

Mr. McFadyen: Are those past interest payments included in the half million that was referred to?

Mr. Mackintosh: I'll check on that. I think what we have to get for the member is some breakdown on how the interest is calculated and how it flows. I trust the staff has that at hand that we can extrapolate that from the cash-flow estimates, so we can have a clear understanding as to what has been paid in the past and what's in the future. But it will depend on when the capital draws are, and not all the capital draws have occurred.

Mr. McFadyen: That's certainly understood, but he's already said on the record that we've got four years of spending before cash is being realized and that lots are being sold on the basis of 20 percent up front and 80 percent on the sale, which, I think, is consistent with the way it works with most developments.

I'll just simply leave it with the number half a million in interest, which just sounds unrealistically low on a \$90-million project stretched over that many years. If the minister could clarify that, that would certainly be appreciated.

Mr. Mackintosh: I'm advised, this is, most importantly, a timing issue in terms of when the draws are and how the interest flows. I think it would be useful to have a chart to indicate that scheme with Finance.

Ms. Erin Selby, Madam Vice-Chairperson, in the Chair

My sense is, too, just based on the questions that we had in Concurrence the other day, I think it would be useful to have a little balance sheet for the public, if you will, and some plain-language explanation about this. I think that would be useful.

There was a lot of discussion about this back in '05 and '06, and I think a lot of that stuff now has been perhaps forgotten on the public record. But there was a great deal of consultations and committees and advisory groups and neighbourhood groups and so on that were looking at all of this. I think it might be useful to sort of remind people of the financial basis for this at a time when we've got a rapidly changing housing market, to let people know that the numbers and the netting-outs appear to be holding.

* (20:00)

Mrs. Mitchelson: Madam Vice-Chairperson, the other piece of the development was the geothermal piece. I know we talked a little bit about that in Estimates and Concurrence. I wonder if the minister might indicate today, have they backed away from their commitment of mandating that geothermal heating in over 50 percent of the development.

Mr. Mackintosh: Well, as I said in committee, there are a number of considerations that will have to go into the geothermal policy or approach or offer to lot buyers there. There's an involvement of Manitoba Hydro here, and the feasibility has not yet been completed. I certainly hope that it will be soon and that we will have a final decision in terms of what, if any, help that Manitoba Hydro will have and what's envisioned as Waverley West unfolds, but there has been a number of studies and discussions involving stakeholders at Manitoba Hydro, I understand. I look forward to seeing a final decision on that which, I know, will be of public interest.

Mrs. Mitchelson: Have any of the 100 lots that have already been sold, do any of them have mandated geothermal heating systems?

Mr. Mackintosh: No, until there's a decision on the approach for geothermal, none of the lots will have any requirement. The lots were sold on the market without any condition of geothermal.

Mrs. Mitchelson: I guess I'm actually a little concerned about that. I mean, were the lots sold then, unconditionally? So would those that purchased the lots then not be able to make their choice and their decision? They purchased the lot. Or is the Province going to come back and indicate or demand that they need to have geothermal heating?

Mr. Mackintosh: The homeowners can do as they wish. I mean we've got people in our own caucus that have decided to put geothermal into their home because of the long-term cost. I look at it and I thought, geez, I don't know how they can afford that, but those are personal decisions. So there's no expectation or caveat on those properties whatsoever.

Mrs. Mitchelson: Just one more question along this line. Will Hydro be subsidizing geothermal heating in the Waverley West subdivision, or offering subsidy in Waverley West that they might not be offering elsewhere in the province of Manitoba?

Mr. Mackintosh: That's the question that has to be addressed before there's any public announcement as

to whether there's any different approach in Waverley West for geothermal. So I don't think we're far from that decision. I understand that Hydro's been doing its due diligence on the pros and cons of different models, and we'll be hearing about those as a government to make a decision.

Mr. Cliff Cullen (Turtle Mountain): Just a question. We're into phase 1 of the development here. I'm just trying to get a feel in terms of what the lots, those current lots are selling for. You'd mentioned there was a difference on the lots. Can you provide me with a bit of a range in terms of this first phase going forward?

