



MANITABA

First Session - Thirty-Seventh Legislature

of the

Legislative Assembly of Manitoba

Standing Committee

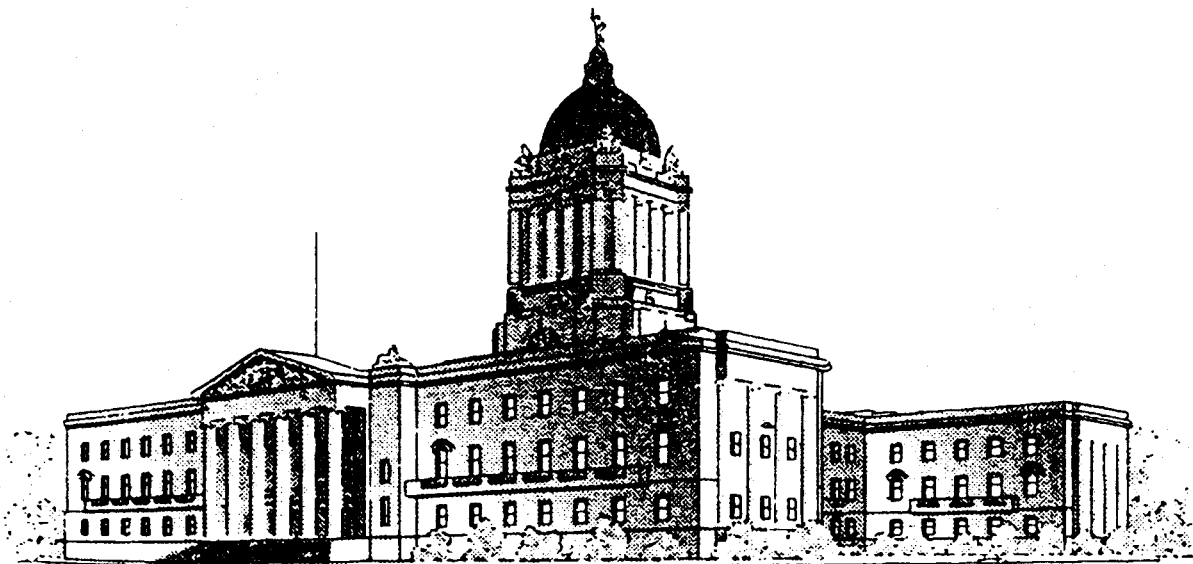
on

Municipal Affairs

Chairperson

Ms. Marianne Cerilli

Constituency of Radisson



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Seventh Legislature

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LEGISLATIVE ASSEMBLY OF MANITOBA
THE STANDING COMMITTEE ON MUNICIPAL AFFAIRS

Tuesday, December 14, 1999

TIME – 10 a.m.

LOCATION – Winnipeg, Manitoba

**CHAIRPERSON – Ms. Marianne Cerilli
(Radisson)**

**VICE-CHAIRPERSON – Mr. Scott Smith
(Brandon West)**

ATTENDANCE - 11 – QUORUM - 6

Members of the Committee present:

Hon. Ms. Friesen, Hon. Mr. Mackintosh

Mr. Aglugub, Ms. Cerilli, Mrs. Dacquay,
Mrs. Driedger, Messrs. Loewen, Martindale,
Penner, Reid, Smith (Brandon West)

WITNESSES:

Mr. Glen Murray, Mayor, City of Winnipeg

MATTERS UNDER DISCUSSION:

Bill 2, The City of Winnipeg Amendment
Act

Madam Clerk Assistant (Patricia Chaychuk): Order, please. Will the Standing Committee on Municipal Affairs please come to order. Before the committee can proceed this morning it must elect a Chairperson. Are there any nominations?

Mr. Doug Martindale (Burrows): I nominate Ms. Cerilli.

Clerk Assistant: Ms. Cerilli has been nominated. Are there any other nominations? Seeing none, Ms. Cerilli you are elected Chair. Please come and take the Chair.

Madam Chairperson: Good morning, everyone. Before the business of the committee can

proceed, we have one more duty and that is to elect a Vice-Chairperson. Are there any nominations?

Mr. Martindale: I nominate Mr. Smith.

Madam Chairperson: Mr. Smith is going to accept the nomination. Are there any other nominations? Seeing none, Mr. Scott Smith is elected as the Vice-Chairperson.

