

COUNCIL OF THE CITY OF WINNIPEG

Tuesday, January 29, 2013

The Council met at 9:35 a.m.

The Deputy City Clerk advised the Speaker that a quorum was present.

The Speaker called the meeting to order.

The opening prayer was read by Councillor Orlikow.

ROLL CALL

Clerk: Mr. Speaker Councillor Nordman, His Worship, Mayor Katz, Councillors: Browaty, Eadie, Fielding, Gerbasi, Havixbeck, Mayes, Orlikow, Pagtakhan, Sharma, Smith, Steen, Swandel, Vandal, and Wyatt.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: Proceed.

*Pursuant to section 79 (1) of the City of Winnipeg Charter, the City Clerk was directed by His Worship Mayor Katz to arrange a Special Meeting of Council on **Tuesday, January 29, 2013 at 9:30 am** to consider the following: 2013 Preliminary Capital Budget, the 2014 - 2018 Five Year Forecast, and the 2013-2015 Preliminary Operating Budget.*

Mr. Speaker: Thank you.

DELEGATIONS

Councillor Gerbasi: I'd like to move some additional ...that Council suspends the rules, to hear 7 additional delegations for 5 minutes with no questions as our usual custom in these circumstances.

Mr. Speaker: All those in favour? Opposed? Carried. So we'll be adding those 7 individuals after we've done our registered delegations and we'll invite the first individual down. On behalf of the Manitoba Heavy Construction Association, Mr. Chris Lorenc, in support of Item 1: The report of the Executive Policy Committee.

Chris Lorenc: Thank you very much, Mr. Speaker. Good morning, Mr. Mayor, Members of Council. I am privileged to again, have the opportunity of addressing a full meeting of Council and on this opportunity to address the Capital and Operating Budgets that are proposed. I'll begin first with the Capital Budget. I'd like to extend sincere applause. I think that the directions that Council is pursuing in the context of managing its infrastructure, in this case, the specific recommendations associated with the residential streets assets are transparent, accountable and they are sustainable. They require discipline for you to move forward to succeed on the objectives and they are protected by the two-thirds majority vote required in order to divest funds, which would come with certainly much political and public debate. They are tied to sound asset management principles that you are placing that asset at least on a 25 year replacement cycle and to my knowledge that makes you the first city to formally make a commitment of that kind. It addresses a substantial component of the infrastructure deficit in a managed, transitioned way, and it enables, with moral credibility and authority, the City of Winnipeg to receive 33-cent and 50-cent dollars from the Province and the national government for economic driver assets, which would include your regional streets, your bridges and structures, rapid transit, trade routes and related investments. In short, it is an astute positioning of the City's long-term infrastructure investment interests. And so I congratulate the Mayor, Councillor Wyatt, Mr. Ruta, Mr. Sheegl and Georges Chartier for the leadership and the hard effort that has been invested, and for members of Council, for all of the deliberation and consideration to date.

But there is an issue that you should be aware of, and that is that if you are proposing as you are an enhanced budget, it doesn't mean much if you don't enable your administration to follow and to flow the program. I've circulated for your consideration, 6 steps which we believe would assist; they support, timely, efficient, accelerated completion of construction projects. It's a matter, in my judgement, for referral to the Infrastructure, Renewal and Public Works Committee to consider. And I would respectfully ask and encourage that Council unanimously adopt the proposed referral motion to the standing committee for its consideration.

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With respect to the Operating Budget, I spoke at some length to Executive Policy Committee, and at the Public Works Committee and so I won't repeat those comments. I would like to, however, suggest that Council adopt a second referral motion to consider three matters of structure to enable Councillors and Council with the tools, with which you can receive independent advice, challenge advice that you're giving and ultimately result in my opinion, in better leadership and governance. The first is, and I've addressed Council on these topics in the past. This time I'm accompanied with a referral motion that I would ask that you consider favourably. The first is a research branch independent of administration to report through the Mayor and EPC, to all members of Council, to make available to all members of Council, broad areas of public policy research. It provides an independent review and their analysis of policy objectives and opportunities. As Councillors you get professional advice from your administration, nothing wrong with that. But neither is there anything wrong with challenging that advice, neither is there anything wrong with your seeking independent advice at the federal level you have the Privy Council Office, at the provincial level you have the Treasury Branch and related administration. I believe that the City of Winnipeg Council would benefit and governance would benefit with the research branch.

Secondly, I suggest you formally look at the notion of a treasury branch, again independent of Council, reporting through the Mayor, EPC and to Council to offer independent fiscal analysis of budgets, impacts, financing opportunities and related. And third, and I would submit probably the most important, is that you establish the office of an economic development officer. Council's view of budgets, historically, has been to raise money. And I understand that. That's been the thinking, that's been the structure of municipalities since their birth. But, you all know that economic growth is the prerequisite to enabling you to fund the kinds of priorities that you are charged as a municipal government to deliver. And it's a growing and expanding economy and a growing and expanding assessment base that allowed, along with difficult political decisions that you did make over the last 13 or 14 years, to refrain from having to raise realty taxes. And in our opinion, the Mayor, Executive Policy Committee and Council should be armed with the capacity of pursuing policies that grow the local economy. The Economic Development Officer on par with the CAO and CFO should provide administrative advice based on an adopted economic growth strategy and this could serve as a function both to lead and to co-ordinate activities that are already under way, with and through a variety of agencies in Winnipeg: There should be a focused and co-ordinated leadership approach to move these items forward. And the cost of not considering the above is impairing the desire to be a city of opportunity, a city of growth, a city of arts and culture. It impairs being regarded as a progressive, modern, advanced city. Mr. Mayor and Councillors, you are positioned to examine, to consider, to debate and then to decide. As your electors we are entitled to anticipate leadership, vision and direction. And so I respectfully ask that you consider the second of the two referral motions. I ask that you take the necessary steps to demonstrate an eye to the future. Those are my comments and I would be pleased to respond to any questions.

Mr. Speaker: Any questions for Mr. Lorenc? Seeing none.

Chris Lorenc: Thank you.

Mr. Speaker: Thank you, Chris. Our second delegation on behalf of the Manitoba Federation of Labour in opposition to Item 1 is Mr. Kevin Rebeck, who will have ten minutes followed by David Sanders, from the Altus Group. He will have five minutes. Kevin.

Kevin Rebeck: Thank you and good morning. Morning Mayor, Councillors. The Manitoba Federation of Labour is the largest central labour body in Manitoba, representing 95,000 members. The majority of these working families reside in the City of Winnipeg. And they are directly affected by the budgetary decisions made by City Council. C.U.P.E. Local 500 is one of our major affiliates and it's reported to us that it has very serious concerns about the potential impact that the budget plan now being considered by City Council will have on the people of Winnipeg. We're concerned. We're concerned about the declining state of our infrastructure, including roads, sewer and water systems, important recreational facilities and recreational programs delivered through them. It attributes a large part of this decline to 14 years of frozen property taxes and a business community that's not carrying its fair share of the cost of providing important services to the people of Winnipeg. Another of our union...member unions, is the amalgamated Transit Union. And in spite of the fact that violence against bus drivers and other workers who routinely face the public is well documented, there is not a single reference to this issue, nor a single penny devoted to addressing that even though it's reached a critical stage. Instead, nearly three quarters of a million dollars will be spent on the Mayor's Office's ability to grease the communication wheels leading up to the next city election. C.U.P.E. 500 draws our attention to the City's Vacancy Management program and the budget commitment to the Alternative Service Delivery review and implementation process. It identifies the Vacancy Management program as a major factor in the decline of the City's ability and even its commitment to provide quality public services to the residents of Winnipeg. Cutting staff or leaving vacant positions empty is hardly a blueprint for delivering the services and programs that we pay for through our taxes. It is, however, an excellent bit of ground work for privatizing even more public services as envisioned by the Alternative Service Delivery program. The fact that this budget devotes another \$300,000 to the privatization process indicates to us

that more services are on the block and in anticipating...anticipation of saving \$2 million a year. More secret deals with no public accountability. Where are these \$2 million in savings? And shouldn't citizens and taxpayers have a right to know what you are looking at selling off and no longer being accountable for? How do you save this money by privatizing public services? By cutting city workers? You do it by curing city workers and hiring private sector companies to try and do the job with fewer workers, often paying them less. A mantra of those opposed to effective public services and programs is to starve the beast, in order to force governments to withdraw from citizen's life. You freeze taxes, you continually reduce business taxes and the predictable occurs, the predictable has occurred. Roads and sidewalks go unrepaired, recreational facilities crumble, and support for important antipoverty programs are in decline. We've entered into contracts with a private sector company to provide water management services and with another company to cart away solid waste and recycling. The result is fewer fairly-paid workers employed to do these jobs, public tax money being diverted to profit margins and shareholder dividends and less public oversight by accountable individuals on how these services are delivered. But there is no budgetary reference to monitoring or auditing these privatized services, to ensure they are meeting the needs of Winnipeg residents, or that we're getting good value for the money we're pouring into them. It's clear to me and apparent to many others that City Council needs to take a long hard look at how it's governing our community. Particularly when it comes to establishing a fair and balanced revenue policy and how it supports those community-based programs that may provide some answers on reducing and eliminating the unacceptable level of crushing poverty in Winnipeg. In closing, the City budget consultation process has been nonexistent this year and that lack of respect of public input and accountability is shameful. I for one tire of the secret deals and closed doors attitude of our City Hall. If the process doesn't change in the future, perhaps the residents will change the representatives next year. Thank you.

Mr. Speaker: Any questions for Mr. Rebeck? Councillor Gerbasi.

Councillor Gerbasi: Thank you very much for taking the time to come and speak with us, Kevin. One of the issues that's reduced in this, or eliminated in this budget, is our commitment to the partnership with the United Way on the Poverty Reduction Council on the Peg City indicators and I know that labour... Was labour not involved with starting the United Way, many years ago? And I guess I wonder if you can comment further on that concern?

Kevin Rebeck: I would be glad to comment on that. I was with the United Way Board last evening and we were talking about that. It's ironic that the City relies on the peg indicators that are generated through funding that they receive from the City. The City uses that very work that's being conducted by United Way, as ways to measure and look at how they devise their strategies and plans to address poverty. But without consultation or talking to many community groups, I have decided to do a 10 percent, and I understand it might be mitigated to 5 percent but still, a cut to those funding and services. And I think that, that's a real problem and it's something the City should be investing more in, to ensure that we're addressing the needs of our community members who need the most help.

Councillor Gerbasi: Kevin, are you aware that the cut to the United Way programs we referred to as a 100 percent, it wasn't a 10 percent cut? They are simply no longer partnering on those initiatives period. So I just wondered if you were aware of that.

Kevin Rebeck: No I'm sorry, I understood there was a range there and I didn't realise that it was a 100 percent cut. That's just ludicrous to me, to even hear that, and something that needs to be addressed and modified in this budget.

Mr. Speaker: Any further questions for Mr. Rebeck? Seeing none. Thank you, sir.

Kevin Rebeck: Thank you.

Mr. Speaker: David Sanders. Okay. Five minutes, sir.

David Sanders: Thank you Mr. Speaker, Mr. Mayor and members of Council. Preparing this morning, to oppose recommendation number T: the retention of filing fees for realty and business assessment appeals. Two years ago, I appeared before City Council to oppose the introduction of refundable filing fees, for realty and business assessments appeals at the Board of Revision. City staff suggested then, that such filing fees of between \$50 and \$500 per roll entry would discourage frivolous appeals from taxpayers who subsequently failed to show up for Board of Revision hearings. In my opinion, the real purpose of the new filing fees was just to discourage appeals, period. In any event, after two years of charging filing fees and having to refund the bulk of the money, at least 70% in the case of Altus commercial clients, City staff now want to charge this non-refundable fee to those taxpayers who have proven that their assessments are wrong. If City Council were genuinely concerned about maintaining fairness in realty and business assessment and taxation, which produces over a billion dollars in municipal and school revenue annually, it would reject such efforts to discourage taxpayers from filing appeals. A fair and accessible appeal process is a necessary part of any sustainable taxation system. I do note that this recommendation is projected to increase City revenues by some

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\$264,000 this year, apparently helping to offset the proposed \$1.4 million increase in expenses for City admin. – Councillors and their support staff. If Council does persist in making the Board of Revision filing fees non-refundable for the 2014 reassessment coming up, then I would appreciate it very much if the City staff would undertake to ensure that the proposed new 2014 Non-Residential Realty Assessments and detailed explanations are made available to taxpayers well in advance to the appeal deadline, expected in June of this year. So that taxpayers may have a reasonable opportunity to review and understand what their new assessments are and how they've been made before making a decision to pay for an appeal. There used to be a preview process for non-residential commercial properties but the Assessment Department failed to provide one for the last reassessment in 2012. Detailed explanations for many but not all commercial properties were made available to taxpayers via the web site, just prior to the release of the 2012 assessments. And now however the Department is promising only to post the new assessed values, single numbers, on its web site, and just invites non-residential property owners to contact us for review of values if required. Well if commercial property owners have to go through 311...311 and then wait for the short staffed Assessment Department to respond individually, most will have no choice but to file appeals just to find out how the Realty Assessments have been determined. I would be happy to answer any questions, but I would add further...I do trust this proposed decision, which doesn't specify, would stop the refunding of filing fees only for successful applicants, only made effective with the applications for revision of the new 2014 reassessment and that it will not apply to existing and anticipated supplementary realty and business assessments for 2012 and 2013. The City Assessor in fact, is authorized to issue supplementary 2013 assessments as late as December 31 of 2014, almost two years from now, and the new policy would be unfair to apply it to appeals of these supplementary assessments when refunds were made for all other appeals of 2012 and 2013 assessments. Thank you, Mr. Speaker.

Mr. Speaker: Any questions for Mr. Sanders? Second question? No. Thank you sir, we appreciate you dropping by.

David Sanders: Thank you.

Mr. Speaker: Okay we're going to move to the list of seven that we suspended the rules for, to add to the delegations. These individuals will speak for 5 minutes and there will be no questions. We are moving one of the delegates just for the convenience of his access, so we will ask Mr. Ken Guilford to come first. You have 5 minutes, sir.

Ken Guilford: Thank you, Mayor Sam Katz. Thank you all of you and especially to, the fact that Councillor Jenny Gerbasi let my name stand on the list, thank you. I have a speech similar between my place and here. I don't have...I wish I did have it ready but I don't, so I'm hoping that I can use the notes I have here. Thank you. I learned a new e-mail today. I'll make the speech today clerks@winnipeg.ca. Everyone has been very kind, been generous and I really respect that. Thank you. I would like to tell you some things that have happened to me, lately. I won't give you my life story. You could be here for a while and that's not fair.

Mr. Speaker: Sir, if you could speak to issues regarding the budget, thank you.

Ken Guilford: I'm a member of Idle No More and we need money. I'm also working with the aboriginals and the fact that I went to a meeting, a conference with the Assembly of Manitoba Chiefs on Thursday and they need money, they all need money. But what I'd like to say is the seniors and handicapped of which I'm both. I would like to say that we need at least \$200 a month more, so then we can go about this. And I would hope that it going to be a (inaudible) between the Feds, the Province and the Winnipeg Council. I would like to give people thanks to all of you and we need money, more money to the United Way. I was there last Thursday and they announced that they made a few dollars which...I am as a member and have over a dozen city and province members and I talk to them quite a bit. And the one thing I would like to say if you could stand it...what I would like to say is I am a member of the Independent Living Resource Centre, and now until June we're taking...we're sitting on the speakers forum and I would like that...you help us out. And I'll be one of the speakers and it's really good because what's the end result is we voted different management companies and different organizations, whatever, and to talk to these people and tell them yes, we are positive. Yes, we are useful to the City of Winnipeg, as well as elsewhere. (Inaudible) And I would like to say that I do not want cuts in jobs. We're having a hard time, everybody, and I say no more jobs. I say keep the jobs; keep Winnipeg alive and well and what I would say, again, is the fact that I'm hoping that you beat down, in the process, and put down the fact that we are...the City of Winnipeg is one of the best cities, if not Canada, also North America. I am proud to say that I live in Winnipeg without the two...without the voice and (inaudible). And we want to raise...people raised money before us, it would show that we would not get any money if we (inaudible). And so we went against the Province.