Mr. Mackintosh: There's a range of lots there. I think the range is from \$75,000 to \$210,000. My understanding is the average so far has been about \$100,000 per lot. You know, this could vary in the months ahead with the other lots, but that's my understanding.

Madam Chairperson in the Chair

Oh, I should just say that, as well, there have been two RFPs issued for multi-family housing as well because there is an effort to have a variety of housing options in Waverley West.

Mr. Cullen: Would that multi-family housing project, would that be reflected in that \$210,000, or is that \$210,000 a single, residential lot?

Mr. Mackintosh: Yes, I should be clear that \$75,000 to \$210,000 is for the residential, single-family dwellings. The multi-family dwellings will have a different number when there have been decisions made on the RFPs.

Mr. Cullen: So the Province isn't supplying any other services for that difference in the lot, for that \$210,000. There's no other service provided by the Province for that increased value of the lot?

Mr. Mackintosh: My understanding is it's just a different configuration of lot, different size of lot that's responsible, or location. There are some lots that are more preferable than others in this division, like any other division. But, no, it's not because of different services.

Mr. Cullen: Well, bearing in mind this project is a long-term project and we will be selling lots over a number of years going forward, I'm just wondering what the premise is in terms of the escalation in the value of the lot going forward.

Mr. Mackintosh: You might want to rephrase, but this is a supply and demand here that's going to be at play, and market values will be at play.

Mr. Cullen: Well, obviously, I think whatever the income is going to be from the sale of those lots, we should have a pretty firm commitment going forward. I'm just wondering what kind of market research is being done. You're working with realtors in that regard, or is your department doing this on their own or how are those estimates being brought forward?

Mr. Mackintosh: First of all, we have expertise that is on this file with extensive experience in a similar, nearby development. But, as well, working with the home builders, my understanding is that, I think, it was 14 home builders have purchased lots in this first round. There have been extensive discussions and, of course, attention to comparable property sales.

Mr. Lamoureux: Just a couple of very quick follow-up questions. Ladco's involvement with the MHRC is what with regard to this project?

Mr. Mackintosh: Well, the only nexus is that they're developing nearby property, but it's separate property. It's in the broad Waverley West community, if you will. Their property is different property than the MHRC.

Mr. Lamoureux: Has Ladco started their construction, and if so, do you have a sense of how many lots they would be developing, or so?

Mr. Mackintosh: We have as a result of the processes that the City of Winnipeg obtained our full approvals; I think it was in December of '06 when we got the final approvals to proceed. Then our development excavation work started in the early spring. But my understanding is that Ladco hasn't completed all of their approvals yet with the City of Winnipeg.

Madam Chairperson: Shall clauses 1 and 2 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour of clauses 1 and 2, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed to clauses 1 and 2, say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

An Honourable Member: On division.

Madam Chairperson: Division is called.

Clauses 1 and 2 are passed on division.

* * *

* (20:10)

Madam Chairperson: Shall clauses 3 through 5 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Madam Chairperson: Clauses 3 through 5 are accordingly passed.

Some Honourable Members: No.

Madam Chairperson: No?

An Honourable Member: We said no.

Madam Chairperson: Are there questions?

An Honourable Member: Yeas and Nays, first.

Voice Vote

Madam Chairperson: All those in favour of clauses 3 through 5, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

The motion is accordingly passed.

An Honourable Member: On division.

Madam Chairperson: Clauses 3 through 5 are accordingly passed on division.

* * *

Madam Chairperson: Shall clause 6 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

An Honourable Member: On division.

Madam Chairperson: Clause 6 is accordingly passed on division.

* * *

Madam Chairperson: Shall clauses 7 and 8 pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Madam Chairperson: Clauses 7 and 8 are accordingly passed.

Some Honourable Members: No.

Madam Chairperson: No?

An Honourable Member: We said no.

Voice Vote

Madam Chairperson: All those in favour of clauses 7 and 8, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

An Honourable Member: On division.

Madam Chairperson: Clauses 7 and 8 are accordingly passed on division.

* * *

Madam Chairperson: Shall the enacting clause pass?