**Bill 2–The City of Winnipeg
Amendment Act**

Madam Chairperson: This is the Standing Committee on Municipal Affairs. I will ask that we all now come to order. This morning the committee will be considering Bill 2, The City of Winnipeg Amendment Act. To date we have had two people registered to speak to the bill this morning. I will read the names: Mayor Glen Murray and Michelle Forrest.

In addition, if there are other persons in the audience who wish to speak to the bill who have not already registered, please see the Chamber Branch personnel at the table at the back. Their names will be added to the list.

I would like to remind presenters wishing to hand out written copies of material to the committee that 15 copies are required. If you need assistance to have the copies made, please see the Chamber Branch personnel at the back table with the material and the photocopies will be made for you.

Does the committee wish to use time limits for the consideration of the public presentations this morning? What is the wish of the committee? The will of the committee is to proceed without time limits, is that correct? Okay. We shall now proceed with consideration of the public presentations. I will call on Mayor Murray to come forward. Do you have a written

presentation to distribute to the committee, Mr. Mayor?

Mr. Glen Murray (Mayor, City of Winnipeg): No, I do not.

Madam Chairperson: Welcome, and please proceed with your presentation.

Mr. Murray: Thank you very much, Madam Chairperson. It is very important to us that this piece of legislation proceeds. One of the last times I was down here was when the heritage tax credit program was introduced, which I think was a very positive thing for the City and got all-party support, and we appreciated that.

This kind of legislation has been presented to the Legislature before. I think it was actually passed with support from all three political parties, but it was never proclaimed. I think there has been some positive modifications to the legislation that has improved it over time, and I think it is a bill that is deserving of support and is really consistent with the kind of changes to improve property standards and housing challenges the City faces that I have heard from both the government benches and the opposition.

Bill 2 addresses a very important issue for us. I would like to talk a little bit about what the impact is. We have a huge problem, and have had traditionally, with the enforcement of a whole range of housing and safety standards when it comes to residential properties particularly. They relate to the way in which charges are attached to property. We do not actually, right now, have the authority under The City of Winnipeg Act to charge a property. We charge an owner, which may have some immediate logic to it on the surface, but when you think about it, it led to a practice in Winnipeg which became very troublesome, which is what is commonly referred to as property flipping.

Property flipping results when someone who owns a property that is in significant deterioration, often not up to fire code, without proper smoke detectors, the fire escapes could be blocked with old furniture, the general condition of the property has deteriorated, and when charged, often on the eve of going to court

where the City can then act and get the courts to rule on the by-law and rule on the charge, the owner, fearing prosecution and successful prosecution, will sell the property to another owner or exchange the property for another deteriorated property. That results in the City having to go right back to square one again and to send out inspectors, to go through the whole process of 30 days notice and of orders, to prepare a legal case all over again, usually subject to another act of property flipping.

In the last couple of months, with the Minister of Intergovernmental Affairs (Ms. Friesen) and the Minister of Housing (Mr. Sale), we have had some extensive, and I think very productive, conversations between the two levels of government to try and, especially in light of the arson problem the city is facing, improve property standards and the enforcement of property standards. By attaching, with Bill 2, the charges to the property, we get much more efficient use of tax dollars. We do not have constantly self-defeating attempts to enforce property standards, and it puts some onus, when people buy a property, to check whether or not there are outstanding charges on it. I do not think that is an unreasonable burden for a new property owner.

When I buy a house or a property, I have to make sure there are not liens or caveats against the property. I go to a real estate agent, or I check the structure of the building. It seems reasonable that we should be advising people prudently if you are buying a property that you check to make sure that there are no outstanding orders on it. Quite frankly, the majority of these properties are so visibly deteriorated, it would be hard to conceive that someone would not be suspicious that there would be an order against it.

This is going to get our tax dollars working much more efficiently. It means that the time of City inspectors and our legal department is going to be much better used. We know when we go to court that we will be facing the owner, or the new owner, quite quickly. We will not have to do this two or three times. It will reduce by half the cost of a great deal of our enforcement. It is also going to do a lot to improve housing conditions and to reduce the number of

properties out there that right now are substandard, people living in conditions that are really unacceptable. It will also lead to reducing the risk for fire because we will start to be able to enforce those fire and safety by-laws on property that we ought to be enforcing fully and have more staff time net at the end to do it.