Mr. Speaker: Okay Mr. Guilford, your time is up. Thank you, sir. We appreciate your coming.

Ken Guilford: Okay thank you very much for letting me speak.

Mr. Speaker: You bet. Thank you. Our second speaker today, delegation of this group of 7 is Mr. Dave Sauer. Dave?

Dave Sauer: Good afternoon, or good morning, sorry. Getting ahead of myself. Thanks to City Council as well as the City of Winnipeg staff for the opportunity to address the Council today. My name is Dave Sauer. I'm the president of the Winnipeg Labour Council. We represent 73 affiliated unions, 45,000 workers here in the City of Winnipeg and they include members of C.U.P.E. 500, Amalgamated Transit Union Local 1505, MGEU Local 911 and the United Firefighters of Winnipeg Local 867. We're here because we believe that the City has not done an adequate job in establishing a suitable budget for 2013. Based on which the budget was released, as well as a short period of time in its release and committee...between its release and committee hearings has not given the public an ample opportunity and affected groups and organizations to respond. The operating budget has far reaching implications for all citizens of Winnipeg. In a democratic society, we believe it's in the utmost importance that citizens be given the opportunity to express their views whenever possible in a timely manner.

So the benefits so far? The one percent proposed increase in property taxes for the new local street renewal reserve: we think that's an important step in addressing 14 years of property tax freeze in the city and we need to get up and running with our infrastructure. 45.8 million for Winnipeg Transit is also noteworthy as the City's transit program has increased. We believe the \$569,000 and change for the fire paramedic budget for new ambulances and 12 new paramedic positions is also noteworthy. And the \$669,000 added to the fire paramedic budget for 10 new communication dispatch operators is also notable. 3.8 million in enhancement for management to combat Dutch elm disease and the increase in the \$250,000 annually in pruning are also important to maintain Winnipeg's famed urban canopy. Some of the cons that we have in this budget though are pretty stark, or startling, in my opinion. Vacancy management: \$13.6 million is slated again for vacancy management this year and that's worrisome because it's a trend that we are leaving many positions vacant and that we are eliminating certain positions all together. Less staff for public services is less, or sort of, erodes the quality of public service that we have for citizens out there. Despite an incredible increase in the number of assaults on transit drivers, and this is a very important...I guess problem, that I think has been overlooked by Council all together. Despite a 300 percent increase in the number of assaults on transit drivers over the last five years, there is nothing allocated in this budget at all to deal with the security on our transit service and that's to protect passengers and operators at the same time. The City's committed \$300,000 for accelerating the Alternate Service Delivery Committee review and implementation process. The WLC and its affiliated CUPE Local 500 were really unclear as to what this entails when you're accelerating the ASD process. Our past experiences with this committee's work have shown they are more committed to outsourcing and contracting out and privatizing Winnipeg services. 2013 budget has the proposed 5 percent cut for grants to community groups, organizations and museums and it's a hundred percent cut for the United Way of Winnipeg and I was pleased to hear my other provincial counterpart Kevin Rebeck talk about the importance of United Way in this city. It's been established since 1965, through a partnership with the Winnipeg Chamber of Commerce. It's a very important institution that does a lot of very important work and I don't believe cutting 100 percent of the budget for those two programs from the United Way will do anything good for the city. We have a 50 percent increase in the Councillors allowance, 40,000 per ward at this point. That's very difficult to comprehend; given that you are going to be cutting services, outsourcing, privatizing, contracting out and as well, cutting from museums and organizations. The optics of this move, I think, are what is most disturbing, in that over the last year the City Council has not had a very good run with the general public, that's very obvious.

Mr. Speaker: One minute.

Dave Sauer: Thank you, that is very obvious it hasn't been a good year for this City Council. I think that a poll came out that 69 percent of Winnipeggers don't believe that City Council operated effectively. So I'm not sure what the optics are, or what the Council is trying to accomplish by then, all of a sudden, taking money from a lot of community organizations and putting it into their own offices. It doesn't bode very well and that also goes for the EPC Secretariat that is being increased in its funding through the Mayor's Office. So there are a lot of problems in this budget. I'm really strongly encouraging this Council to reverse this decision on the cuts and slow ASD, or eliminate the ASD Committee process altogether. It doesn't seem to be serving anything very well for the City and we need to keep our public services in public hands. Thank you.

Mr. Speaker: Thank you. Our next speaker is Karim Ammoumou, Canadian Federation of Students. Karim. Five minutes.

Karim Ammoumou: Thank you Mr. Speaker. Thank you for the City Councillors for opening the floor for more speakers. Good morning. My name is Karim Ammoumou. I represent over 42,000 students from across Manitoba. I'm here today to ask City Councillors to make the right decisions and vote against the proposed city budget. The proposed budget is detrimental to students, the community and vitality of the city of Winnipeg. At first glance the proposed budget looks largely inconspicuous a typical city budget, casting reallocations but upon closer examination to becomes quite evident whom this budget serves. And it's not the students and most definitely not the average Winnipegger. For the students, the proposed \$13.6 million savings translates for the current student to no summer employment possibilities and increased difficulties during the desired city job. With youth unemployment hitting record high levels and securing

employment options steadily eroding, the City should be finding ways to retain the best and brightest of our students instead of deterring them and deterring them from staying in Winnipeg. And another alarming aspect of the proposed budget is the blatant ignorance for the real security issues on Winnipeg buses. I have yet to meet a fellow transit rider who cannot share a story of feeling directly threatened or witnessed an incident, intimidation or violence that has engaged...that has endangered their senses of security. It is a sad reality that students and a large community who choose an affordable transit option are also risking their well-being to do so. Transit riders and bus driver should feel confident that their safety is...that their safety secure while riding or working on the city bus. But issues with the budget do not stop at the relaxation and secure city jobs or transit security problems. The proposed budget cuts deeper and more expertly in terms of needed services in the community. For example, the budget eliminates funding to the Winnipeg community in poverty reduction. The poverty reduction strategy both programs are necessary for fighting poverty and unless we overlook the 5 percent cuts to local museums, museums which preserve our rich heritage. We can appreciate that the city is faced with tough fiscal decisions we cannot appreciate the additional 300,000 for accelerating the alternative service delivery also known as finding avenues for privatizing the city and we also cannot appreciate a 50 percent increase totaling \$600,000 to Councillors without any form of spending oversight and we cannot appreciate a \$722,000 for Mr. Katz's Executive Policy Committee Secretariat for a Mayor who believes Winnipeg should be the heart of the continent and is the heart of the continent. He has a funny way to demonstrate his love for the city. We oppose this budget and ask the City Council to respect the voices of their constituents and vote no to the proposed budget. Thank you very much and I'll hope you take that into consideration.

Mr. Speaker: Thank you, Karim. Our next speaker is Bilan Arte, University of Manitoba Students Union. You have 5 minutes.

Bilan Arte: Thank you Mr. Speaker, Mayor, Councillors. Good morning, my name is Bilan Arte and I am President with the University of Manitoba Student's Union, the largest Students Union in the Province. I speak to you today on behalf of the 24,000 undergraduate students at the University of Manitoba and I would like to thank City Council for granting permission for myself and others to speak here today on this important issue.

We believe the City of Winnipeg Operating Budget before you has several unintended and negative consequences for our members. As we know tuition fees and the associated costs of attending university are a major concern to our members. The upfront costs of attending schools are a significant burden on students and on the long term impact of these costs, such as having to worry about repaying our student loans and other forms of debt incurred while attending university certainly add up. Many students are forced to delay many major milestones in their lives such as buying a home and starting a family until those financial concerns are dealt with. While tuition fees are not a direct responsibility of Winnipeg City Council, by any means, they are certainly a role for the City to play and helping to make university and college studies more affordable. In this regard, we want to acknowledge the involvement of the Infrastructure, Renewal and Public Works Committee on the issue of the Universal Bus Pass or U Pass. We are currently in talks with Winnipeg transit and we are hopeful that we will be able to have an operational U Pass by September, 2014. This program will go a long way to make post-secondary education studies more affordable for our members. However, our members are increasingly having to resort to part-time and summer jobs to help pay for their studies and the reality is that Manitoba economy is still suffering the effects of the economic downturn. Last year's youth unemployment rate was around 11 percent in Manitoba and there were fewer jobs available to our members the harder they find it to afford their studies. We believe the proposed operating budget will result in fewer jobs available to members, both in summer periods and throughout the year. The \$13.6 million in savings from vacancy management will result in fewer services provided to Winnipeggers, will also result in fewer opportunities for our members to find work. For our members, the City pays a better wage than many other employers do and cutting and freezing hiring now will result in more of our members being forced to take low wage jobs that barely pay the bills, let alone put someone in a position to afford university studies. The cut to several nonprofit organizations are also incredibly concerning. Aside from the value these organizations provide to the residents of Winnipeg, these are prime potential employers for our members. They represent a way for members to earn a decent wage, while putting their education into practice in ways other jobs can't offer. While the value of these jobs clearly extends beyond just the potential wage earned by its students saving up for university, we also cannot forget what kind of long term impact good jobs have for university students. The budget is also increasing the amount of money allocated to the Alternative Service Delivery review process. In our experience at the University of Manitoba, cost saving measures like these end up costing more in the long run. Our university has outsourced the management of both custodial and food services to the detriment of the quality and services. And as a student's union we routinely have to intervene in situations where the core values of the institution are jeopardized by misguided efforts to save money. We strongly encourage the City to avoid these options.

And finally, we are concerned about the move to increase ward allowances and funding to the EPC Secretariat. These additional expenses come at a time when the city is apparently approaching the point of a fiscal crisis. If the cuts that are being made to this budget are any indication, transferring funding from providing good jobs for Winnipeggers and poverty reduction programs into public relations and advertising seems counterproductive. Many of our members are

poverty affected before, during and after their studies and we believe cutting poverty reduction programs is contrary to our member's best interest.

To summarize we remain optimistic that this budget can be improved upon to reflect the needs of Winnipeggers.

Mr. Speaker: One minute.

Bilan Arte: Yet cutting funding in these ways jeopardizes the ability of the City of Winnipeg to help the residents of this city. We ask that City Council review this budget and amend it with the needs of our members and the broader city population in mind. Thank you for your time today.

Mr. Speaker: Thank you, Bilan. Mike Davidson, President of CUPE Local 500. Mike.

Mike Davidson: Good morning, everyone. We heard a lot of discussion throughout the operating and capital budget process on what is a good budget process? What isn't a good budget process? And you know, were there public forums held to hear from the public can hear about what their priorities were for their communities. And in fact, the budget was tabled on January the 9th and the Standing Committee of Public Works heard delegations on January the 11th. And the media quoted the Mayor on Thursday, January the 24th in the Winnipeg Sun as saying "communication is extremely important. Having the proper staff is important. Getting input from the public is important." Every Councillor here today must decide whether this process of the operating and capital budget ensured that there was enough input from both City Council and the public. Now the 2.87 percent property tax increase for general budgetary requirements is a good move in our view. We've had 14 years of property tax freezes and one year of roll back and during that period of time we saw our infrastructure slide further into debt. We saw our pothole situation increase, we saw our trees, tree pruning initiatives lacking any direction and that wasn't good for the City of Winnipeg but the idea was that time will hold the line on taxes. Had the City had increases even half a point or 3 quarters of a point, Mr. Speaker, we would be ahead by 10s of millions of dollars and in fact, if we had kept pace with inflation we may very well have a budget line increased of somewhere \$180 to \$200 million instead of the massive infrastructure hole debt that we face right now. And there appears to be intent to address the City street restoration arrears by dedicating 1 percent of property taxes towards addressing that problem. We think that's a move in the right direction, Mr. Speaker. We know in the Public Works Street Department, management has done a good job of applying in-house bids for long stretches of road repair with asphalt. This in-house bidding process most certainly has a track record benefiting the City of Winnipeg. Why? Because it gets the job done and saves money. The media has reported and we've heard discussion on this for \$579...\$579,000 for policy and communication office for Council's Executive Policy Committee that would report to the mayor's office. Now, we think that's a huge sum of money. We think that should be pushed aside until we have a third party review of that. We think that's only fair. Vacancy Management: vacancy management is alive and well in the City of Winnipeg with 13.6 million in vacancy management in this budget. This clearly has contributed to a drop in the level of service to the citizens of our community. This continuing practice has taken its toll on almost every single department within the City of Winnipeg. It is inconceivable to think there won't be and has not been a reduction in the level of service to the citizens and the business community. We have also heard...we heard the student associations speak on how their students are seeking out good, well-paying jobs for the summer months. Now on the golf courses, the students there are paid \$11.90 an hour. I don't think that's not out of line at all. They need to have jobs to help that help them get through school. We need our infrastructure, our work done, we need vacancy management problems addressed and in many cases, students are affected. In many cases, they are working in libraries, doing programming, working in pools, where this is part-time work, they might be working 2, 3 hours a night. I don't think that's not a real hardship on what's required to run this city. In fact we need that. And in budget also contains an allocation of 300,000 for accelerating the Alternative Service Delivery process. We question: is there an agenda already in the works and if so why those initiatives included in this year aren't operating budget process? Some Councillors here today may vote very differently if these initiatives were included in this year's budget.

Mr. Speaker: One minute.

Mike Davidson: Our city run golf courses, our many recreation programs, our pools, libraries, arenas, parks and lawn bowling facilities are well received by the citizens of Winnipeg and we should keep pace with providing those very good services. But I only have a minute and 45 seconds left, so I do want to speak, Mr. Speaker, about how potential savings could be found. Now, let's look at our solid waste residential garbage pickup. Many municipalities across the country brought this service back in-house. St. Johns is saving \$500,000 a year, Sherbrook Quebec is saving \$750,000 a year and Mr. Speaker, Ottawa saved nearly \$5 million over four years and passed those savings along to the citizens of Winnipeg. That could go back into our infrastructure. We need to build our own recycling facilities and operate and maintain and gain back public control of the service and gives those savings back to the citizens of Winnipeg. These are but a few services that I think should be revisited. Finished right on time?

Mike Davidson: Thank you, Mr. Speaker.

Mr. Speaker: You're welcome. By the way, nice commercials.

Mike Davidson: Thank you very much.

Mr. Speaker: Dennis Paige. You got five.

Dennis Paige: Good morning. I would like to first thank you for the opportunity to speak to you today about a social injustice about which I feel strongly. I am Dennis Paige. I'm a second year medical student at the University of Manitoba. I stand before you today on behalf of the University of Manitoba medical students who have united as the Global Health Concentration Program. We are an assembly of students who aim to increase awareness and dialogue about global and local health concerns. We also strive to encourage a new way of thinking about poverty and to inspire action. I like to express a deep concern with the Winnipeg City Council's proposal to reduce grant funding to organizations that is work to support the wellbeing of our city's most marginalized citizens. We urge Winnipeg's municipal government to reverse the proposed funding cuts in the 2013 budget to Manitoba Housing and Renewal Corporation and United Way. I've contacted representatives of each of these worthy associations; both will suffer under the proposed budget. The two United Way programs most substantially.

Firstly, the Peg Community Indicator System allows the United Way to recognize the areas of greatest need in the community and appropriately address them. Additionally, it allows United Way to follow the progress that they are making in our community and amend the programs accordingly. At the IN Earth Summit in Abu Dhabi in 2011, it was determined that access to environmental and social data is a fundamental element for the conception of sustainable development. Winnipeg was recognized as a world leader at the Rio +20 conference in Brazil last year in this regard as a result of the Peg Program. However, the municipal funding to this program will be completely cut under the proposed budget, where as it received \$40,000 from the City in 2012. Secondly, United Way's Poverty Reduction Council funded through the poverty action strategy will not receive any municipal funding in 2013, in contrast to the \$45,000 it received last year. It is the new initiative which seeks to determine the optimal method of combating the poverty epidemic in Winnipeg to combining resources from a wide array of professionals. Because poverty affects all aspects of one's livelihood, this interdisciplinary approach is a novel tactic which provides us the best way to counter destitution. It is only through programs such as Poverty Reduction Council that we can address the economic, social, environmental, medical, gender specific and environmental aspects of poverty. The Council has concentrated on several key areas where their operations will have the greatest effect. They are working to improve childhood well-being, create bursaries for students, initiate business education partnerships, increase financial literacy and end homelessness. The particular interest in childhood poverty is of much importance. York University's Dr. Dennis Raphael, has identified in his 2011 publication *Maturitas* that childhood poverty is closely associated with a myriad of health problems throughout life. For example, as adults they will have an 80 percent greater risk of developing type 2 diabetes, a 175 percent greater risk of dying of respiratory diseases and three fold greater risk of dying from stomach cancer than the general public, and that's just for example. The Poverty Reduction Council, as well as the Manitoba Housing and Renewal Corporation, also help those in need of housing and finds suitable accommodations. Without such shelter, one cannot begin to build a stable livelihood. These are the things we should support in our community. If we are to have a bright Winnipeg, we must shine a light on those in the darkness. If we are to have a strong Winnipeg, we must lend a hand to those who need strength. Canada's top scientific journals have identified socioeconomic status as key determining factor of health outcomes in our country. Evidence has shown that the best way to decrease health care expenditures and enhance society's health is through supporting those in the lowest socioeconomic bracket.