Some Honourable Members: Pass.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour of the enacting clause passing, say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

An Honourable Member: On division.

Madam Chairperson: The enacting clause is accordingly passed on division.

* * *

Madam Chairperson: Shall the title pass?

Some Honourable Members: Pass.

An Honourable Member: No.

Voice Vote

Madam Chairperson: All those in favour of the title passing, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

An Honourable Member: On division.

Madam Chairperson: The title is accordingly passed on division.

* * *

Madam Chairperson: Shall the bill be reported?

Some Honourable Members: Agreed.

Some Honourable Members: No.

Voice Vote

Madam Chairperson: All those in favour of the bill being reported, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Yeas have it.

An Honourable Member: On division.

Madam Chairperson: The bill shall be reported on division.

Formal Vote

Mr. Hawranik: Yes, we would like a recorded vote.

Madam Chairperson: A recorded vote has been called.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 6, Nays 4.

Madam Chairperson: The bill is accordingly passed.

Bill 22—The Medical Amendment Act

Madam Chairperson: Does the minister responsible for Bill 22 have an opening statement?

Hon. Theresa Oswald (Minister of Health): In two sentences, or less.

In addition to being grateful for improved patient safety, the updating of professional discipline processes and improved accountability, the government and members of my department would like to thank Dr. Pope and the College of Physicians and Surgeons for their good counsel and co-operation in assisting in moving this bill forward.

Madam Chairperson: We thank the minister.

Does the critic from the official opposition have an opening statement?

An Honourable Member: No.

Madam Chairperson: Clauses 1 through 3—pass; clauses 4 through 7—pass; clauses 8 through 10—pass; clause 11—pass; clauses 12 through 14—pass; clauses 15 and 16—pass; enacting clause—pass; title—pass. Bill be reported.

The time being 8:16, what is the will of the committee?

Some Honourable Members: Committee rise.

Madam Chairperson: Committee rise. Thank you.

WRITTEN SUBMISSIONS PRESENTED BUT NOT READ

Re: Bill 21

I believe that the majority of net profits arising from the Waverley West development should be reinvested in the southwest corner of the city.

As things stand now, the southwest corner of the city is seriously underserved due to growth over roughly the past 20 years. Growth that will increase with the Waverley West development.

I don't believe anyone truly believes that the existing or planned infrastructure for the southwest corner meets, or will meet, existing or future need. Net profits from Waverley West must be set aside to address these issues.

As we all know, the PUFs—Public Utilities Facilities Study—commissioned by the City of Winnipeg in the early 2000s was set aside in favour of a different direction for meeting recreation needs for the city of Winnipeg; however, the big picture statistical data it did gather on existing facilities in the city of Winnipeg was, and still is, relevant.

If you were to take a good look at the maps from the PUFs report pinpointing community centres, recreation centres, leisure centres and senior centres existing in the city of Winnipeg there is a huge deficit of facilities available in the southwest. Demand for recreation space in this area is high and supply of facilities is abysmally low.

I realize that recreation and leisure are generally categorized as civic responsibilities but we all know that the Province contributes to a great number of recreation and leisure projects through a variety of different grant programs and/or duo or tri-level government agreements.

In addition, I think that the health benefits both physically and psychologically of fitness, leisure and recreation activities has been well-documented and I think we can all agree that health and fitness are becoming more of a lifestyle throughout the general population, rather than the exception. The health benefits of an active lifestyle have been well-documented and we all know that our health care system could do with less use.

Net profits from Waverley West must be set aside to fund recreation, leisure, senior and other fitness/wellness facilities so as to begin to address the service deficit that exists in this area, a service deficit that will grow with the Waverley West development. These facilities offer numerous health benefits and it's time we recognize this is a real way, in the southwest corner of the city.

The southwest corner of the city is also desperately in need of a dual track high school in and around the Linden Ridge, Lindenwoods and Whyte Ridge area. Data shows that were a high school to open today, it

would be full. Waverley West will quickly put increased pressure on the need for a high school in this area. Building a high school which includes a full sized gymnasium would also be a first step towards filling the need for recreation space desperately required in this part of the city.