* (1010)

We would like a couple of things to be resolved. I am hoping that administratively we can resolve some of these things, because they really do fall under an administrative policy issue. Right now sometimes it takes up to six weeks to register a charge against a property at Land Titles. We would like to try and establish, between the City of Winnipeg and the Province of Manitoba, a fast-track system so we can speed that up maybe by having a dedicated telephone line or to have a sort of co-ordinated responsibility between city enforcement and identifiably someone in Land Titles. We hope we will be able to work with the minister to do that.

There are charges for registering against Land Titles. We are trying to avoid building in costs. We would like to try to agree to some—quite frankly, I have to do this because I am mayor of the city and if we could get it for free that would be nice, but I have to ask, I am sorry, it is my job. Sort of like when you go to Ottawa, you have to ask them to give it to you for free. You often know what the answer is, but if you do not ask and you come back here, they beat you up. They are going to ask me when I go back to City Hall, they are going to say: Mr. Mayor, did you ask for a free deal first and negotiate from there? But at least something that reduces some of the costs I do not think is cost-prohibitive. It is the minority of property owners that we end up charging who do this, so we are hoping we can do that.

The other issue is filing, not only on the registration end, but working to set up a system administratively to get quick access to title and to the new title so that enforcement can proceed and we do not end up holding things up in the court because we do not know who the new owner is or we cannot do the title search.

So there are some administrative things that I think we hopefully can collaborate together. I think this is a very, very positive piece of legislation. I think it is a sign of really good faith from the new government about wanting to work with the city very collaboratively. We really appreciate this. We would like to respond in a supportive way. The City of Winnipeg's legislative authority, as all of you know, exists as an act of your Legislature. There is very little we can do without your authority.

We hope over the next year we can look at some of the models, as the Alberta Municipal Act, to try and give Winnipeg some of the autonomy that other municipalities have. We would like to talk to all of you about that, because I think it would save a lot of time, but I think this is a very good step forward. This is something that all political parties have been on record as supporting previously. We hope that you will all be advocates for it.

I think there are a lot of people out in the community living in somewhat deteriorated housing. Neighbourhoods are really counting on government to be acting effectively right now to reduce their risk in life and safety issues and to start to put some authority in the hands of the city, fairly and prudently, to raise the housing standards and the conditions in neighbourhoods. There is just too much happening out there that is causing people to leave older, established neighbourhoods in the city and undermining the quality of life in our city.

Quite frankly, the loss of property value is contributing to a decrease in the values of those properties and shifting the tax burden to suburban neighbourhoods. I am also hoping that, as I said, with the tax credit program that we look at extending this to other municipal legislation in the future so that other municipalities can also benefit from this. But I think this is a good model and a good first step.

I want to thank you for the process in bringing this forward. We felt very involved in it. We felt well consulted. It reflects our needs very, very well. We felt very listened to in this process and heard. The fact that there are very few other people interested maybe in this other than me and not a lot of opposition I think tells you that this is something that has broad public

support. There is very little controversy attached to it.

Quite frankly, in my life as a councillor, it was something that other landlords constantly phoned about. I would get calls all the time from property owners who would say: why can the city not enforce that? Look, I invest in my property. I maintain it. I go to the expense of maintaining the proper systems and building code and fire code and then it seems that someone else two blocks down or next door can get away with a deteriorated property. Quite frankly, it is a drag on my property value. If you cannot start to enforce your own by-laws better, what kind of incentive is there for me to protect the value of the property and safety of my property to be able to attract tenants if other people are allowed to get away from it? You can explain ad infinitum that the ownership has changed. Many of them are aware of it, and they say, well, when is government going to act to do that? Then you, as the mayor, explain, well, we need the help of the Legislature to do that.

I could not think of something the province could do legislatively right now more importantly than this to aid the city in its fight to reduce fire and to improve housing standards. So, on behalf of the City Council that supports this, it was part of our housing policy. This was unanimously supported by City Council as a request of the government. It is something we badly need, and I hope we can get this through expeditiously. Again, on behalf of the citizens of Winnipeg and the City Council of Winnipeg, I am here not only to say my personal support but on behalf of the entire City Council to state the City of Winnipeg's support for this. If you have questions, I will be glad to answer them.

Madam Chairperson: Thank you very much for your presentation, Mayor Murray. There will be questions, I imagine, from the committee members. Are there any questions?

Mr. John Loewen (Fort Whyte): Thank you, Mr. Murray. I am assuming you have seen the legislation, the draft of the bill. Do you have any idea how many orders would be issued in a year, how many of these orders would be issued?