Mr. Speaker: One minute.

Dennis Paige: Thank you. Thus all citizens of the City will greatly benefit through the reinforcement of our community's poor. For instance, the Peg Community Indicator System identified that children under the age of 5 from Point Douglas were admitted to hospital for injuries at a rate more than twice the City average in 1990s. Over 1996 to 2010 period, the Peg Initiative facilitated the reduction in injury rates and saw the Point Douglas rates decrease by 47%. Undoubtedly, decreasing the burden on local health care facilities and decreasing wait times. More substantially, by decreasing Winnipeg's poverty rate we can markedly reduce the cost of these citizens upon police force and health care system as a whole. Providing solid foundation upon which our cities impoverished citizens can construct sustainable livelihoods is the most cost efficient method of improving the well-being of Winnipeg as a whole. Restoring funding to the United Way and Manitoba Funding Renewal Corporation equivalent to or greater than the 2012 funding levels would constitute a \$150,031 alteration of the proposed 2013 budget. However, this amendment would have a much greater impact on these organizations since these funds are used to leverage further provincial and federal funding. We call on Winnipeg City Councils to hear, sorry, Winnipeg City Council to hear citizens who lack a political voice and urge the Council come to the aid of those who are in need of it most. Together, let us repair the human condition. Thank you.

Mr. Speaker: Thank you Dennis. And our last speaker today from the Manitoba Organization of Disc Sports, Corey Draper.

Corey Draper: Good morning Mr. Speaker, Mr. Mayor, Councillors. Thank you for letting me speak. I'm here today, I'm the Executive Director for the Manitoba Disc Sports. We're in charge of all the ultimate Frisbee here in town and I'm proud to say that we have over 4,000 members. A lot of people aren't sure who we are but trust me there's a lot of us. And unfortunately a lot of the Councillors had to spend a lot of time, this weekend, addressing a lot of e-mails and phone calls from our members.

I'm here to oppose the proposed increase in the budget for the adult athletic field increase. It's proposed to increase by 105 percent in one year. Obviously I think at the outset that just seems unreasonable in one year to ask of anything. The consultation process, and this has really been sort of lacking I feel. A few years ago the last time there was a significant increase in the fees I thought the City did a good job of this. We brought meetings to Sport Manitoba; the user groups were consulted; the fees were explained; the purpose and reason for them were and the ongoing increase of those fees, which was said to be kept at a minimal rate, as high as maybe 10 percent per year. That's what we budget for. I don't see how anyone could possibly budget for a 105 percent increase.

The other issue is that once we take that, if we do take these fees into account, and actually they do go through, we are now talking about the cost of renting a premium athletic field. Well unfortunately as much as I love this city, the fields we are renting are not athletic fields at all, they are really just green space. They're not on a proper maintenance program and they literally just get the grass cut. Most of them have no irrigation, there really isn't any fertilizer program. So these increased fees are sort of questionable because they don't really bring any value to the membership. Essentially what's happening is: we're doubling the fees; we're not getting any more fields, we're not getting any better fields and we're not fixing the fields that we have. We know about the cost of fields because we've invested most of our resources in building fields, for some people are aware. Winnipeg Ultimate Park is at the Maple Grove site. We've now established 11 athletic fields there at great expense to ourselves. We thank the City for a little bit of the help we had in creating them, but the honesty is we spent over 80 percent of that money ourselves. And it's organizations like ourselves that can really help and be partners in this area. But when we look at this as a budget line, we really can't account for it as we move forward and we're asking too much of the players and members in organizations, and not just our organization but any adult athletic sports group to pay these fees. This money would hurt our organization's capacity to do other good work. We do a lot of outreach in the inner city and with new Canadians. And we're the most accessible and affordable sport there is in the City. And increasing these fees like this is going to hinder that ability to continue that in that way. I don't think I need to speak to the Council about the important aspect of health within our society for keeping a healthy society. Ultimate is basically a life...something you call a life sport and essentially, I feel that we are doing really good work and it doesn't help if we are going to increase that budget and the cost of that and force people to not be able to play as much. The detriment of that of course: less active and the less active population leads to all these other negative consequences in regards to health. One of my biggest concerns is that this money isn't being allocated to fix the fields. This isn't going into the maintenance budget. From what we can see, the expense line of the maintenance budget is actually being reduced. And from what I've been told, a large portion of this would go to create positions of enforcement, i.e., groups that are using city fields that aren't paying for them. And while I wholeheartedly agree that should be clamped down on, I don't think we should be putting that on the backs of the people who are playing by the rules, the people who have been paying their fees and we are one of the largest renters of the City. We've looked at it, I asked the Open Space Manager, I believe Dave Domke is his name, he confirmed that we are less than 3 percent of the rentals in the City's contracts; yet this new revenue...we will make up 25 percent of this new revenue. This doesn't seem fair or to really make any sense in anyone's perspective. We really ask that you look at amending this part of the budget and going back to a more reasonable rate increase that we can handle.

Mr. Speaker: One minute.

Corey Draper: Yes, thank you. So basically to summarize, it's quite clear, this is a, I guess, in some ways a very small item of the budget, there's a lot bigger concerns here today so we understand that. But at the same time, a healthy population is one that can really help the City to knock down expenses in a lot of other areas and we feel like we've been a good partner, we want to be a good partner and we will be looking in the future to make more investments, adding more green space to the City and this budget line just sort of puts a reversal on our prospects of being able to do that quickly. I think that's about all I have to say, so yeah.

Mr. Speaker: Thanks Corey.

Corey Draper: Thanks a lot.

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Mr. Speaker: Okay that concludes our delegations, Councillors. I guess it's time to get this party started so I'll ask the Mayor to proceed with the report from January 23rd.

**REPORT OF THE
EXECUTIVE POLICY COMMITTEE
DATED JANUARY 23, 2013**

Item 1 - 2013 Capital Budget and 2014 to 2018 Five-Year Forecast and the 2013 – 2015 Operating Budget

Mayor Katz: Thank you, Mr. Speaker. As I have in the past, Mr. Speaker, I'm just going to make a few brief comments and then turn it over to the Chair of Finance. As everyone knows, this is a very unique scenario in the fact that we are starting to go towards best practices by combining both the capital and the operating budget; that's something that's very unique to this situation. In addition to that, Mr. Speaker, for the first time in history, Council will hopefully be setting aside one percent of property taxes which will be dedicated, solely, to enhancing our infrastructure and basically addressing some serious issues that we have. Mr. Speaker, I think most people know that the City of Winnipeg has the lowest municipal property taxes in the Country for large cities. We're looking at some of the priorities, that I believe, Council here believes in. Communities: we're addressing libraries and community centres, Mr. Speaker. We're looking at our parks, a significant investment in our parks, including Assiniboine Park. Public safety, Mr. Speaker, significant investment there. As well as when it comes to the environment, we're investing significant money there. And on top of that, Mr. Speaker, we're basically investing approximately \$305 million into transit over the next 6 years. Also addressing our canopy and unconditionally going forward with almost \$2 million. Mr. Speaker, in addition to that we heard delegations come forward and address, once again, our infrastructure deficit. And Councillor Smith came forward and asked for \$200,000 for the Sherbrook Pool, which we're also looking at. So I think, Mr. Speaker, everybody has listened to delegations; there will be some good discussion and conversation today. I want to thank all those who worked on this budget specifically, our administration which are standing beside me, led by Mike Ruta our CFO, as well as the Chair of Finance, as well as the Committee. With that I'll turn it over to Councillor Wyatt.

Mr. Speaker: Chair of Finance, Councillor Wyatt.

Councillor Wyatt: Yes. Thank you very much, Mr. Speaker. I just want to first of all in my opening remarks thank all members of Council for your work on this budget thus far, thank the Mayor, members of EPC, the budget working group and of course the former Chair of Finance for offering his advice and feedback. This is the first time we've brought forward 2 budgets combined. This was a recommendation from a 2008 audit that we as a City did. This is a balanced budget that holds the line on overall spending and includes, the first time, a new plan to wipe out our local street infrastructure deficit and it ensures public safety remains a high priority. And we are making major investments, Mr. Speaker, in our community to secure quality of life as a city. The tax support operating budget is increasing overall by 3.2 percent from 2012. We have a budget last year of \$892.9 million going up to \$921.9 million. This represents a \$28.7 million increase in spending, Mr. Speaker, largely driven by public safety costs. Our utility and our SOA operating expenditure budgets total 556.6 million in 2013, an increase of 2.9 percent over last year, Mr. Speaker. Our 6 year capital investment plan is now 2.5 billion up 6.2 percent, or 145.3 billion...3 million, compared to the six year, last year...six year capital plan.

For the first time in the history of our city, Mr. Speaker, we have a real plan to solve our local street infrastructure deficit. This year, one percent of property tax increase will be dedicated to the renewal of local streets, sidewalks and back lanes. Local streets make up 76 percent of our street inventory; this will generate 4.5 million from the one percent property increase or the equivalent, Mr. Speaker, of \$14.79 for the average assessed home owner. This money will go to a new reserve called the Local Street Renewal Reserve. It will be only used for the renewal of local streets, sidewalks and back lanes; it will be transparent and dedicated. It will require a two-thirds vote of Council, in the future, to use these funds for any other purpose than what I just stated. With our past level of spending, Mr. Speaker, we know we had a major shortfall with an increasing infrastructure deficit every year. Something had to be done. We have asked for a larger piece of the pie, tax pie Mr. Speaker, from other levels of government, but in the absence of those new revenues, we are on our own. We must develop a plan to deal with our residential streets, back lanes and sidewalks and I believe we've done that with this budget.

In 2013, we are going to leverage this \$4.5 million, Mr. Speaker, with debt. We are going to borrow 10 million and use the new revenue generated to make the debt payments. In the first year, our debt payment is anticipated to be \$500,000; and in future years, our debt payment is anticipated to be \$720,000 for a full year on that debt. So there will be \$14 million more for local streets, an increase of 66 percent in local street renewal over 2012 funding. And we are maintaining the previous spending of 21.65 million on local street infrastructure: transparent and no shell game. So the

total new spending, Mr. Speaker, in 2013 on local streets, back lanes and sidewalks will be 35.96 million, \$36 million, an increase a little more than 14 million. The plan is to increase property taxes by one percent, each year, and dedicate it to the new revenue solely for the purpose of local street renewal, using the Local Street Renewal Reserve. This plan impacts both the operating and capital budgets; a matter of fact, it requires the approval of both budgets for the plan to proceed. And it is the best example, Mr. Speaker, of why it's useful and crucial to write both the operating budgets and the capital budgets at the same time.

Our spending on public safety, Mr. Speaker, remains high. Spending on police, fire and paramedics is increasing by 31.3 million in 2013 or 8.3 percent. This is more than the entire increase in the tax supported budget as it's offset...been offset by savings in other areas. This is largely being driven by collective agreements, police pension costs and a larger police officer and firefighter complement. We've taken the complement, Mr. Speaker, in the last year from 1100 officers approximately to now over 1400. And the Police Department alone the spending, Mr. Speaker, is up this year 10 percent or an additional \$22 million. Public safety expenditure now, Mr. Speaker, in the City of Winnipeg will be 406.2 million; which now represents 44 percent of the tax supported operating budget, an increase, Mr. Speaker, of 38 percent only five years ago. We are, this year, adding one new ambulance to the City, with 12 new paramedic staff, and 10 additional fire/paramedic communication dispatch operators. With provincial support, Mr. Speaker, we are adding 10 new police officers and 10 cadets. The 6 year capital plan includes funding of 62.1 million for capital projects for the Police and Fire/Paramedic Service, including funding for new police headquarters, the funding for two new fire halls, which involve replacement and one renovation, Mr. Speaker, as well as new radio systems.

We are investing, Mr. Speaker, also in our communities to maintain and enhance the City's quality of life. This six year capital plan involves 24.6 million in new library redevelopments and 9.4 million for existing libraries. The libraries have often been ignored, Mr. Speaker, and for the first time we are making a significant commitment to the library service of the City. 66.2 million, Mr. Speaker, for the Assiniboine Park Conservancy, to continue the progress that they've been making in enhancing the City's crown jewel. 137.5 million, Mr. Speaker, the City of Winnipeg dedicating to rapid transit to complete the Southwest Transit Corridor. We require provincial funding to match that, Mr. Speaker. It's crucial if we want to stay on track to have that corridor open in 2018. But the City, under the Mayor's leadership has shown the drive and the determination to finish that rapid transit corridor and the funding, Mr. Speaker, is in the budget, subject to provincial funding. Let's get on and finish building the rapid transit system from downtown to the University of Manitoba, Mr. Speaker, let's not wait any longer. Another 1.1 million, Mr. Speaker for rapid transit planning and design work, subject to the provincial matching; which will assist in that design work of the transit corridor, as well as starting the work on the Eastern Rapid Transit Corridor. 30 million, Mr. Speaker, for Polo Park traffic improvements. 7.4 million for the twinning of Molson Street—long overdue. 14 million, Mr. Speaker, for new Community Resource Recovery Centres over the next two years; four of them in all quadrants of the City, Mr. Speaker; making it easier for Winnipeggers to recycle, to encourage the recovery of toxic and hazardous wastes, construction wastes, positive for our environment to keep it out of the landfills, Mr. Speaker. \$5 million, Mr. Speaker, to rebuild a community centre that was burnt to the ground. And Mr. Speaker, of the \$7 million water park money 3.2 million is going to that community centre, East-Elmwood, and the balance 3.8...271,000 into each and everybody's ward in terms of renewing parks and playgrounds and recreation that's badly needed.

Mr. Speaker: Councillor Steen moves extension. All those in favour? Opposed? Carried.

Councillor Wyatt: Thank you. We are increasing, Mr. Speaker, the funding to fight Dutch Elm Disease, unconditionally now. We are delinking it from the Provincial money, but keep in mind, Mr. Speaker, as our administrative report has argued; we do need 3.8 million to have a full-fledged attack on the Dutch Elm Disease problem in our city. But 1.9 million is going into the budget now to start spending on Dutch Elm Disease and we call on the Province to match those dollars as soon as possible. New money, Mr. Speaker. We continue to increase our operating budget every year, a commitment we started making last year, of \$250,000, Mr. Speaker, to increase the pruning cycle of our trees to ensure that the urban forest canopy, as the Mayor calls it, is healthy and well so that we can reach to the target that everyone recommends, which is a one in ten year cycle with regards to tree pruning.

We're investing, Mr. Speaker, more money to address the issue with regards to permit and permit turn around to hire more staff, just to keep up, Mr. Speaker, with the growth and demand for permits in a growing and successful city. We're investing more, Mr. Speaker, now in municipal accommodations, so that we can hire professional project management staff and expertise to oversee capital construction of facilities. This additional cost, Mr. Speaker, will actually be paid through the recoveries from the capital budget, so it does not have an impact on our operating budget.

Mr. Speaker, we are increasing property taxes, but if you compare apples to apples from last year of 3.5, they are going up 2.87, plus the 1 percent for the Local Street Renewal Program, so making it a total of 3.87. 2.87, Mr. Speaker, is the equivalent of 42.44 cents, \$42.44 on the average assessed house in Winnipeg. We have, Mr. Speaker, some of the lowest municipal proper taxes, if not the lowest municipal property taxes of any major Canadian city in this country. Our

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business tax rate, Mr. Speaker, is at 5.9 percent and will remain there and the small business tax credit program, which will also be maintained at last year's level, now is ensuring that 41.4 percent of all businesses qualify for this program or, in practical terms, 5,150 small businesses will not have to pay business tax.