Ideally I would like to see a high school tied into a recreation complex in the southwest corner of the city. It makes the most sense to me and long term more cost-efficient, as there would be economies of scale when a well-thought-out complex is built at one time.

I think a high school needs to be built today in the aforementioned area, but, in addition, net profits from Waverley West must be set aside for continued funding of a dual track high school in the southwest corner of the city in the area of Linden Ridge, Lindenwoods and Whyte Ridge.

We should be careful to be realistic here. No one really knows how big Waverley West will get and no one knows how fast it will grow. As with any new development, development takes place a few streets at a time. When demand drops off, construction will drop off.

However, regardless of how big or how small Waverley West turns out to be, any and all development in this area will put pressure on the existing need that exists in the southwest, pressure this area can no longer endure without the issues I've listed above being addressed.

The bottom line is that the service need created, and contributed to, by the Waverley West development should be met by proceeds from that same development. Any funds remaining once those needs have been satisfied could then be made available for diversion.

Respectfully submitted,

Jennifer Zyla

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Re: Bill 22 (The Medical Amendment Act)

The Canadian Medical Protective Association (CMPA) welcomes the opportunity to make submissions on Manitoba's Bill 22, The Medical Amendment Act. We wish to express our gratitude to the Standing Committee on Social and Economic Development for giving the CMPA the opportunity to comment on the amendments proposed to s.39 of The Medical Act.

1. Introduction

The CMPA is the principal provider of medical-legal assistance to Canadian physicians. It is a not-for-profit mutual defence organization operated by physicians for physicians. The most obvious expression of the CMPA's mandate is to provide legal representation to its members. The CMPA also provides broader advisory services to its members on a multitude of medical-legal issues, including advice about when a physician should consider making a report required by statute. The CMPA has a significant and expanding risk management, quality assurance, research and educational role. Consequently, any potential amendments to The Medical Act will have important ramifications for the CMPA and its Manitoba members.

2. Amendments Proposed to Section 39

Currently, section 39 of The Medical Act requires physicians to report to the registrar of the College of Physicians and Surgeons of Manitoba any other physician who suffers from a mental or physical disorder or illness that affects his or her fitness to practise and who continues to practise despite being counselled not to. The section also provides details of what information must be reported and provides protection from liability for a physician who makes such a report.

Bill 22 purports to amend this section by adding an additional reporting provision. If Bill 22 is passed into law in its current form, physicians will also be required to report physician colleagues reasonably believed to be "unfit to practise, incompetent or unethical":

39(1) Every member who reasonably believes that another member

(a) is unfit to practise, incompetent or unethical; or

(b) suffers from a mental or physical disorder or illness that may affect his or her fitness to practise, and continues to practise despite having been counselled not to;

must disclose that belief to the registrar, along with the name of the other member and particulars of the suspected disorder, illness, lack of fitness to practise, incompetency or unethical behaviour.

39(2) No person disclosing information under section (1) is subject to any liability therefore

except where it is proved that the disclosure was made maliciously.

This new statutory obligation to report other physicians reasonably believed to be unfit to practise, incompetent or unethical is currently imposed as an ethical obligation by the College of Physicians and Surgeons of Manitoba's Code of Conduct (s. 26.2.3). The CMPA has concerns about this current ethical obligation and submits that making this ethical obligation into a legal one compounds these difficulties.

In what follows, we will set out our concerns with the proposed s. 39(1). We will also express concerns with the proposed s. 39(2), which is carried over from the current Medical Act, and which we believe warrants reconsideration.

3. Concerns with Requiring Physicians to Report Colleagues

The CMPA supports the objective behind the amendments to s. 39 of reducing the risk of harm to patients as a result of incapacity, incompetence or unethical behaviour. This is a laudable goal and one that all physicians would likely agree is important. However, the CMPA respectfully submits that the methods used in s. 39 of The Medical Act to achieve this goal raise serious concerns, and we would urge the Manitoba government to reconsider imposing the duties proposed in s. 39.