Mr. Murray: I am embarrassed to say I really do not know. I know there are significant numbers. I could—

An Honourable Member: She has to recognize you first.

Mr. Murray: Oh, I am sorry.

Madam Chairperson: It is not your fault, actually. I do have to recognize you before each time you speak and as well as any of the committee members, just for the benefit of the Hansard recording.

Mr. Murray: Thank you very much, Madam Chairperson. No, I am not sure of the exact number. Had I been better prepared and had a little more time this morning, I would have done that. I can certainly get that for you if that would be helpful, but I know the number is significant.

Mr. Loewen: Do you have any idea how many orders will be registered? I understand the intent at the city from the departmental level is not to register all orders.

Mr. Murray: My apologies. I could not hear the last part of the question, Madam Chairperson.

Mr. Loewen: My understanding from talking with the departmental people at the city is that all orders will not be registered.

Mr. Murray: No, we are hoping that a minority do. I mean, it is the experience that simply the knowledge that the legislation exists tends to deter people. We are hoping not to have to register very many. I think once people realize that it is now essentially illegal to property-flip and it is no longer a successful strategy to avoid charges and avoid a court proceeding, that likely we are hoping that as the knowledge of that practice is basically illegal now and the loophole is closed, that we are hoping to have to do very few of these. If we do have to do it, I am sure we will get tested on it a couple of times; we always do. Then I expect that there will be very little involved in this. It is just simply the knowledge that this is a loophole, because it is

attached to the person and not the property that allows the practice to continue.

Mr. Loewen: In reality, the loophole is only closed if the order is registered. If the order is not registered, it would be very clear that flipping of property could still continue on a legal basis. So I guess what I am trying to arrive at in my own mind is whether, in fact, there is a sense at the city's level of how this law will be applied in an even-handed way to avoid the problem. If it is a small number of landlords who are shirking their responsibilities by flipping properties, how does city staff know who to register and who not to register?

Mr. Murray: In my understanding of the process that I mentioned before, we would be registering owners who, I would think, have had a history in the past of doing this. Most people, fortunately, do not, but the numbers who do are significant and often own a large number of properties. So the number of people affected by one irresponsible owner is significant. I think that one of the things we want to do—there is a certain amount that should be law and there is a certain amount that should be, quite frankly, decided by the Council in by-law—is to set a criteria for that, and I think that the City Council is capable of doing that, given the authority. I think we have done that quite fairly before.

We have had a policy in the West Broadway area, just adjacent to the Legislature, that was very, very successful where we sent a fire inspector, a police officer, and a health inspector out as a team doing buildings. Quite frankly I think they were quite judicious in their judgment. It is not something that people do in a very cavalier way because it is an incredible amount of work, so you want to be judicious when you do this. It takes a lot if there is a cost to it. So you want to do it when there are grounds for suspicion of that practice or whether there has been a history of that practice.

* (1020)

Mr. Loewen: I am assuming from your answer that within that would fall possibly anybody who has been very active in the real estate market.

Mr. Murray: Most people in the real estate market have been extremely prudent and

responsible property owners. As a matter of fact, I think I have suggested this before, the West Broadway—I will tell you my experiences are mostly in Fort Rouge and the West Broadway area. I was the councillor in the area that the Legislature is in, which has very, very significant challenges.

In the West Broadway area, it was the real estate agents and a number of the owners of the rooming houses and the apartments who were the biggest pusher for this kind of thing because as they got into attracting investment into that neighbourhood, it became very clear that one of the biggest disincentives in that neighbourhood was the inability of the city to enforce reasonable property standards that they regularly accepted. None of them, I think, would have any concern—who are very active in the real estate market—about this kind of law, but they were extremely frustrated by the waste of tax dollars as the city had to do repeat and repeat offences and how well known the landlords who practised property flipping were to the inspectors and the lack of common sense in being able to properly register those properties when we knew from years of experience that these property owners were not going to respect the intent of the law and were going to use what I would call a loophole in the law because of the way that the charge is attached—it is not attached to the property—to avoid their responsibilities.

I think most people active in the real estate market are going to celebrate and applaud this initiative. The question I guess I would ask back, if I am allowed to ask a question, in the absence of this kind of law, what other mechanism do you have to effectively enforce standards to a property that has deteriorated, and if you cannot register it against the property, then what are you going to do to ensure and protect not only the living conditions of people there and the overall condition of the neighbourhood, but how do you avoid in the future deteriorating that property, and why would you ask certain landlords and property owners who do respect it and reasonably expect the city to have the authority to enforce the by-law, what do you say to them if the city really, with its worst property offenders, has no teeth in its legislation to actually enforce standards that I think most people generally accept as humane?