We are reducing our...we are indeed Mr. Speaker, making some tough decisions in terms of this budget. We are eliminating some grants and we are reducing others, for a savings of approximately \$335,000. Keep in mind, Mr. Speaker, our overall spending on grants is well over \$38 million. This represents, Mr. Speaker, .0088 percent of the overall grants that are being reduced. We are ending, Mr. Speaker, the mill rate support, the ratepayers of Winnipeg for the Winnipeg Convention Centre. Instead, the \$423,000 will be funded through the Destination Marketing Fund, the accommodation tax, Mr. Speaker. The debt payments are also coming from the share of the...for the City's expansion of the Convention Centre. We anticipate, Mr. Speaker, right now 13.6 million by managing our vacancies. We have reduced our advertising and consultants costs in the budget, Mr. Speaker, by 868,000 and we do have a target for ASD of \$2 million. We are adding \$300,000, Mr. Speaker, to assist in accelerating that. It is crucial, Mr. Speaker, that when we're raising taxes, we should also be working just as diligently to try to find operational savings. We are eliminating the Tree Root Claims Program, a savings of \$200,000 a year. We are no longer going to be funding...refunding assessment appeals, Mr. Speaker, when an assessment is successfully appealed. And we are now, Mr. Speaker, as had been well publicized recently, conducting operational reviews for both the Public Works Department and the Winnipeg Police Service, long overdue. And we are, Mr. Speaker, making decisions in terms of investing in new policy analysts, in new independent policy support, Mr. Speaker, as was determined through workshops taken place by EPC last year to see that the need that there was for research and development and better communications, Mr. Speaker, at the beginning of the year. And the investment, Mr. Speaker, which we heard from the Governance Committee, towards the wards to address the imbalance that now exists, where we have MLAs which approximately represent half, in some cases, even less than the Councillor's ward are actually receiving on average now approximately \$92,000. Councillors trying to keep up with the wards and their constituents and growing wards. It's an issue, Mr. Speaker, and I want thank the Governance Committee for coming forward with that suggestion.

Mr. Speaker, in summing up, this is a budget which is quite balanced, not just in the fact that it is balanced, but in the fact, Mr. Speaker, that it does a little bit of this and a little bit of that to address the concerns we have. It is raising property taxes, so you know what, Mr. Speaker, maybe it's not the flavour of the month for the radical right, you know, but because we know we have to; we know we have to reinvest in our infrastructure, Mr. Speaker. And we know we have to investing in rapid transit. And I know maybe it's not the flavour of the month for the loony left either, Mr. Speaker, because, you know, we are having to find savings; we are having to find efficiencies; we are having to make some reductions and some tough decisions and cuts. But Mr. Speaker, Mr. Speaker that's what makes this a common sense budget. It's a common sense budget because when you know when both those sides are upset, you know you're on the right track and that it's the right budget for the citizens of Winnipeg and the right budget to move forward. And I'm proud to be able to bring this budget forward and I want to thank the Public Service, Mr. Speaker, who's worked so hard and diligently on this budget. An excellent budget for the future of the City, reinvesting, Mr. Speaker, like we've never reinvested before. I encourage all members of Council to support this budget unanimously. Thank you very much.

Mr. Speaker: Thank you Chairman Wyatt. Councillor Eadie.

Councillor Eadie: I'm known as a person who thinks from the left, Speaker, and I didn't really like the reference to loony left.

Mr. Speaker: How about the radical right?

(Laughter)

Mr. Speaker: I understand Councillor Swandel has a motion.

Motion No. 1
Moved by Councillor Swandel,
Seconded by Councillor Gerbasi,

THAT the 2013 to 2015 Operating Budget be amended by restoring \$335,498 cut from the grants from various community groups;

AND THAT the Councillor's Representation Allowance increase included in the budget be reduced by \$335,498.

Councillor Swandel: Thank you, Mr. Speaker. I'm pleased to introduce this motion. It was good to hear Councillor Wyatt talk about balance and common sense because that's truly what this motion is about. You know, it's a very brief motion. It cuts straight to the chase. It basically says that the 2013-2015 Operating Budget be amended by restoring \$335,498, cut from the grants from various community groups, and that the Councillor's Representation Allowance increase, included in the budget, be reduced to 335,498. Let me start by saying, that in a perfect world I would...I would be setting aside the entire 600,000 because there has not been proper consultation even with Councillors on that base and as Councillor Gerbasi stated before, you know, we should be doing this using some kind of a third party group or individual to arrive at a proper way of understanding how our communication allowances should work. The balance in this is: we know that we've got a bunch of money put forward that nobody's really planned to use this year and that by doing this, we're able to put money back where we can extract a great deal of value and that value comes from our non-government organizations and not-for-profits. You know, you can look at these organizations in a number of areas. I'll start with culture. You know, we all have our own individual beliefs on what civic governments should do in the area of culture but culture is part of a great and vibrant city. The importance of heritage and history to Winnipeg it is, it is forefront in the definition of our city. When you think of Louis Riel, and I specifically mention Louis Riel because when you see what the Federal government did taking money away from Riel House, that sends us a signal to us as Manitobans and I don't want this Council to sending a signal to Winnipeggers as well. The importance of the history in St. Boniface...I went to St. Boniface Museum and you can go through the great deal of museums that are in here. police, fire, you know, these institutions that is hold on to the history and heritage of these organizations that have been here since the beginning of our city, or from the beginning of the cities that made up Unicity, in many cases. There is so much value for our citizens to find there and an understanding for us all of the importance of these entities, whether it be police or fire or others. You can see in here the libraries. You know, you want to talk about value, Mr. Speaker, look at the volunteer capacity that our Library Boards bring to the table. Mr. Speaker, you look at what volunteer capacity did in raising funds for the Millennium Library. You know, to be killing that value, to be sending a signal that we don't want to leverage that human capacity, that volunteer spirit, that Winnipeg is so known for. We've got to be better than this. We've got to do better than this. I will certainly say a lot more in closing, when I close on the motion and also as I speak to the clause going forward. But I encourage all of you. I want to see healthy debate on this. You know, the balance here, the common sense, all of the things Councillor Wyatt spoke of are here. We can do something and hopefully I can give you some sort of an impassioned plea in closing that will get some of you, at least, to move in a direction here that's about building a great city, about having a vibrant city, about having a city that people want to come to and that the people that are in this city today are out there celebrating. And you know far too often you're out there hearing some negative things said by our own citizens. Well, we need to be doing more celebrating. We need to be enabling our people to go and see the things that we should be celebrating; whether it's our museums and some of the other wonders of institutions, like the United Way. You heard some commentary this morning on the Peg Indicators, you know, these are valuable resources to any city and for us to be taking a step backwards, instead of going forward is, I think, a shame. And this motion, Mr. Speaker, all it does is, it just asks that is we hold status quo. That doesn't mean that in the future you can't put more money into Councillor Representation Allowances after you've done a better job of consultation and using...and the gathering of third party information. So I just encourage you all. I want to hear good debate on this and let's open our minds here. Let's not come in here with pre-formed opinions. I think far too often that happens in here that decisions are already made before we get to the debate. This is an extremely important piece of value for our city and I'll leave it at that and I hope we can turn some minds here today as we debate this very important issue.

Mr. Speaker: Thanks, Councillor Swandel. Just before we proceed with other speakers and comments, I just want to, you know, give you the forum that we are working in here, that we're considering both the Capital and Operating Budgets together.

Councillor Gerbasi: Seeing that there's another motion be introduced first.

Mr. Speaker: Right, I'm just...yeah. I will certainly acknowledge that. And it's been our practice in the past, and the Procedure By-law for Councillors will speak concurrently on the budget and the proposed amendments, so we're working together on that. And the Councillors also have ten minutes each plus an extension if that's necessary. So, just so we're clear. Yes, Councillor Vandal.

Councillor Vandal: Clarify whether this is going to be one or two votes.

Mr. Speaker: There'll be two votes. One for Capital and one for Operating, clear? That's good.

Councillor Mayes: ...clarify your commentary. So you were saying all commentary on any amendment and budgets, all to be done together.

Mr. Speaker: Within that 10 minutes. Okay?

(Inaudible)

Mr. Speaker: Yes, you do, yeah absolutely.

(Inaudible)

Mr. Speaker: Are we putting on the second motion on the table now? Alright, Councillor Browaty you have another motion.

Motion No. 2

**Moved by Councillor Browaty,
Seconded by Councillor Mayes,**

WHEREAS the proposed increase (from \$34 to \$70) in adult booking fees for City athletic fields will be used to hire enforcement staff to search-out organized groups using City fields without paying the booking fee;

AND WHEREAS there is currently no council policy restricting the use of an un-booked City field without paying the fee;

AND WHEREAS the cancelling of the fee increase would be partially offset by decreased enforcement expenses until any problems are identified by the Public Service;

THEREFORE BE IT RESOLVED THAT the Winnipeg Public Service be directed to report to the Standing Policy Committee on Infrastructure Renewal and Public Works on any issues with the current field allocation policy and booking system and the potential need for a council policy enforcing booking practices on City fields;

AND BE IT FURTHER RESOLVED THAT the field booking fee be lowered to \$43 to balance the \$15,000 shortfall in the current budget;

AND BE IT FURTHER RESOLVED THAT the proposed increase in Athletic Field Enforcement of \$45,000 be cancelled.

Councillor Browaty: Thank you very much, Mr. Speaker. Just to clarify, is this my opportunity to speak on everything or just introduce the motion at this point? (Inaudible) Just opening on this motion? Okay, I'll reserve my other comments until later then. This is just a small issue that came up in the last number of days. In the Parks and Urban Forestry Budget, there shows an extra \$60,000 in an increase and athletic user fees...that's the \$34 to \$70. And an increase in expenses for the, what it calls, the athletic field enforcement of \$45,000 in incremental new expenses, leaving a shortfall of \$15,000 that new revenue; less expenses. What I'm proposing here today, simply, is to lower the increase from \$70 to \$43 so this still keeps the budget completely balanced. The reality is, we haven't really had any report brought forward by the Public Service identifying a problem. We have athletic fields out there that need maintenance; this doesn't address that. We have athletic fields out there that are being used and that's a good thing. If there is a problem, in terms of groups butting heads, if there's a problem out there with the various groups not paying their fair share, we can look at that. But we don't have any background as to say what the problem is and I think this is putting the cart before the horse. So my proposal is again, we reduce the \$70 fee to \$43 and we put the enforcement on hold until we've had a chance to speak to our Public Service to look at the opportunities out there for better managing our public fields.

Mr. Speaker: Thank you, Councillor Browaty. No further comments on that? Councillor Smith you were the first person to put your hand up, so you have 10 minutes to address the amendments and the budget.

Councillor Smith: I just want to deal with the budget.

Mr. Speaker: Fair enough.

Councillor Smith: You know, I don't know what the rush was here. We had the Standing Committees meeting on January 11th, 14th and 15th and we had no consultation about the budget with the people that we represent. And you know, the Mayor and the Deputy Mayor said this at one point, "Input from the public is most welcome. Find out how you can get involved." And then we don't give them the chance to get involved because we rushed it through. However, the message from the Mayor and Deputy Mayor is one reason why I will support this budget. Here is what it said about the budget: "Fixing our streets is a top priority for Winnipeggers and this budget sets out a long term plan to do it. The 2013 Capital Budget proposes a 1 percent property tax increase to help fix our local streets by leveraging these dollars through borrowing, we will have an additional 14 million to spend on local streets this year, a 66 percent increase over

2012." Isn't it amazing? We are actually going to have a plan at last to deal with our decaying roadways. In all my years on Council, I have never seen a plan to deal with our mean streets.

But there are weaknesses in the Capital Budget. We are not dealing with our decaying arenas, how long can they exist? Now let's look at the Operating Budget with cuts of 10 percent to nonprofits and charities. How can we afford to cut the Manitoba Children's Museum, the other museums, block parents, Winnipeg harvest and the Poverty Action Strategy? The fact is we don't have to take this savage attack if we increase our revenues. Why are we giving businesses tax breaks in our city? We're increasing property tax and yet we allow our businesses not to pull their weight. Businesses in Calgary and Edmonton pay their fair share of taxes, but here in Winnipeg we have frozen the business tax or eliminated it for 40 percent of the businesses. We're losing a few million, which we could give to the nonprofits. Instead of cutting them by 10 percent, we could increase our grant to them and have money to spare to spend on worthwhile projects. I mean, we could eliminate the 13.6 million in vacancy management. What the hell is vacancy management? Sounds vague so no one can understand that this is the sum saved by not filling positions. This Mayor and our last Mayor have maintained that there are no cuts in providing front line services. We have cuts in staff, but no cuts in service. I don't believe that. This Mayor is not a magician, nor was Glen Murray a magician. When we cut staff by not filling their positions when they retire or leave for other employment, we are cutting services.

Another reason I am supporting this budget is the allocation of 200,000 as a start to repairing the Sherbrook Pool. I must thank the Mayor for supporting the Sherbrook Pool; it is a vital recreation facility for this city. I recently received an email that stated that the many programs that this pool provide constructive, character building activities for children and teens that would otherwise would be roaming the streets and whatever it's done to raise a good citizen, benefits the whole city. Once again, thank you Mr. Mayor. But the main reason I am voting for this budget is the addition of 1.9 million to help ensure that the enhanced Dutch Elm Disease Management Plan is implemented. We are in a crisis situation having lost half of our elms to Dutch Elm Disease. The urban canopy of elm trees contributes very significantly to the social, environmental and financial quality of life to all of us in Winnipeg. What a great loss if all these trees disappear from our neighbourhoods. I strongly support this budget, even with all its faults.

Mr. Speaker: Thank you, Councillor Smith. Councillor Havixbeck.

Councillor Havixbeck: Mr. Speaker, I have been on Council for 27 months now and this is my third budget. During the last budget I stated I would not support another property tax increase until all opportunities for savings and all in-house efficiencies had been realized. This budget does not reflect that commitment for me. It is abundantly clear from the communications I have received from citizens throughout Winnipeg, they are cynical, they are disillusioned and they have lost faith in City Council and I don't make that statement lightly. Nothing galvanized public opinion like the \$2.3 million overrun on the fire halls last fall. This file symbolizes our inability to realize important information from the administration. The net result? Council unanimously supported an audit of that one file costing taxpayers \$250,000 more. During this budget too, we were unable to get specific information. Emterra fines were those fines treated as a revenue source, a decrease in the expenditure, something else? Repeated requests never really clarified that. So why is this all important? Because, Mr. Speaker, when we cannot glean the most basic of answers from our administration, why should the citizens of Winnipeg believe us, that we will deliver a budget premised on accurate information? There were savings, significant savings to be realized in this budget but there was no desire to examine options. My motions at EPC to not proceed with the EPC office of 722,000, ward allowances of 600,000, police consultants of 200,000, EPC consultants of 300,000, the list goes on. In private, I presented a list of \$27 million, summarily dismissed. Yet \$200,000 was easily moved from the Mayor's office towards the reparation of Sherbrook Pool. Another \$340,000 was found towards the Assiniboine Park Conservancy. Mr. Speaker a budget document is the framework for the operations of the City's next year. These last minute alterations underscore the fact that the budget document is flexible and can be subject to change when there is a will.

I have to say, I agree with many that this year's budget process was a sham. We had public consultation in the past. We previously held special committee meetings for citizens who wished to appear in delegation. This year we made our senior people wait 8 hours while delegations thrashed around about chickens and cats. This is wrong. We had some of our highest paid people waiting all day. Why could they not have been heard and go back to their respective positions? I would argue that's a waste of time, money and talent. Why the rush to judgment, Mr. Speaker? The Chairman of Finance clarified at our last Council meeting that we have until March 31st, two months from now, to approve the Operating and December 31st to approve the Capital. Had we taken additional time for examination of this massive document, the City would not have stopped running. No one would have missed a pay cheque but I believe we could have eliminated a tax increase.

No one has had a list of proposed streets for this 1 percent infrastructure because the administration told me they would not have it until later this week, later this week, after we are here, approving this document today. And I would love to know the streets, the whole list of streets not just the announcements, of what is going to be renewed with this new

money. Because Mr. Speaker, I have an email from the administration, from May 18th, 2012, and it highlights the one street that Charleswood-Tuxedo is going to be having that was going to be funded under old money; yet I have an email from the same person in administration saying, "That should the 1 percent go through that will come out of new money." So I'd like to see a list of the streets that were going to be coming out of old money and the ones that are going to be coming out of new money.