The CMPA submits that one of the significant concerns arising from the imposition of a duty to report colleagues is that it results in physicians monitoring the activities of their colleagues. This could adversely affect collegial relations between physicians, which may in turn negatively impact on their collaborative work and, ultimately, patient care. In the absence of evidence to suggest that the College is not learning of physicians falling into these categories (either through the Code of Conduct reporting obligation or because of the physician's own declarations on his/her College application or renewal forms), we fail to see that there are sufficient advantages to creating a mechanism whereby physicians are required by law to monitor the activities of their colleagues. In the CMPA's view, the deleterious impact of such an obligation outweighs any anticipated benefit.

Another difficulty with the proposed amendments to s. 39 is that the new reporting obligation in s. 39(1) could cover a broad range of activities and situations. The terms "unfit to practise," "incompetent" and

"unethical" are not defined in Bill 22 and could be open to a wide range of interpretations. Physicians may not, therefore, know when they are required to make reports. Further, they may fear repercussions for failing to report what may, in fact, be a trivial matter. Both the lack of definition for the terms used in the new s. 39(1) and the fear of repercussions for a failure to report could potentially result in over-reporting and considerable cost to the College, which is charged with investigating the reports.

You may be interested to know that in Ontario, the government recently rejected a call by the province's Health Professions Regulatory Advisory Council for amendments to the Regulated Health Professions Act to introduce a mandatory reporting obligation for acts of professional misconduct, incompetence or incapacity. In rejecting this recommendation through the introduction in December of Bill 171, the Ontario government has decided to maintain the status quo with respect to reporting colleagues. Physicians will continue to only be required to report other regulated health professionals when they have reasonable grounds to suspect that the other health professional has sexually abused a patient.

The CMPA also submits that it is unclear what the difference is between the term "unfit to practise" in the proposed s. 39(1), and the types of incapacity described in s. 39(2) ("mental or physical disorder or illness that may affect his or her fitness to practise"). There would appear to be some degree of overlap between s. 39(1) and s. 39(2) in this regard. As currently worded in Bill 22, s. 39 would likely cause some interpretation difficulties, since it is not clear what would render a colleague unfit to practise under s. 39(1) other than the situations described in s. 39(2).

A further concern of the CMPA with respect to the mandatory reporting obligations in the proposed s. 39(1) and s. 39(2) is that they may discourage physicians from seeking appropriate treatment from another physician for fear of being reported to the College. This result may only serve to endanger the public, since physicians may avoid seeking necessary treatment and counselling that would reduce any harm they may pose to patients. The CMPA submits that it is sufficient that physicians are asked to make declarations about fitness to practise in their College's application and renewal forms, and that no additional reporting obligation is required to identify those physicians with fitness to practise issues. Requiring physicians to report colleagues who are ill is, therefore, unnecessary to achieve the objectives of

both the College and the government, and will likely only serve to discourage those physicians from seeking treatment, thus increasing the risk to the public.

4. **Recommendations**

The CMPA recommends that the Manitoba Legislative Assembly not adopt the proposed changes to s. 39 set out in Bill 22 that would result in the introduction of a mandatory duty on physicians to report other physicians considered unfit to practise, incompetent or unethical.

We would also encourage the Legislative Assembly to consider repealing the mandatory obligation that currently exists in sections 39 to report colleagues with a mental or physical disorder or illness that may affect the colleagues' fitness to practise.

For the reasons set out in greater detail above, the CMPA submits that it is sufficient that doctors are asked to make declarations about their fitness to practise by their regulatory College on the College's application and annual renewal forms. Furthermore, to require a colleague to monitor other physicians' fitness to practise, competence and ethics and report them under the circumstances in s. 39 would only serve to undermine collegial relations between physicians, result in over-reporting, and discourage physicians from seeking treatment.

The CMPA again wishes to thank the Standing Committee on Social and Economic Development for this opportunity to comment on Bill 22.

John E. Gray, MD, CCFP, FCFP
Executive Director/Chief Executive Officer
The Canadian Medical Protective Association

The Legislative Assembly of Manitoba Debates and Proceedings
are also available on the Internet at the following address:

<http://www.gov.mb.ca/legislature/hansard/index.html>