Mr. Scott Smith (Brandon West): Mr. Murray, just supplementary to the question that was asked, in tracking code violations through your fire services and your health and building code standards, you had mentioned that they worked together as a group and quite often go out and if there is one violation not being addressed, then that particular person can go in with the others. Do they work together like that quite often?

In other words, it had been mentioned that many people are active in the real estate industry. It might not be flipping over houses but buying and reselling properties. It would be pretty obvious to you who would be one of the people who would be negligent quite often, and that would be recorded throughout the different departments that you have obviously, that would be tracked from department to department to department, access to that information, transfers back and forth, I understand?

Mr. Murray: Yes, we do. We are actually spending a considerable amount of money right now in creating a LAN-based information system that is going to integrate our assessment, fire and building data, so when someone inspects a property, we will have one file that everyone can access. So if the health inspector is out and notices a code violation that is the responsibility of the building inspector or a fire code violation that the fire prevention officer has to know about, that information is immediately transferred. We are just finding the money now to build that infrastructure which we have not had. Our systems, many of them were not computerized and many of the budget cuts that have occurred over the last several years were to avoid frontline service cuts, came from administrative infrastructure. So we are just moving that ahead.

Again, with the Rentalsman's office and some of the provincial functions, we are hoping to have a very collaborative relationship. The issues that Mr. Loewen raised I think are important ones, as well, and there is a lot of administrative work that we have to do after this. I mean, the legislation concludes the responsibilities of the politicians, but it really falls to City Council and to city staff and staff at the

various provincial departments who are responsible to change the infrastructure to deliver.

We are trying to move to a different level of service delivery in the city. We are trying to look at neighbourhood level service delivery where we are integrating all of our inspections at a neighbourhood level. We have talked about this concept of housing improvement zones. I think we have said that we will look at the worst areas and try to put a fire, police, health building code inspection team together, hopefully with some of the provincial enforcement people, and target those areas so we can turn them around.

So we are looking towards much more integrated service delivery because in the past, for the past 30 years, we have had very separate units. Health did this, fire did that, building code did that, zoning by-law enforcement was over here, and really it was not as efficient a system. We are looking at a model that is used in Vancouver, called Integrated Service Delivery in St. Paul, Minnesota, which also does it that way. It would be a very, very significant change in the way that we are delivering services from the past, and I think a more efficient one, one that this kind of legislation would support. So we are hoping to do that.

I really want to also just conclude by saying we really value input from MLAs on issues. So if there are ideas or suggestions you have, we hope that there will be an interest to follow up and continue to be involved in these discussions. We are going to likely do some pilot projects, because we realize that there are some potential risks and problems with some of these things, and we would like to try and look at different models of improving neighbourhoods with you.

Mr. Loewen: Mr. Murray, as said in the House yesterday, we certainly support this legislation as a first step. Just maybe to reiterate the concern I have that we are amending an act which will allow the city to register orders against some properties, against some property owners and not against others. In fact, my understanding is that there are over 4,000 orders issued in a year from the various departments. There is less than 20 landlords who practise this regrettable practice of flipping properties, and so the onus on your administration staff to apply the registrations in

what may appear to the outside public as an even-handed fashion across the board, I think, is at risk here.

I would recommend, as you mentioned other cities, that you also examine what is happening in the city of Edmonton where they register these orders in the form of tickets against individuals that carry a fine with them and that there seems to have solved this type of problem. The danger I see here is twofold; one in that the city can be accused of not applying for the registration of these orders in an even-handed manner and fashion. The other concern I have is that these landlords, obviously in shirking their responsibilities, will go to significant lengths to continue to do that if they feel it is in their best interest. They will come up with new names, new schemes which the administrators have not seen for the last 20 years, and they will figure out ways to get around this. So I think it is important that the city appear to be fair in the application of this law and also be on guard for people who are going to try and circumvent it.

* (1030)

Mr. Murray: I have a great deal of respect and regard for the very difficult work that our inspectors and our police officers do. They currently have to make judicious judgements on property owners, as they do in any kind of law enforcement. Many of them are sworn police officers and operate with a very, very high standard and ethic. Quite frankly, we get very few complaints from those departments from landlords. Often when we do they are independently reviewed and inspected. Quite frankly, I have some faith in it.