We have...I would also add that this 1 percent is compounded. This is impacting people significantly. We have recreated reserves; we need attention on that. The Brady Landfill was one I, to date, still do not have a clear answer on. We are recreating reserves for garbage and recycling; the Brady Landfill has barely been touched since 1993. The police review; a new Chief, a police board and an expert from Peel that was flown in from the Peel region, all reasons to scrap an admin review.

I think the thing that's hitting people the most is the budget increases to ward allowances; 74,000 to 114,000, or 54 percent. Even the compromised motion is still 25 percent. Councillors say they need it for more communication. Who here would not challenge such a huge increase in their Autopac insurance, in the price of hydro, in the price of gasoline? The answer is none of you. It's that type of thinking that's triggering the outrage from the public with this unwarranted, illogical increase and I believe we've all heard from them. About 2 weeks ago, I brought forward a motion to the Protection Committee to augment the number of special resource officers in our schools from 11 to 15. The budget allows for one additional SRO, yes. The Protection Committee Chairman sent my request into a fire storm of administrative review. Had this motion have passed, it would have cost the City \$133,000. And resulted in four additional SROs, meaning every school division in the City would have a SRO or access to one should they want it. This is actually 25 percent, less than 25 percent of the proposed ward allowance increase. The communication to our citizens would have been direct and unambiguous. Our paramount priority would be the safety of our students and our school staff. As a single mother of two young sons and many of you are parents and grandparents, how can any of us fathom the loss that the parents feel in Connecticut? That, Mr. Speaker, would have been communication we could have all been proud of.

Mr. Speaker, the ubiquitous hand of the administration noted vacancy management of 13.6 percent...13.6 million in this year's budget document; I also note vacancy management of 13.6 million last year. Why is this important? Because in my emails from the CFO, Mr. Speaker, the City employed 8440 people in 2011; whereas, our 2013 budget reflects 8761 people, but I'm sure the Budget Chairman knows this. For edification of the rest of Council, this year we will actually employ 321 more people. If you estimate their salaries at \$50,000, that's \$16 million. There's 4 percent right there. It means our pay roll increased by \$16 million. That is very significant. What is this vacancy management number? I would have to argue it's a fictitious number. So I would argue there is no vacancy management. We've in fact increased the number of people on board. Mr. Speaker, had we had enough time to examine this and to question the administration, we could have avoided this tax increase.

I don't have all the answers Mr. Speaker, but for the next 21 months of my term, my commitment to the citizens of Winnipeg is I will not support a tax increase, until all efficiencies have been realized and all options explored. I have sat through a number of meetings that were not pleasant. They were necessary though. I have been a contributing voice in private and in public for those who are choosing to listen. I'm committed to examining best practices in other regions and listening to the leaders...continuing to listen to the leaders in our business community and the community at large. And I continue to welcome the feedback from all areas of the City. I think it's clear in this budget that I'm no one's yes person and I won't fall over like a tin soldier to rush a document. I believe we have an obligation to citizens to do better. This budget should have been the opportunity to increase faith in City Council, but it does nothing to allay fear and restore confidence. I cannot and will not support a tax increase that I know could have been avoided by involving all members of Council, and working harder and longer. Council is about inclusion not exclusion. Thank you.

Mr. Speaker: Who's next? Councillor Gerbasi.

Councillor Gerbasi: Thank you, Mr. Speaker. I would be remiss in not speaking a little bit about process. I know it can be tedious, but this process was remarkably worse than the processes in the past, which I have to say is saying a lot. You know, there was less time than ever for non-EPC Councillors and the public to be engaged and you know, I want to thank the people who did come out this morning. You know, you'd have to be pretty motivated to figure out how to get on the agenda to speak to Council. And we're dealing with two budgets instead of one which is a lot to go through in a few short weeks. I'm not going through all the reasons why the process was wrong. I've done that in some of my blogs but...so I'll just move on from that. It's been rushed. Here we are. We have to decide today.

In every budget there are a lot of positives and I'll start with mentioning those. The 1 percent tax dedicated for local streets, I agree we need to take steps to address that; this is a fairly good process. It will be fairly minimal impact but over time it will have a bigger impact, so I do support that. The rapid transit money, I would be remiss in not appreciating

that...I was at the announcement. I appreciate the commitment to that and I've always said the City has to be the first, you know, we have to believe in our project and we have to be out there saying, we will be there to fund it and so I thank you for that and I thank Councillor Wyatt for his leadership on that. Crescent Park, again, I've been fighting about this...trying to raise this issue for some time and I do really appreciate that you listened and you added some money for next year for this important regional park. It's not just for people in all of Fort Garry, which covers 3 wards, but the whole city uses Crescent Park and I thank you for listening. The Dutch Elm Disease is another thing where we made our commitment and, again, I appreciate that. We did the right thing; the tree canopy is incredibly important. There's a few other things, BIZ zone streetscaping, it remains in the budget, which is important with our aging infrastructure and our BIZ zone areas and our business districts. So you know, I'm not saying the budget is all bad by any means, in terms of some of the good projects we're continuing to do.

However, on the not so positive side, the cuts to the museums, the poverty initiatives and crime prevention, I have a lot of concerns about. Museums are like community centres. They really are the City's property and responsibility. And they are run by volunteers, and these volunteers save us money by providing the labour and the managing these important cultural assets for us. So it's appalling that we're nickeling and diming to death like this. And I guess it comes down to the values of this Council and whether we value our history and culture, and I think most Winnipeggers do. Given another point, given that safety makes up almost half of our budget in terms of the cost of policing and other things. We might want to start facing the roots of the problem, which is exactly what our new Chief has been saying. Every time he spoken he has been saying, we have to address the social issues that lead from poverty and other things, not only poverty, of course, but many of the social issues that lead to crime. So I was shocked to learn the City is cutting 100 percent of its funding to the United Way lead Poverty Reduction Council and also removing funding from the Peg City Indicators Program. We know the City can't deal with poverty alone and that is why these initiatives were done the way they were in partnership with the private sector, the province and the nonprofit sector. And our new city plan, this is one of the companion documents that you all voted for, you might remember, very recently, A Sustainable Winnipeg. And I mentioned this at EPC, on page 21 it describes the Peg City indicators as an enabling strategy. I quote, "The City to continue as an active partner in the Community Indicator Peg System Project with the United Way." Another: "ISD, Assembly of Manitoba Chiefs, the Province of Manitoba and other supporters" So we made a commitment in our city plan and you are breaking it today. I hope you understand what you're doing, because I said it and the silence was deafening. We know that the City can't...Sorry. So the funding for that is gone in this budget and I just wonder if this document means anything.

A task force which began in December of 2012, under the Poverty Council, is working at developing a long-term strategy to deal with homelessness. And cities like Edmonton and Calgary have worked with their province and actively developed an effective homelessness strategy. I spent the last two years participating in the CEO Sleep Out that the Downtown BIZ organizes with 50 other high profile citizens: bankers, business people, CAOs, and they understand that the City needs to be involved in a partner and show leadership in addressing poverty with the other levels of government. And I think it's an incredible mistake and my concern about this so great that even though I do not support the \$40,000 increase to Councillors; I think the process is wrong; I think the way it was done is wrong; I think we have to have better rules around it and a bunch of issues. I would...I supported Justin's compromise to try to get this money back for our museums and our poverty. So I want people, poverty strategy, so I want people to understand that. I still think 40,000 is wrong, but I was hoping this would bring a divided Council together. To be frank, you can drive a truck through our ward budget policy. And while some Councillors spend responsibly, there should be a policy review to ensure that the money is serving the overall public good. And in order to make...so anyway I have already mentioned that. This is strictly...the motion has been explained and I think it's pretty obvious. I believe the general public on all sides of the political spectrum are very unhappy with the Ward Representation Allowance increase, so I leave that with you.

One thing though, I really want to set straight, is some Councillors have alluded, have tried to say that if you are unhappy with the cuts to the grants for community groups then pay for their cost out of your office budget 'cause you'll just get a big increase. You're getting a big increase. Well this is an absurd way to run a city. For one thing, Councillors who represent the downtown and the inner city, have a huge concentration of nonprofit groups and community groups located there. Secondly, is Mike Pagtakhan now responsible for the operating costs of the Manitoba Museum, because it's in the Point Douglas ward? Should Fort Rouge-East Fort Garry pay for the Children's Museum and the downtown theatres? Maybe the Winnipeg Jets grant should come out of Fort Rouge-East Fort Garry because it's located there. That's what you are saying; take it to its logical conclusion. Councillor Havixbeck should be responsible for Assiniboine Park out of her office budget. How many millions is that? Like, it's absurd. Many initiatives like the Block Parents are city wide, although located in Fort Rouge. So I think I've made my point. And I guess this raises the question, and poverty, that's not a ward issue, that's all of our issue. And it raises the question, what kind of Council are we turning into, each person for himself? This is not a way to run a city financially, socially or morally. A budget should be looked at as a city-wide blueprint and financial plan to create the city that we want to have and our citizens deserve. Not some pie to be divided up into 15 pieces to make sure everyone has a big enough serving of pork, while the inner city and downtown

are abandoned. Issues like poverty reduction, arts and culture, and crime prevention benefit everyone in this city and should be part of our corporate plan. And I won't have time, in the time I have left, to address all of the issues in the budget that should be discussed, so I apologize if I wasn't able to advocate for all the concerns that came to my attention in the brief time we've had to look at the Operating Budget and Capital Budget.

The Heritage Investment Reserve, I raised at the committee meetings, still is down to almost nothing which means no more heritage tax credits, unless we refill that reserve. So I really hope that's going to be addressed. I think people understand that, that program brings buildings to life and then brings in new taxes to pay for itself but we've taken some of that money out for grants and overused it for some important projects that came up, which we needed to do, but we needed to refill that reserve and I think the Mayor understands that and I hope that'll be addressed.

The Sherbrook Pool, after years of neglect, is closed right now with the roof being held up by scaffolding. Is \$20,000 enough? It's enough to study the program and figure how bad it is. It isn't clear to me if there is any commitment to fix it and that historic building and treasured pool, in the heart of our city, should have been addressed years ago and it's demolition by neglect. Something needs to be done. In general, there is a lot of infrastructure needs that are being ignored while a whole lot is going on into brand-spanking-new infrastructure. The Sherbrook Pool is the tip of the iceberg. We have arenas and indoor pools, and outdoor pools in dire shape; the Civic Parkade and the PSB stand empty and falling down across the street. We will wait a long time to see the Pembina underpass and the South Osborne underpass being renewed. These roadways are bottle necks for the daily commute, as well as a disaster for active transportation and any actual change is years away. Contrast this with the new, brand new spanking facilities, Fire halls that have cost us more, a police station downtown now at almost \$200 million. Sure we need those facilities but how well was the public money managed on these projects? We now have had to embark on a massive audit to sort out the mess.

Mr. Speaker: Councillor Wyatt moves extension. All in favour? Opposed? Carried.

Councillor Gerbasi: Cost overruns...Cost overruns for Waverly West roads are just one example of how massive new developments on the edge of the city are costing too much and the price is being borne by the rest of the city. What we really need are meaningful and more realistic development charges for new suburban development but that went the way the Dodo when this Council lacked the courage to stand up to the developer lobby. Where are those discussions now? Nowhere. There are huge subsidies for new infrastructure for retailers like IKEA and Target. Where are the conservative fiscal policies now when we actually need them? Corporate welfare is alive and well. 10 million more was added out of the blue, no problem for Target; it's there in a flash. The budget is balanced furthermore on the basis of 2 million in alternative ASD initiatives. It is not clear at all that there really are those kinds of savings to be found in 2003, so that budget line really isn't real. And I got a sense from the comments during the Council Seminar that more cuts from frontline departments will be needed to truly balance the budget because those savings will not materialize. It's hard to support something without more assurance of what those reductions would mean to the City's ability to function with a vacancy management we've heard about and other issues impacting that are impacting the City's ability to deliver service. It's not clear to any of us what acceleration of ASD means. Is that a suit we're hiring to go around and figure out how to privatize more things? I don't know what it means, and how effective can it be? We have had – we still have votes to come on some of these issues, like the fate of some of our staff that are on the chopping block. But so far the ASD has not clearly provided savings and we can't really know the truth because there is a refusal to do a meaningful audit on these initiatives which have been called for repeatedly and ignored. So there is no evidence to have an intelligent discussion, it's ideological.

And finally, this budget includes a huge whack of money for the Mayor's new office communication and political staff. Can I have a few 30 more seconds or so just to finish up please? The new money would make sense if it was balanced to include objective administrative advisers, at a time when we're cutting communications for administration. Essentially this money is all for political staff leading up to 2014, I guess to sell everyone on the wonderful vision and direction as presented in this budget. So in conclusion, regarding the Capital Budget, I was considering supporting that if it's a separate vote, simply because I do appreciate the commitment the on rapid transit and Crescent Park is considered and you've listened to the public at least on a couple of important issues like Dutch Elm. But the Operating Budget is a different story unless this amendment is passed, where I cannot stomach giving Councillors' offices huge increases while we cut funding to museums, where we cancel our partnership with the United Way on poverty reduction and crime prevention groups. The idea, in conclusion, the idea of each ward for itself is so wrong. We aren't 15 cities, we are the City of Winnipeg and we have a duty to present a financial plan that deals with the challenges our citizens face. Our citizens deserve the leadership where we consider the big picture of our city needs, not a group of 15 fiefdoms scratching their way to get a plate of pork for themselves. We are in this together, not just with each other as Councillors but with our partners in the business community, with labour, and the nonprofit sector, and with our citizens. That is how we can make what the Winnipeg we all love a better place for everyone. Thank you for your indulgence.

Mr. Speaker: Thank you Councillor Gerbasi. Who's next?

Some Councillors: Call the question.

Mr. Speaker: Councillor Mayes.

Councillor Mayes: Thank you, Mr. Speaker. I'll try to fit into the time limit but these are important documents and we...I think we deserve a chance to speak at some length on them. Firstly, turning to the Capital Budget, well the process has been touched upon and was lamentable in some respects, I think, and part of that is the fact we made a good decision to move to a unified Capital and Operating Budget and we also changed Finance chairs part way through the process. So I think next year is there'll be...there's been a commitment to have more consultation. I do want to commend Mike Ruta, our Finance Chief, for answering many thousands of questions I have put forward. Councillor Wyatt certainly answered a number of questions; volunteered to come out to the open house, I did have on the budget, in St. Vital, we couldn't quite make that work. But one of the things that came out was talking about saving St. Vital Library and I'll come to that in my comments. And Councillor Fielding, also at the start of this process, I went into his office one day and talked about capital and what I would like to see in my ward and he listened to that, so some positive aspects in terms of the process. In terms of the Capital Budget, I'll be voting in favour of that. If I had to say why, I was looking at my own election literature from when I ran and I talked about a couple of things there. I talked about back lanes, roads and sidewalks and that is a definitely a commitment that's been made budget. I talked about...I will support the extension of the Rapid Transit Corridor so that it will run from the downtown to the University of Manitoba and we're very publically making a commitment to that. I talked about improving our older community centres and there is a provision at page 66 of the Capital Budget, the Mayor's fund for improvement of capital...for community centres, and I will say, all four of my wards' community centres have got funding under that. I am a non-EPC Councillor, so I've been appreciate that, that this money hasn't doled out just into the EPC wards. My ward has certainly benefited from that. Another reason to vote for this capital budget, St. Vital Park; I said in my election literature that I would work to upgrade the skate shelter and other facilities, and we had an announcement there of over 2 million from old money and from new money, that's in here, going into St. Vital Park so very pleased to announce that.

And there is a provision in here about St. Vital Library being renovated; I'm extremely proud of that. And we've got a wording change because if you read the original wording, it made it sound like, whatever isn't soaked up in Councillor Vandal's commendable new project at Bonivital, the leftover would get flipped into St. Vital, we're deleting that. There's been a public commitment to, about 1.8 million for the St. Vital library. There's but...there is a provision here that gives me a little pause. I'm pleased to see that we're expending the \$7 million that was set aside from the water park; it does nobody any good to have it sitting around year after year. There is a provision, I think it's a recommendation F that these will have to be approved by a federal, sorry by provincial and municipal committee. That gives me a little hesitation because I don't know what the Province might want to do with the money in my ward but, as Councillor Wyatt has said, the Province is not against recreation, so I'm hopeful we work things out and get that money out into...expended in our communities. So the Operating Budget I view slightly differently. Well first come to the amendment Councillor Browaty and I have brought in on the playing field. I do have problems with the proposed increase for the rate on playing fields and Councillor Browaty has put forth some wording that's, I think, is a reasonable compromise. So I'm supporting him and will support that amendment.

I also...I will close by turning to the other amendment, which I also support. If somebody handed me the pen and said you write the Operating Budget, I think I would have said I want to do the Chris Lorenc tax, the one percent that's dedicated specifically for infrastructure. If there's anything that we should be highlighting in this operating budget, it's that. That we're putting one percent, we're dedicating it to the...to infrastructure renewal and that's something that's desperately needed in the City. There has been some discussion too about business tax here. For clarity, this is actually is a step forward, in my view, on the business tax. Yes, it's going from 6.5 to 6.4 percent of our total revenue but for the first time in several years we didn't freeze the total revenue. I talked about this last year. We're actually getting \$800,000 more out of the business tax; \$800,000 more from the business tax if we weren't doing that, the property tax increase would be up over four percent so it is an important move. It's not as far as some people have called for but it is I think commendable that we are rebalancing that a bit and that we are capturing the growth in the commercial sector and getting some of that for the business tax. We're also...it's important to note that page 119, one of the things I ran on in my election literature: more money for crime prevention and we're going from 272 crime prevention positions to 285. So yes, we're hiring more people to work in the City of Winnipeg. Some of that is transit, some of that is also crime prevention. We're definitely adding another 13 crime prevention positions and I'm certainly in favour of that. What is problematic in the budget, I had somebody email me as I sat here saying, "You know, your transit safety initiative isn't in there" and that is true. And that disappoints me and I think that's a serious issue. We are bringing forward a motion tomorrow to commission another study that, Councillor Vandal and I, Councillor Sharma said at the committee level. "Eight hundred thousand, where are getting that? It seems a bit arbitrary" to which I said, "Yes, it is arbitrary". We don't have a report on this from the administration but we're trying to get this issue put forward. It's certainly gotten a lot of

attention from the people who spoke earlier today and I appreciate that so to quote F. Scott Fitzgerald, so we beat on "Boats against the current". We'll continue on with the transit safety issue. We'll be back again tomorrow and we did have a good study at Dutch Elm last year resulting in us expending 1.9 million this year. Maybe we'll be back with 1.9 million for transit safety. I could share Councillor Smith's comments about the vacancy management being a problem and really the I've...others have highlighted some of the cuts that are being made. I share those concerns about the museums, about some of the other...the Winnipeg Harvest, some of the other groups that we're proposing to cut so I certainly do support the amendment that's being brought forward. Amazingly in a budget over 900 million dollars, the issue that has received the most attention is the proposed \$600,000 increase to the ward allowances. I say amazing, it's sort of sad because we've got some very major issues that deserve a lot of discussion, the business tax, the infrastructure needs of the city, the arenas, but this is what the public has largely communicated with us on is the 40,000. I support the amendment that came forward from Councillors Swandel and Gerbasi. Somebody emailed me asking to do that and I said well, it's basically my amendment that I put forward at EPC, which is captured in Metro on January 16 that I said we should have some sort of compromise, we should be going below 20,000 which is what's being proposed here and we should use that money to restore the cuts. I would encourage all Councillors to do that. I think if we are able to address that as Councillor Gerbasi said with great eloquence, that that would be something very positive in this budget so I'm in favour of the amendment to reduce. If I am...if that does pass, we'll each get 40,000 more. I've said publicly that I would live up to another one of my election pledges which was to get increased funding for very fine group called Save Our Seine, that works in my ward, and in Councillor Vandal's ward. I agree with Councillor Gerbasi that this really isn't the way we should be working. We are...we've become the granting agency and said to the City but I've said publicly I would give the bulk of the money in my ward to Save Our Seine, however, I do think the better way is to restore the grants and to reduce our constituency allowances as has been proposed in the amendment. I would say, Mr. Speaker, I would require the consent of the Governance Committee to give a significant amount of money to Save Our Seine. I would say this has been quite an unpopular position and you have carried the ball for the Governance Committee so I know it hasn't always been easy but I commend you for stating your position on that so, to summarize on the Operating Budget you know, I used to have the pen in my hand when I was a school trustee I headed up to Finance Committee. Quite proud, we've got a zero percent tax increase in my final year of doing that. Each year we did that, we've got a unanimous vote. We've got a nine-zero vote but these are always compromises. These are always matters where you get some of what you want and some of what you don't want and my great colleague, my great friend on the School Board was a woman named Ramona Coey, die hard Tory and I'm a NDPer, we've got along very well but she got an initiative through and we had to water it down at the last minute and remember we all went out to the bar after and she wouldn't even sit at the same table as us because she was so angry with the rest of the group and we were sort of calling her over. But there was that sort of emotion about the budget but ultimately she voted for the budget because as we all realized there was some in there that you liked and some in there that you didn't like, by and large on balance with this budget, there are certainly some things that concern me: the vacancy management and I'm certainly not voting for any contracting out. Some people have said this is a...ASD as some sort of form of contracting out, I'm not voting for that and I wouldn't if it were explicitly in front of us, but on balance I am in favour very much of the one percent that will be dedicated to infrastructure, the crime prevention measures, some of what we're going to be doing for community centres, all of those I think...about to run out of time.

Mr. Speaker: Councillor Orlikow moves extension. All those in favour? Opposed? Carried.

Councillor Mayes: I think on balance maybe I would sit at a different table in the bar if we all went out because I don't think this should pass with the 40,000 piece however if the amendment does fail, I would still be...I'm still in favour of...I would support this budget because on balance, on the major issues, the infrastructure, the crime prevention, the community centres, renovations to our parks, some of those initiatives I think are important and have been kind of overlooked. I think that's...those are favourable developments for the City for my ward. I do however want to end by saying. I am supportive of Councillor Gerbasi and Councillor Swandel's amendment. I do think the 40,000 is not something that is required. It does set you up as almost like a granting agency. I'll give some of mine, the bulk of it to Save Our Seine. But I do think the better way is what's been proposed in that amendment to try and restore what's been touched the various non-profits, to museums, to community groups and that to me is the better way to proceed. I'll end by saying this: that I think we are, you know, various people have spoken and I think are living up to some of their election commitments or some of what they've stated publicly. I do think we should have a better process next year, but one with more consultation and I would welcome Councillor Wyatt if he remains the chair to come out to St. Vital. I think we should be having open houses in every ward and discuss what the public want to see in future budgets. Thank you.

Mr. Speaker: Thanks, Councillor Mayes. John Orlikow, you're up.

Councillor Orlikow: Thank you, Mr. Speaker. We are here today to ask people to pay more taxes; receive some additional services; lose some services and to evaluate how is the City of Winnipeg doing managing the finances which also reflects how we're doing managing the city. So, we have revenue, since 2010 has increased over a hundred million dollars however residential taxes have increased over \$500 for a typical family living in the River Heights Ward.

Revenues have increased; there still is projected deficit of \$73 million in 2014 and \$19 million projected in 2015. A one percent dedicated infrastructure tax is proposed. Good on ya, however our infrastructure debt will still continue to grow. I was going to say this is a drop in the bucket but it's more like a drop in the ocean. The city's population is growing, however we have to realize that rural municipalities outside of Winnipeg are growing much faster. Fees such as athletic field rentals are going up thereby increasing barriers to people to participate in active living and I urge you all to support Councillor Browaty's motion. The Jets are back in town, good game the other day, but downtown rental development has stalled. It's a very serious issue. Increasing city debt continues to rise and is almost at the maximum allowable limit under our policy. Rapid transit is in the budget, but if we look closely, there is absolutely no funding for it. It said it will come from somewhere but we actually haven't allocated any funding. Why have we done that? Because if we actually allocate that rapid transit funding to our debt, we will be over our debt, our debt ceiling, so again I think it's nice that we said we're committed to it but the proof is in the pudding and I don't see it in the budget. Pension liabilities still quite concerned about that. We all should be, hasn't been resolved yet. There is a small amount of money for community centres however the lack of investment in community centres and arenas means that these facilities will continue to fall apart. Well, better consultation regarding the budget and hopefully in general City Hall is promised again. There was no reason why more public consultation could not have been done this year. I was able to hold my own, out of my existing CRA budget, my own town hall, had about 40 people show up, had about 40 people show up, had about 150 people do web page hits. So again when there's a will, there is a way. Land values are going up, very wonderful that we see that in our revenue but again we're also running out of marketable lands to sell. New fire halls and police stations are being built but special audit has to be done to draw poorly the products be managed by City Council. That said the capital budget does move forward however small the steps are and there are some good investments but the operating budget takes a new negative turn that I cannot support. We, I mean Council, all of us, Councillors are rewarding ourselves for a glorious year by arbitrary decided to allocate 600,000 to Councillors and another \$722,000 to the EPC. Again, we all know that and why don't I agree with this? Again I respect my comments from some of my colleagues, that wanted to use this for whatever means possible, I respect that. I may not agree but I respect it. However, one reason why, priority. The \$1.3 million could be better spent on other things. I urge people to support Councillor Swandel's motion. Number two, this money, especially the EPC money exclusively propagates the existing democratic deficit that exists at City Hall. This budget process has made decisions; remains exclusive to EPC and additional money to EPC, will be used to spin policies and counter dissenting voices. It may improve re-election possibilities, but not democracy. It is time to consider dissolving EPC so all Councillors could be treated equally. Number three, the type of government Winnipeggers deserve is one that understands that a city is more than just streets and sewers, but a place full of people. This budget reflects the Mayor's seen belief that it's not the role of Winnipeg government to address poverty however I strongly disagree. Council represents all people especially the poor and the most vulnerable. So while I agree that with Councillor Wyatt's comment, that there are many common sense items in this that do make a lot of sense and I appreciate there was some listening going on this year, I am quite concerned of where this budget is turning us towards. I don't believe that those two monies the 600,000 or the 700,000 dollars is better spent...could be better spent, I do know that. However, this budget does fall short on too many items. I do appreciate the capital. I will be supporting the Capital Budget. I believe the one percent is quite a valuable tool, it's a start and we reflect that. The Dutch Elm Disease is good. There are many aspects that are good. It doesn't address the whole thing however it is a start on the path and I want to be that team player that says I respect that part. The Operating Budget though, again there's too many holes in there where I don't see enough progress so again maybe if we can come together on Councillor Swandel's motion and I would say Councillor Browaty's motion. I may be able to under the guise of compromising and working together, shift over and support the operating budget as well but at this time I can't.

Mr. Speaker: Thanks, Councillor Orlikow. Any further comments? Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. I think we're probably all trying to drive this out to the lunch hour maybe and take a break and see if we can't negotiate something over lunch. I'm sort of in a decent position here in that I get to close on the motion which is probably the most important piece to me in all this budget process. This...the idea of maintaining the funding to these very important not for government organizations. You know, I...you would have full support on both the operating and capital budgets if we could get these items dealt with. The operating fees or the fees for the adult fields and we talked actually about...Councillor Orlikow and I talked about putting a motion together that saw the fees being staged over three years and if that was purely the motion here I would support this motion. I'm not sure that I really understand this motion and I don't know that technically it's correct because I think you automatically have a policy restricting the use of an unbooked City field without paying the fee because it's just the law. So I mean if this motion was to reduce the fee, to amend the fee structure so that it was 43 dollars this year and then have it go up by 15 dollars or whatever it is in each of the following years to get to the 70 dollars and that there was a clear path showing where the money was being invested in improvements to the fields, you would have my support for this motion but as it stands technically it doesn't make sense to me and I don't know if there's something you can do there, Councillor Browaty between now and later on, just shaping that wording differently that might get my support but for now I can't support it the way it's worded. I think this is more about respecting the fact that a lot of these organizations and I don't know how well-heeled they are. I've already sort of done their plans and created their fees for this year and to be going

from \$34 to \$70 is a significant increase, but I think it's fair comment to say that there is an undervaluation here and it needs to get to a reasonable amount. You'll see when we do our fees, we talk about getting to cost recovery, to cost recovery we know in fields we'll never get to cost recovery but we step manage that. We do it gradually over the years. We take inflation and we make a step towards cost recovery and that's our policy of how we deal with fees and we could certainly manage this fee in the same way so I think we're just by coming up with a big number right off the hop, we're being a little onerous on these organizations and if we could stop from that below with the staggered approach to it then, I...you would get my support. You know, this, you know, I'll close on the motion. I'll talk to the motion I put forward and Councillor Gerbasi seconded. You know, it's strange partnership, it's not something you see very often is Councillor Gerbasi and I getting together to do something but this is fundamentally you know, of great importance to our city and I will deal with that when I close on the motion. Operating budgets, you know we're doing here, what we're doing is budget by committee. You know, this isn't Susie Scissor Hands budget or Sammy socialist budget. This is the City of Winnipeg's budget. We can all make comments about how we would extract better value, but at the end of the day, it is budget by committee and it's not any individual, any individual set of values or beliefs or ideologies that should drive this. We should be able to make compromises and find a way to unanimously say, "this is pushing us in the direction of becoming a great city". When I can make lots of arguments about rapid transit how I would do it, I can make lots of arguments about revenues, just speaking of revenues verses taxes, you know we get caught up in it and it's so easy for the media to grab this word, tax increase. You know we had, however many years there was 12 or 13 years with no tax increase but we had huge revenue increases in those years and we're losing sight of some of these very important pieces as we get into the...this minutia we're getting into on these couple of little issues, you know like, this one issue here in the budget, I forget what the amount is. There's something like \$45,000 in the fees and we're here, that's holding on to this. The \$600,000 when you consider we're over a billion dollars that we're talking about here. It's not a big number so we very often lose sight of what the truly important things are in these budgets. It's sort of that definition of who we are as a city, who we want to be. Where are we going? Where's the vision for the city? Where's our strategic plan? And so, I agree with some additional funding on communication and planning and policy development. I think it should be broader than just the Mayor's office. I think a truly effective secretariat, it should be that liaison that bridges between administration and political and it's able to walk very comfortably in both worlds. It shouldn't be owned by any one world or the other but it should be a liaison. And you know, but we've got to keep moving and we've got to keep so they're...keep building a better city and the city where all people you know, I think the common phrase is live, work and play. You know, I remember us sitting down as a group. I know whether it was just EPC or all of Council trying to you know, come up with a vision you know, mission statement or vision statement for our city. You know, it's like, you know, we start comparing it to the Nike, you know, just do it. What is it that you want? If someone would've said to Winnipeg, say Winnipeg, what is it that you want, you want them to think, what is it that you want them to say, you know. This, we've got a long way to go where people are going to come here because we've got a vision that says people want to come here. You know we're in competition with places that we're not in that you know, sort of upper echelon on them we're in competition. We're in the sort of mediocrity and I think we can be way, way higher than that. You know, you look at things like the Human Rights Museum, you look at the Jets coming back, you look at the growth. One thing we have in this city that nobody's really grasped onto: there's a huge amount of equity in this town right now. You look at the increase of values of properties that people are sitting on a ton of cash in this town. That huge increase in equity in homes. You know, if you had your mortgage paid for five years ago if you were 60 years old, now you're 65. That mortgage is, that house value has gone up a long way. You know, so this city is doing very well and maybe that value translates to our children, not to our generation but there is a great deal of equity in the sitting in the real estate in this community and that's going to serve us very well going forward and it's part of how we have to look at doing our budgets because value and time, you know it's like I talk about this all the time. You know we're...some of the mistakes that I see we're making in this budget is we have things in the budget is we have things in the budget. I'll give you a good examples in my ward. There is a \$3 million developer pay back for the intersection of Waverley and Bison in the year 2014. Not on anybody's radar anyway as far as I know. The extension of Bison isn't going to go through until the lands that we call the special planning area in Waverley West are done so, but it just, it came into the budget out of the blue. I made reference to Councillor Wyatt, in your ward there was the swimming pool, the Transcona Centennial Swimming Pool, you know, great project, very worthy project but the money's sitting there in 2013. You're not going to need that money until 2014 or 2015 or you're not going to need all of it. Elmwood Community Centre, you know, that money sitting in there in 2013. You certainly need the money to get the detailed design done in 2013. Do you need the actual capital project's dollars there? That money could be doing regional streets or local streets or something else that is needed and we could be avoiding the inflation on... You know I think somebody told me the other day that the cost of concrete has gone up about 25 percent in the last two years. Well, if we could avoid that cost of concrete increase, let's say it were to happen again by doing some other projects this year, that's value, that's cash in hand. And you know, so there's...those pieces are missing in here. So I guess I could go on. I could do a Gord Steeves, wait, watch the clock and you know, let's drag out every last minute out of this. At the end of the day, if I get this motion through, I'll support both these budgets and I understand that it is budget by committee and it's not pretty and it's not purely my beliefs. But we've got to do a better job of building a great city here and there's some good steps that would give me that comfort. I can't in good conscience support anything that takes away the value that these not-for profits and the keepers of the identity of our city like museums. I can't support without that, so hopefully you know, we can get that done and move on to a very

productive 2013. And I'll make one final comment Mr. Speaker, I think there is no doubt that we're bloated a little bit here because none of us play with tax increases in 2014 or at least if there is any tax increases or we've got to go to fees and nobody wants to be dealing with that in 2014. So I think there is a little bit of extra capacity in here and we've got to get a handle on that. One of the things we've talked about before, I know with EPC and with the budget working group was a concept of three year budgets whether they are capital budgets or operating budgets, three years I would say another place that we can get some better definition as to where we're going and how we're doing it...certainty as we move forward in delivering on continuing the momentum the City is on, thank you.