There is a model of government, and it comes to a philosophical point, where in the past the City of Winnipeg was treated almost as an adjunct agency of the provincial government. Well, it is interesting that you mentioned Edmonton because I would suggest you read Mayor Bill Smith's new issue on housing. He has just come out with a comprehensive housing strategy, and I think you might find some of his analysis of their by-laws and standards enlightening because they have a very serious problem with housing.

I would really hope that in Manitoba, over the next few years, the City of Winnipeg can have the same kind of authorities and autonomies that many other Canadian cities have and that are commonplace, and that we get away from this idea, that I hope you did not intend to say, that somehow the provincial government has to be our brother's keeper and cannot trust city legislatures to have the same maturity as the other orders of government, because we have had too much of that.

What it has meant in the last decade is that municipalities in Alberta have full autonomy. They have got away from prescriptive legislation. I would not be here likely, if I was in Alberta, asking for this because if I were the Mayor of Edmonton or Calgary or Lethbridge or Red Deer, I would have more autonomy to legislate in this area.

We have a commitment from finally getting away from the Urban Affairs minister to an Intergovernmental Affairs minister of including rural municipalities as well as urban municipalities under one umbrella and starting to give, I think, municipalities the respect that they are due. We have been trying for a year to get a housing policy in place where we put a comprehensive strategy in there. I think the values that came from the community leaders, business leaders, residential groups, reflected those kinds of values. We had a huge community workshop, which MLAs from both parties were involved in, in which this kind of legislation came forward and people who—some of you sit on both sides of the House—gave ideas and said, look, you know, we have got to do this.

If you cannot trust us in a very highly regulated area to be discretionary and intelligent and fair minded and prudent in the laying of charges, then we are really getting into a Big Brother relationship that we thought we got out of. Quite frankly, the City Council in Winnipeg and the citizens of Winnipeg and citizens of Brandon are as mature as citizens in Lethbridge or Calgary and ought to have that kind of autonomy.

It is really bureaucratic, expensive, to have our hands held by the provincial government all the time. We finally are getting away from that.

I mean, I just ask you. If you want to review legislation, go to Minneapolis-St. Paul, who is competition for us, and look at the authority of that mayor and that city council to legislate in housing, the autonomy on funding, the autonomy on what they can do with building standards. I have to come down here.

We have all agreed on council that our zoning by-law process is bureaucratic and stupid. The provincial Legislature of Manitoba told us a couple of years ago that we have to have one committee do it, that we have to have about a five-step process that both the residents who show up sometimes in opposition to development and the developers have all told us is ridiculous.

If I was in most other cities in North America, I would have the autonomy. The City Council would have the authority and the respect to be able to set its own zoning by-laws, which are not unrelated to some of the problems we are facing with housing standards. I am one of the last mayors standing who has to come to the Legislature simply to determine which committee of council and what process we hear zoning by. I mean this Big Brother attitude is very, very frustrating. I am hoping that this new Legislature sees leadership on all sides of the House that starts to respect municipalities as the independent authorities there are, and we get away from this, you know, can we trust you to enforce your own laws.

I think Bill 2 is a statement that, yes, municipalities are mature orders of government and ought to be respected and vested with the authority. If we are charged with enforcing the Criminal Code, I think we could handle the enforcement of some basic housing standards that are commonplace to most cities. Sorry for the lecture.

An Honourable Member: It was not taken as a lecture.

Mr. Murray: No, I am sorry. I apologize.

Madam Chairperson: Thank you, Mr. Mayor. I think Mr. Martindale has a question.

Mr. Martindale: Mr. Murray, thanks for your requesting this legislation and being here to

support it notwithstanding your previous remarks about not wanting to have to ask for permission to do these things.

I have a concern about a house in Burrows, but before I do that, express that concern, I would like to commend your department of Environmental Health. In spite of the fact that there is a department here at this committee today, my experience in the last nine years as an elected person is that your department of Environmental Health is the best department of any of the three levels of government. You can phone with a concern about an address. The staff are always in the office from 8:30 a.m. to 9:30 a.m. They will do an inspection, issue orders if necessary, and report back to you within 24 hours. I do not know of any other government department that will do that. They also have cell phones, so they will answer their voice mail calls during the day as well. It is very impressive, and I have phoned them many times, both as an MLA and during the 1980s when I was a tenant activist.