Mr. Speaker: Thanks, Councillor Swandel. Councillor Fielding.

Councillor Fielding: Thank you, Mr. Speaker. Well, first of all, I'd like to say that I will be supporting this budget. I do think it's a balancing act when you go through a budget obviously. I think that there's some strong priorities, infrastructure and all outlined as well as some public safety and emergency services that I think make sense. I'd first like to thank our administration, Mike Ruta and your team in Corporate Finance, you did a fantastic job of answering all our questions. I went through this process, I guess six budgets, as part of the budget committee this year as well and the diligence, you email these people 11, 12 o'clock and you get an answer within an hour or two, so fantastic job once again through our administration. I want to thank the budget committee, which was Councillor Wyatt and Councillor Swandel through the process. You know it's never, it's always tough kind of balancing acts you know with budgets. There's certain things that you might have to put a little water in your wine with sometimes. There's items that I wasn't necessarily the chief sponsor of or love to to certain extent, there's something that I did like, so it is a balancing act and you've got to find kind of a happy medium with it. So I'm going to go through a list of things that I like, some things that I don't like so much and also some items which I think make sense for the City as we go forward. The first is in terms of infrastructure and I think that there has been some moderate gains in terms of the infrastructure that's there. I was not a proponent of the one percent infrastructure tax that we imposed with it in the background meetings with it but you know since we introduced this I have heard from our constituents and if anything with the budget I think that's, it's been embraced quite a bit because the need for infrastructures there. I know just in my own riding, my own ward rather, you know there's been some substantial investments in infrastructure, \$30 million in this budget, is going to the Polo Park area and that's something that I've been faced with and trying to address over the last six years since being on Council because anyone that knows the people that drive in the Polo Park area, it's a nightmare trying to get to and fro places and whether that's the issue of past Council policies or development, it could happen through kind of some loopholes that were there, more infrastructure is needed, we are able to use \$20 million from the sale of the stadium and we're also able to put \$10 million more in this and so I think there's a strong plan for infrastructure going forward; makes a lot of sense to do it. Also some good priorities in terms of long term plans for library renewals. We know I believe there's overall six libraries are going to be upgraded up til 2018, I think it represents somewhere around \$24 million and where I had the pleasure of being with Councillor Vandal in his ward to talk about some of the library investments that are here and I truly think that the plan going forward makes a lot of sense. Now whether we have bricks and mortar or you have things that are in Councillor Browaty's area where you have lease agreements I think probably is the.... That's what I would prefer in terms of lease agreements and you look at usage, the Henderson Library I believe is the second busiest library in all of the city. So I think the plan going forth for libraries makes a lot of sense. Some good investments in terms of public safety, when I mean public safety, I say police and fire in terms of infrastructure. We know that and in fact Councillor Browaty and myself took a tour of the new police station downtown that's being constructed and you can tell it's well under way right now. It's very interesting to see the progress we're making with all the things that had to be done with it but there's also another police station that's a part of that. There's also some important infrastructure investments in Fire and Paramedic Service and you have obviously, a new station is going to be built on Whytewold, it's incorporated into the budget and we kind of moved back as Councillor Swandel said. We don't need all the money that we indicated in this year so we're using the money for design land acquisition as a part of it and then pushing to other dollars from 2014's. But I think there's are some very good investments that are made there. Road improvements, Councillor Steen, ever since being elected, the guy is like a dog with a bone and when I was Chair of Finance, that's all we would hear from Thomas and he's done a fantastic job in terms of putting dollars in there. I think it's simple 7 to 7.3 million dollars in the budget. I can tell you something that the twinning of that is very much needed in that area and so kudos to you for really promoting that and really getting in this in the budget as well. I think there's also been some very good improvements in terms of sidewalk, roads and back lanes. We know that budget has increased by upwards of 66 percent before I believe local and regional or I guess it was the...the street budget was somewhere in the neighbourhood of 21 million, it's gone to 35 million dollars. These are dollars and cents. This is you know what it's going to mean to you, it's something I've already got an email from one of our administration staff saying, "you know what street would you look to do going to do". You probably got the emails as I did, so conclusively there is dollars, dollars are going to be part of it. Urban Forestry, you know this is another issue where there is back and forth of you wanted some provincial dollars. There's obviously an issue that's been identified by some of the groups that did some great work in terms of background for it. I think the investment's here, it's a long term investment that makes sense for the future. I'm hoping that the Province is committed to that as well, but they did some great background work and it's always a pleasure when you have community groups come forward with some good information. You know, sometimes it's always

tough prying away some dollars and cents in precious infrastructure dollars but it has been going well. Also the Mayor made a good commitment in terms of Sherbrook Pool, obviously there's a number of community groups that have... there's a rich history with Sherbrook Pool. I think it was our first pool if I'm not mistaken, a bathhouse at that point so there's some seed money here \$200,000 to find out what needs to happen with it; obviously there's some passion, some great history with it so I think that was an added benefit to the budget. Another line item that Councillor Steen...boy this is Councillor Steen's budget here. We've got East Elmwood, we've got community club dollars and cents that are put towards you know, improving infrastructure. This is meaningful community infrastructures, it's when people have an opportunity to go to community centres, you know they're going to stay out of crime, no matter what political stripe you are. Who does not support investments in community centres? It just makes a lot of good sense for it. Water park money was addressed as well. We had \$7 million for the water park issue. We tried to go through and you know kind of came back with the public said we need to rethink that strategy so we've made some investments to help fund part of Councillor Steen's community club issue but also there's money that's going to go into existing wards, I think it's 270... 75,000 dollars in around that area for each of your individual wards to get some infrastructure dollars. What that means is you and your citizens will have a say in terms of recreation. Heard a bit of criticism saying, "Well, what are you going to do with \$277,000?" Well, I'll tell you what I'm going to do. I've got land dedication money that I'm going to build into that. We've got building community money, it's some 400 and some odd thousand dollars that are there. You can string together you know, probably three quarters of a million dollars. If you throw on some of the monies you have with your parks budget. There's a significant amount of money if you want to do four or five projects in your ward. If you want to do one major project in your ward. It does make a difference and these projects are good and I think it makes a lot of sense. In terms of public safety turning to more the kind of the operational side of things. Listen, the budget for public safety and emergency services represents 44 percent of our budget. That's dramatically up over the last number of years. I was recently at a conference actually that was put on by the federal government, Vic Toews, the Minister of Public Safety. It's called Economics of Policing. And I can tell you that every municipality is struggling with the costs, not just a policing but overall for a variety of reasons. And I think you know, this Council has been bar none, the best in terms of investments in police officers, investments in different items and techniques to make the community safer. Some people like some of the issues, some people, we don't whether it be a helicopter or other items like this. Good investment is the cadets so bar none, I think we've done a great job but we're all struggling with that and we need to get our head under that. What Minister Toews had indicated is that we need to make some key decisions going forward and that's something that everyone's you know looking after. You look at labour costs anywhere between 80 to 90 percent of municipalities paying in their labour cost. And I think the police deserve a lot of this money because they are doing some hard work, and I'm sure everyone have. But we need to address this. Lots of talk from the last year's budget in terms of the police review. I personally think it makes a lot of sense. I think that if you've got something that represents \$242 million, if you can save some dollars with it, I think it makes sense to take a look at it. The reviews...we put the EOI, we've got five companies to bid on it. The company has been doing the work over the next four to five months are going to identify its recommendations. Like every report that comes to City Hall, you know, we're going to look at the recommendations. If there's some that make sense, we're going to do it. If there's some that don't, then we won't. So I think it's an important process going forward. You need to take a look at it and I think if you just don't want to look at that at all, it's...you're not going to truly be able to save money and be more efficient as the city if you're just going to put blinders on to \$242 million that are there. So I truly think it's a good investment. Fire Paramedic Service, we've added some paramedics plus a vehicle obviously to it, added some communication staff, a 12, I'm sorry it's, I guess it's eight communication staff and 12 paramedics that are added. This is something I think that's going to really make a difference in terms of front lines, in terms people you know, being able to get to the scene quicker, being able to transport them. We obviously have lots of problems in terms of the off loads that you have at City Hall but it's good investments. Rapid transit, well, not going to surprise you that you know I haven't been a huge supporter of rapid transit in the past. In fact, I was the only member of Council that didn't support rapid transit. It is part of the budget. If you ask me...

Mr. Speaker: Councillor Browaty moves extension. All those in favour? Opposed? Carried.

Councillor Fielding: ...my honest opinion would be you know, to invest the dollars in roads as opposed to a second phase of rapid transit. You know, I think that would be embraced by the public. I'd go so far to say maybe you have a referendum on these big types of projects in future initiatives to go forward with it. That's my own personal opinion on it. You know it's part of the budget process. I understand that's part of it. Some good costs saving initiatives are there, the ASD initiatives, I think that there's a number ones that are coming forward. I think it makes sense you need to find money within. I also like some of the policy background that we have; you know whether exact dollars are there or not. I think you know we need some policy support that's there and I think it's legitimate to put in the budget. Some good investments in things like, Assiniboine Park and the infrastructure piece you know, we're making this the crown jewel of our park system. We need to make these investments. You've got a private sector group that's come to the table and really made some good strides. Permits, glad to see more monies going to permit fees. It's going to help kind of speed up that process. We hear that from all sorts of folks. In terms of debt and borrowing, you know when I was in New York with the Mayor and the CFO for the City, we do have capacity in our debt limits. We're not going to have any impact from that debt rating from you know, if we do borrow a bit more money. We are borrowing a lot less rate rates. Some

borrowing isn't all bad if it's going towards infrastructure, it is a positive thing and there is room, at least that is our bond raters say. In terms of things that I have some concerns with, well I tell you, I haven't really been with this ward budget process. I try and manage my budget as best as I can with the dollars and cents that have been there. I've been able to come in under and pride myself for not being on any of these stories that come up about you know wild, crazy expenditures maybe that Councillors spend on; not degrading anyone that's been on those lists but that's what I'm saying. That's a pride factor for me. I'm not sure I would necessarily support this if it was held out by itself. In fact, I won't be putting all that money. I am kind of interested in this motion. I won't be supporting it as is, the motion, because I think there's been some hard work with the grants and stuff like that and Councillor Wyatt and a number of people have gone through a hard process to see what makes sense. I would be interested to hear from ruling from the Speaker during that process. Is it possible to go out in each individual item of that? Can you separate them out? Because the ward budget thing is something that I'm having some troubles with. So that's about it in a nutshell. I think that the budget process is going to get better as we go forward. There's some money that's put in place there to do it. You know it's a hard process to do. You know one thing I'm not being in my closing comments here. My one thing of not being Chair of Finance that I kind of miss a little bit. It's not being able to go back and forth with Councillor Gerbasi whether she attended my Council consultation sessions or not.

Councillor Gerbasi: I went to every meeting this year.

Councillor Fielding: I'm missing that. I usually kind of name about how many I've had and which dates and you're going to focus around her schedule, I tease her, but in any event I do support this budget. I think it's a strong budget going forward in terms of the taxes, you know we've increased taxes the last two years, it's hard for a person like myself who kind of prides himself on spending effectively. I'm not sure there's a need to increase taxes next year. So I leave you with those thoughts and with that, thank you Mr. Speaker.

Mr. Speaker: Thanks, Councillor Fielding. We have a number of other speakers. We've met the lunch hour so I will ask your consent to adjourn till 1:30. All those in favour? Opposed? Carried.

**Reconvened meeting of
Winnipeg City Council of
January 29, 2013, at 1:30 p.m.**

Mr. Speaker: Councillors, we're back in session. Hope you had a good lunch. The speaking order right now is Councillor Vandal, Councillor Steen, Councillor Sharma, Councillor Eadie, Councillor Pagtakhan, and Mayor Katz, oh Councillor Browaty, okay.

Councillor Vandal: Mr. Speaker.

Mr. Speaker: Away you go.

Councillor Vandal: Thank you. There's some, there's been some very good discussion here this morning and we're caught in the classic political dilemma. There's lots of information in these two documents. There's many, many positive things, and I intend to support the budget. I believe it's a very good document. Am I in love with everything that's absolutely that's in there? Absolutely not. I think there are ways to make a very good budget even better, and I will talk about that as my speech unfolds. I want to begin by thanking Councillor Wyatt, and the budget team, Councillor I believe Fielding and Swandel for the work they've done to craft this document. Mr. Speaker, I want to begin by talking about the local street renewal reserve and for as long as I've been here, since 1995, our infrastructure and more specifically our residential roads have been a huge concern. And I was here in the lean years actually, 95 to 98 under then Mayor Susan Thompson, where things were really lean at this Council where there was not one dollar. In fact, there was not one penny in residential roads, residential streets, in the entire City of Winnipeg. And Mr. Speaker, that was the reality of the day, I think 30, 32 cents of every dollar went towards paying interest on our debt. We at previous Council had invested in roads all over the city and we actually overspent what there was. And there was a whole reassessment scenario where there was a miscalculation of \$50 million. Those were very lean years, Mr. Speaker, so in this budget, in 2013, 17 years later, we have a plan. We have a long term plan for residential roads, a plan that is sustainable, and a plan that is dedicated. One percent per year of property tax increase will be dedicated to local streets, local sidewalks and local lanes, Mr. Speaker. And it will take two-thirds majority of future Councils to amend that plan. And if you go over the cumulative totals and of course I didn't bring that document. In the first year, we're going to raise four and a half million dollars and we're going to lever that for investment of \$14 million in year one. By year five, cumulative new money into our streets, Mr. Speaker, will be upwards of 50 million. And I can tell you by the end of year 10, and that's assuming a one percent increase per year for ten years, that's dedicated to residential streets, will total \$295 million. Let's round it off to \$300 million. That's \$300 million of new money for residential streets, back lanes and sidewalks, all