I certainly know the concern about flipping properties has been around for at least the 20 years that I have been working the inner city and probably much longer. So it is good to see that we are going to close this loophole. However, we have an empty house on Selkirk Avenue that is not boarded up but has been vacant for at least 10 years. I was told that there was a reluctance to proceed against the owner who is an 80-year-old widow. Now I understand the need to be compassionate, but the neighbours do not agree with this approach at all. A weed inspector did order the grass to be cut, and there was a promise to have the garage demolished, which has not been fulfilled yet. Would you share the concerns of the neighbours who feel that a vacant house that is deteriorating is a legitimate concern of the neighbouring property owners and should be dealt with?

Mr. Murray: Yes, I do. We have just brought forward amendments to our demolition by-law at the last November meeting would expedite demolition to solve this problem. It has just passed. I think it is coming back for third reading on Wednesday, tomorrow. So it will be a by-law. I will be glad to refer a copy of it or send a copy of it to you.

Again, we would like this to be a really collaborative relationship with all MLAs, regardless of party. One of the best relationships we had was around the heritage tax credit. We met with all parties. We had a lot of input into it, and I think that everyone can take considerable credit for that. I and Jae Eadie, who is our secretary of new Governmental Affairs, will set aside time to meet with any MLA, or if there is a concern.

If you get feedback that we could be doing something better—there is a lot of overlap. Our two levels of government are very integrated. We work in a very nonpartisan environment. We do not have a party system, and the executive committee is one of the politically most eclectic groups in the country. We think that is a good model, and we are very open to extending that kind of openness to all MLAs. We think that the citizens are served best when we collaborate on the development of legislation and share challenges together and would like, especially from the City of Winnipeg's perspective, a chance to sort of meet quite regularly with urban MLAs.

I think people, quite frankly, are looking for more partnerships in government, in getting away from some of the divisions we have had before. I am hoping that this is unanimous again. I really think that this is good legislation that is well supported politically. It was supported by people who hold memberships in all political parties on the floor of council, and I think it would send a very strong message that there is, in all parties, a new kind of attitude about political leadership and some of the divisiveness, for divisiveness sake, has been placed aside, and we can support this together. Not that we will not have legitimate disagreements, but the implementation of this is really important.

I just want to underscore one thing. If you come from an upper middle income suburban neighbourhood, your capital city, in the majority of its older neighbourhoods, houses are losing from half to two-thirds of their value. That means a real loss of tax revenue, and under the current Assessment Act it shifts that tax burden to commercial properties, which is going to hurt downtown businesses especially, and it shifts it to upper middle income houses from Linden

Woods to North Kildonan. We have two years. We are trying to structure right now a strategy to deal with that and we are looking forward to rolling out a committee on assessment. We would like to try and do that collaboratively and very openly. The issue of trying to enforce our own by-laws, though, is a key underpinning of that. It is revenue issue, it is a shelter issue, it is an issue of humanity.

If we cannot start quickly getting better by-law enforcements—I mean, the comments that Scott and Mr. Martindale and Mr. Loewen made are very, very true. We are talking about not a huge number of people, maybe it is 20 or 30 people, owners who consistently do this, but their impact, because they are unchecked right now, is like a metastasizing cancer on neighbourhoods. One boarded-up house on a block devalues the whole block. It does not take much to do it.

The sad thing is that so few people out there act so irresponsibly and undermine the property owners and the people who own their houses in that neighbourhood and other property owners who own responsibly. Just think of this for one second. An older person who is 72 or 74 years old whose whole life savings when they retired was the value of their home, if it happens to be on a block where one of these landlords is operating, will see the value of their life savings drop from \$72,000 to \$25,000 or \$30,000.

* (1040)

What we are doing is, through inaction and an inability to act, cutting that person's life savings in half. I think that is unacceptable. I do not think there is any member of the Legislature that wants to see those kinds of people out there unchecked.

I have a lot of faith and trust in city staff and my City Council to be able to administer this law prudently in partnership with all members of the Legislature. It would send a very positive message to all members of City Council if we saw this kind of legislation coming forward with the full support of the Legislature and if the doors of all MLAs were open to members of City Council. You all have people in your own political party who sit around the Chamber who

you probably see at party functions, and then we had a much closer working relationship.

I am very impressed with the new Minister of Intergovernmental Affairs (Ms. Friesen), who has taken a very nonpartisan role in her relationship with members of council. I am getting very positive feedback. We are feeling very positive that we have had calls from opposition members and critics asking for help and information in an informed and constructive way, not in a provocative way. I am hoping that we can build that relationship.

It means a lot to us that we have a very positive relationship with the provincial Legislature and the provincial government. When we are developing by-laws what we would like to do is put you on a mailing list. If you see something that is of interest to you or you would like to have some input in or come down and meet with us about it, publicly or privately, we would like to set up a formal kind of relationship with all members of the Legislature. We think that would be a big step forward for us.

Madam Chairman, I am sorry for taking so much time. I can see you are lucky I am probably your only guest today.

Madam Chairperson: I believe that is true. Are there any other questions? Thank you, Mr. Murray.

Hon. Jean Friesen (Minister of Intergovernmental Affairs): I wanted to thank you, Mayor Murray, for coming. I know that there is a City Council meeting very soon, so your time is very short and very pressed. So I appreciate your taking the time. I wanted to thank all members of the committee for their comments and questions. I particularly wanted to thank the opposition for their support of this particular amendment and for the questions they have raised here about the application of the by-law and the response that Mayor Murray has given, that City Council will, as it normally does, establish fair policies for the application of the by-law.

I have taken note of your issue of Land Titles. It was something which the opposition

also raised. I think you have also mentioned the speed as well as the cost was raised in the Legislature earlier. Certainly I think we can work on the speed. I am not sure about the other but will take note of it as well as your invitation to all members of the Legislature to be involved in city policies and in trying to build a better relationship with the city. So I appreciate very much your coming. Thank you.

Madam Chairperson: Thank you, Minister Friesen, and thank you very much, Mr. Murray, for your presentation.

Mr. Murray: Madam Chair, if you would like more information as we move to implement this and if you have criticisms or concerns, we would be very forthcoming with that information and would make it available, and we would view any kind of feedback as very constructive and very helpful. Again, thank you for hearing me today and I wish you much success. I think these are exciting times, and I think all of you who dedicate your life to public service, I think, are worthy of considerable respect. So thank you, again, and we will hopefully see you again soon. Take care.

Madam Chairperson: Have a good day.

I will call to see if Michelle Forrest is in the building or in the room. [interjection] I did not think so. Are there any other presenters? I will canvass the audience one more time to see if there are other presenters or people in attendance wishing to speak to the bill this morning. Going once, going twice. Staff indicated that there are not. Seeing none, is it the will of the committee then to proceed with the detailed consideration of the bill? [agreed]

Does the minister responsible for Bill 2 have an opening statement? No? Does the critic from the opposition have an opening statement?

Mr. Loewen: Madam Chair, I would just like to reiterate some of the concerns that I think arose yesterday and were again spoken to this morning. In particular, the long-term concern of the notion of passing a piece of legislation which will not be applied to everybody in exactly the same way is of concern.

Mr. Martindale, I think, raised an important issue in his question of the mayor this morning that, you know, you have an 80-year-old woman who has probably lived in that house for a lifetime, is maybe not capable of keeping it up to the satisfaction of her neighbours either from a financial perspective or from a physical perspective, and the onus will be on the administration staff. Do they treat her the same as a landlord who may, in fact, flip property? If they choose to register the order against her particular property, it will obviously create difficulty for her in selling that property, create a cost there that may be a burden to her.

I think as legislators, we need to be very careful about passing any law that is not applied to all citizens in the same fashion. So while we have already stated that we will be supporting this bill because we recognize that there is an urgent problem facing the city of Winnipeg, it is our hope that the staff of both the province and the city of Winnipeg will continue to work closely to look at possible further amendments to

The City of Winnipeg Act which will, in fact, put in a long-term solution, which will eliminate the opportunity for negligent landlords to flip the property, but at the same time we will see that citizens whether they are in the West Broadway area, the inner city or in the suburbs will be treated in the same fashion. Thank you.

Madam Chairperson: Thank you, Mr. Loewen. During the consideration of the bill, the preamble and the title are postponed until all other clauses have been considered in their proper order.

Clause 1—pass; Clause 2—pass; Clause 3—pass; Clause 4—pass; Clause 5—pass; Clause 6—pass; Preamble—pass; Title—pass. Bill be reported.

The time is now 10:50 a.m. The committee shall rise and adjourn.

COMMITTEE ROSE AT: 10:48 a.m.