over the city of Winnipeg. And when you add that to the approximately \$220 million that we're going to invest in what's the existing capital budget over and above the one percent, Mr. Speaker, that takes a significant dent out of our residential streets. And as impressive as that is, in this one document, we know that's not enough. We know that we have to go forward to other governments and make the case for a better fiscal deal for our city, for our infrastructure, Mr. Speaker. I'd like to plan because it's bold, it's 25 years, there's a whole narrative around that after ten years, you stop the one percent and you go to the local...the frontage levy and over a 25 years period, it's sustainable and it's dedicated. Mr. Speaker, as Chair of Infrastructure and Public Works, it's something we've been working on for a long time and I thank Councillor Wyatt for his leadership on that. Rapid transit, Mr. Speaker, we've been doing the rapid transit two-step since 1998 in these chambers. We approved it, we've gone back on it, we've negotiated with other governments, we've been going in circle with other governments actually on financing alternatives, we've discussed mono rail, light rail, space rail and now we've actually arrived at a scenario where we're going to...we have the financing in the budget to finally complete our rapid transit line from the downtown to the University of Manitoba. And with the opening of the Winnipeg Stadium at the University of Manitoba, Mr. Speaker, we know that the completion of that plan, of that line, becomes more important than ever. So we have \$10 million in 2014 for the southwest line, 127 million in 2015, and an anticipated completion date of 2018. Mr. Speaker, we know that we should've been investing in rapid transit decades earlier and then we would've had on the...it would've significantly transformed our city in terms of housing and in terms of commercial development. But, you can't go back. In addition to that, Mr. Speaker, we have \$1 million for the eastern rapid transit corridor because we know it doesn't end there. We're going to do a detailed analysis of whether that eastern line goes through north St. Boniface or whether it goes through Elmwood and we know that's going to be a hefty package but if you don't start now, you're not going to complete it for decades. So there's a million dollars to actually start the process in 2013. And for good measure, Mr. Speaker, we have 800,000 for innovative transit and \$10 million for transit building replacement on the rapid transit file...on the transit file. Mr. Speaker, a year ago we approved something called the Waste Minimization Action Plan. I think we all remember that. I think we've been having some pretty passionate discussion about recycling and garbage pickup in these chambers. And in the 2013 budget Mr. Speaker, we have \$7.2 million for the construction of community resource recovery centres. Those are large recovery centres we can bring your hazardous waste, you can bring your construction garbage, you can bring your dry wall, you can bring your lumber, you can bring your electronics. In 2013 we're going to be building two of them, one in the south end at Brady and one in the north end. In 2014, there's another six million to build the final to one in the east end and one in the west end. That's in this budget. Mr. Speaker, in 13, we're investing \$15 million in water main renewals. Libraries, I believe there's over \$25 million over a six year period in our libraries, beginning with the Charleswood, I believe there's a lease in Charleswood that's going to happen in 2013. There's a \$4 million investment in Bonivital library. We're going to take the Windsor library, build it at Bonivital and there's five other libraries that are going to get done including the one in St. Vital. We've included \$1.9 million to combat Dutch elm disease, something that started a year ago actually during the budget deliberations. We heard from the community, we heard them at committee, we heard them on the floor of this Council, and our administration worked die hard on a report with the community. We have \$1.9 million that's embedded and it's not connected to any other funding from the Province of Manitoba. Fighting poverty, Mr. Speaker, there's been some colourful discussion about poverty and that's an issue that I think is the heart and I think we need to say that we're doing something in the city that no other city is doing and that's an aboriginal youth strategy. We are investing \$1 million per year for the last four years in aboriginal projects, with community groups all over the city. And that's something Mr. Speaker, I can say that no other city in the City of Winnipeg is doing. So I'm going to talk about the Swandel amendment a bit later but it's important to put that in context, Mr. Speaker. Because when we do something right to address the poorest of the poor, and we know Mr. Speaker, it's documented, that we are the aboriginal capital of the world of Canada, sorry, maybe the world. We have more young Métis, First Nation and Inuit people living in Winnipeg than in Nunavut, than in Northwest Territories and the Yukon Territories combined. They are the fastest growing young demographic of the City of Winnipeg. We have a million dollars to partner with aboriginal organizations who provide training and employment for young aboriginal people. Let me name off a few of those partnerships. Aboriginal Construction Technology Program: \$99,000, Eagle's Nest Youth Centre: \$146,000, Youth Recreational Activity Worker Night with the Boys and Girls Club: 2013 budget will partner for \$20,000 for that, Ka Ni Kanichihk, Honoring our Gifts, 2013 budget: \$131,000 with Ka Ni Kanichihk, Ma Mawi Centre, The Future is Yours: \$107,000, Ndinawe Centre, Youth Resource Centre Rec Program, Mr. Speaker: \$51,000, Growing Opportunities Resource Assistance for Youth: \$82,700. Mr. Speaker, I think it's important because not a lot of people know that. And there have been some ceremonies over the last year where the graduates are celebrated and I think it's worth noting and it's worth putting into the context of what the City is doing to combat poverty inside the City of Winnipeg. Mr. Speaker, I look at the amendments, Councillor Swandel's amendment, I'm going to be supporting. In my mind, Mr. Speaker, this is a very good budget.

Mr. Speaker: Councillor Steen moves an extension. All those in favour? Opposed? Carried.

Councillor Vandal: There's many positive things in this budget. Councillor Swandel's motion amends the budget and makes it a very good budget even better. I've mentioned the poverty. We are actively partnering with many organizations on addressing the poverty issue. The museums are something that are living all over the City of Winnipeg,

Mr. Speaker. And the St. Boniface Museum is unique with all due respect to the other museums. I know they are likely if the motion does not pass, to experience a cut, Mr. Speaker, of \$20,000. I can say they are unique in that they are a National Historic Site. Mr. Speaker, they are...they have the largest artifact collection of Métis and Louis Riel artifacts. That's worth preserving, Mr. Speaker. I will be supporting the Swandel amendment and I hope it goes through because in my mind, Mr. Speaker, it makes a very good budget even better and this is not a perfect budget, but there are many positive things in there that I think merit its support. So in closing I want to thank the administration. I want to thank Mike Ruta for the leadership you've shown, your team, Phil Sheegl, the work that you've done is incredibly impressive and I look forward to a wonderful 2013 as the budget is implemented. Thank you.

Mr. Speaker: Thanks Councillor Vandal. Councillor Steen.

Councillor Steen: Mr. Speaker, first I would like to thank and congratulate our Finance Chair, Councillor Wyatt, on his first budget and the administration. There's so many great things for our ward in this budget and the City of Winnipeg. I brought this out. It's a brochure I made two and a half years ago, about three weeks in after door knocking and everything in there is addressed in two and a half years. I'm very happy about that. This is not what I wanted, this is what they asked for at the doors and it's very good. And since being elected, one of the single most important issues on the minds of my residents in the state of our streets, especially in Elmwood which are in very poor shape, they brought out the map and it was all red, so they were beyond repair. And this will certainly help and it's a very creative solution, I know how hard they worked for the...to get some gas tax money and different solutions for this, but it was a very creative solution that they came up with, the one percent a year, it's a fantastic plan and I hope the Province and the Federal Government help us out with this, too. I'm also pleased that this budget earmarks funds for the construction of a new community centre to replace the East Elmwood Community Centre. Because it burned down two years ago, just after I was elected Councillor and I inherited an issue that there was a community centre torn down just before it, too. So it was especially devastating at that time and I want to thank our Mayor for taking the lead and helping us out with the issue and listening to our residents and especially the children of Kent Road School. That's fantastic announcement the other day where the kids spoke about how they felt when they saw their community centre burning down, going to school. And Molson Street, it's been a 20 year issue in our ward and I'm so happy to see that done, too. It's about Concordia Hospital and getting the ambulances there. When you see them in rush-hour traffic going through the ditch, it's sometimes they can't get through, they've got to sit and wait for a green light and wait like the rest of them. So this is going to fix that intersection there. So it's...and all the old age homes around there, there's a lot of businesses and that was the number one issue in East Kildonan and it's addressed in this budget, so the Dutch Elm disease, there's so many good things, recycling plants, things for the future like it's great for the City and all the things we do for the youth in this budget. Councillor Vandal mentioned. And it's...so I'm going to be supporting this budget, there is no question. Thanks.

Mr. Speaker: Thanks, Councillor Steen. Councillor Sharma.

Councillor Sharma: Mr. Speaker, I am rising in support of both the capital and operating budgets. These budgets are very forward thinking documents that allow us to dedicate monies and funding to deal with our infrastructure and public safety. For the first time ever a portion of property taxes will be dedicated to fixing our, maintaining our streets, back lanes and sidewalks. This, Mr. Speaker, I believe is a sustainable funding formula for infrastructure. It's public; it's transparent; it's accountable and it's disciplined. It's a very strong asset management commitment. This long term strategic plan makes a lot of sense and is long overdue. We know that Winnipeggers want better streets and the public will see the results of this investment. Looking at the broader picture, Mr. Speaker, this enables the city to move forward and champion funds needed for other capital projects. By moving forward on this long term plan for local street renewal, we're demonstrating that we are committed to tackling our infrastructure deficit. Mr. Speaker, I would also like to point out that my constituents still express their concerns over fire and safety. This budget addresses those needs. From the new police headquarters, the south and north district police stations, new and renovated fire paramedic facilities. This budget tells our citizens that public safety remains a priority. Last thing, Mr. Speaker, I want to express my support for the funds allocated for new budget consultation process. This will give citizens and Council an opportunity to have a more meaningful dialogue. There is no level of government that is closer to its constituents. Their front line services we offer matter to Winnipeggers. This earlier and more extensive consultation process will allow for a healthy exchange so good ideas can find their way into next year's budget. Thank you.

Mr. Speaker: Thanks, Councillor Sharma. Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman. Yes, Speaker Nordman, I wanted first start off by saying and I've said this through our very short budget process, I wanted to actually thank the person in charge of putting together the budget and the people that put all their work into it, the administration and you know, for me, I look at this budget and it looks way better than the last two that I've seen, two capital and two operating budgets that I've seen. So but there's a number of big picture issues that I'm concerned about and rather than talking about people, I think that there's a lot of leaning on one's right shoe at this budget rather than one's left shoe, and I also wanted to discuss something to make it

sound that a city budget and compromise is a way to go. And I know that the person in charge of the budget worked very hard and actually has been listening for the last couple of few years, but I wanted to point out something. Being a former school board trustee, you need to know that City Hall is not structured like a school division. The school division has one main mission. It's one main mission is to ensure that our youth get a good education so that they can participate both socially and economically in the systems that we have in this great city of Winnipeg. And so, when you work together as nine school board trustees, no EPC, no you know, loop to jump into, it's one person, you're all there, you know why you're there and you discuss and you compromise on the budget. So I just want those who don't understand that to understand that because that is what is the reality for school boards. Anyway, I wanted to say that there's a lot of details in this budget and it has been a very fast budget. Having to attend my first meeting, you know, not more than 24 hours after this huge budget was introduced both capital and operating, there's too many details and I've heard people list out all the details and I really do agree, there are a lot of really good things in the capital budget and in the operating budget. There are a number of important things that we're doing. And that is...I also wanted to say that we've always voted on capital and operating budgets. It's good to have them both together. I agree the process could've been better but I would point out though that we have voted separately on the capital budget and then on the operating budget. It is possible, it's been done over the years and you can continue to do it so I believe it's in order and I thank Speaker Nordman for clarifying that at the beginning of this because I was a little concerned from one of the speeches I heard. Now, I'm really concerned though about a big picture drift that we're doing here and I want to talk about that today in my budget speech. But first, what I want to do is, sorry, first I'd like to actually say, I know actually I was here participating on the Access Advisory Committee when Councillor Vandal first won his election in 1995 and came to City Council, and I would point out that my first foray into civic politics started in 1991 in this very chamber to come and speak about a Handi-transit issue however as I was listening to what was going on at that meeting, there was a lot of issues that they have to deal with. We don't just have one component that we need to have to deal with. We have to deal with infrastructure, policing, transit, all kinds of different issues which school boards don't, but what was on the agenda was the condition of our old neighbourhood residential streets. So again, I want to thank the administration, Michael Ruta, all those people that put together this 25 year plan. I think it's really good and what we really need to know is yeah, it may only be a small increment for the Mynarski Ward where we have 50, over 50 percent of our streets in the red condition on my map that pink condition, we're only getting one, I'm sorry, we only have a, one street being fixed in Mynarski this year, so far, as far as I know but I know that there are neighbourhoods all across our city with this new one percent that will have roads repaired and I want to again, to say it again, I'm really thankful. I've been pushing for this since I was elected. All those streets are really bad and I have to say what will happen is as it builds up over the years, we will get more and more streets in the neighbourhoods repaired and fixed and I also wanted to point out for us, for cyclists and I cycle with my wife, I wanted to point out that while our cars break down and get wear and tear, there will be a lot less wear and tear related to the cushioning of our seats on our cycles when these streets get fixed so I want people to understand that. That's very important to know. So, I think that's really good. So but for anybody to say that it's not fair, really, it costs money to fix streets and we're doing it and this is what the people want. I get lots of calls all the time. Now, for, but what I want to say is for deteriorating regional streets, and we have that problem, too. I really expect now that we are taking responsibility for our residential streets which you know, that's the City of Winnipeg, but our regional streets are actually about trade and commerce for the most part and those streets, that means, that's more important to the province because the Province isn't financially viable unless we have, Winnipeg has a good trade and commerce routes to allow people to work in the private sector or just work and get to work, for us to make the kind of money and bring in their revenue so. What I'm hoping to see in the future now that we've taken responsibility for that, I would hope that and the Province needs to understand that they need to help us fix our deteriorating regional streets as others will tell you. As we are now being transparent about local roads, I wanted to just make something interesting. We give out grants of \$38 million, that's correct. However, it is a very tiny portion of that \$38 million that we are putting into poverty and I want to thank Councillor Vandal for pointing out the million dollars because in all off discussions that we've had over the last couple of weeks, we've kind of overlooked that and I think that that million dollars is very important. However, it isn't, that's Aboriginal Youth. We have a, we had a request from Thunderbird House who's going to have to shut down or do something and I think we're going to try to do something to help them but here's the problem. We are not taking on more grants for our groups that are really getting things done for the better in our communities, in our inner cities. And in my ward, specifically an example would be the North Point Douglas Women's Centre for a couple of years ago I was trying to get their safety initiatives and their bus ticket loan program on to the grant system because they are getting results, and safety is a City responsibility. We can't just be hiring police. So that's getting results. These are programs where the people are taking responsibility for their lives. The systems need to allow the people who struggle out there to take some responsibility for lives. And if we can't help them take responsibility for their lives, I think that's a big mistake. So anyway because we couldn't add the grants when Councillor Sharma brought forth the idea about increasing our actual Council Representation Allowances, I right away thought well, there's an ability to start funding programs like at the North Point Douglas Women's Centre at the, we have the Indian Family Centre, we have the North End Family Centre, we have all kinds of groups that are doing really good things to help the citizens take responsibility for their lives and improve the poverty situation. So, now, when I heard though that we all of a sudden, now we're cutting these grants, so clearly I was in support of the 40,000 but now we're cutting poverty. That's just crazy. Like, I don't understand why we have to do that. It means like what, 0.0 I think the Financial Chairperson there said that it was 0.078 property tax increase to keep those

grants where they are at. Not increase them, because I've also heard them coming to us saying they need more but just to bring them back to the 2012 level. So I will be supporting Councillor Swandel and Gerbasi's motion. I think it, it's the only opportunity we have to correct that problem as far as I could tell so.

Mr. Speaker: One minute, Councillor Eadie.

Councillor Eadie: Oh, sorry. I will be supporting that and that's really too bad that I only have one minute left. Big budget but really, the big picture.

Councillor Gerbasi: There is an extension coming.

Councillor Eadie: Oh yeah, okay, sorry. Anyway, I just wanted to say, now the overall problem, the big picture here, we're getting away from poverty issues and dealing with that but you know, we cannot continue to keep hiring more and more police. We can't afford to have a police officer on every block. And some people are saying "we've put more police on the streets" and they're saying "but I haven't seen them on my street. I don't feel safe". I've got some kid smashing windows out of my garage. I've got all this happening, so what we need to do is the investing in this. This is about the safety and security of our citizens of Winnipeg. The number one issue in the poll, right? The number one issue, crime, right? Well, policing is not going to solve it all and I really thank the Chief, our new Chief of Police Clunis who really gets that idea and knows (inaudible).

Mr. Speaker: Councillor Steen moves extension. All those in favour? Opposed? Carried.

Councillor Eadie:...community, engagement and organizations that can get results for us who we need to reward for doing that and how can you reward them for doing that if they can't even measure if we're having success? Even the Aboriginal Youth Strategy. Is there success? We're cutting Peg City. It measures how we're doing. How are we supposed to make big decisions about this kind of stuff if we don't know what's going on in our neighbourhoods? So I really don't understand why we're taking this big picture of direction. Now, the other thing you need to know is and I think that there are other people here who grew up in the North End, myself and those who grew up in the 50s, they will know that and if they learned their history, they will know that the North End has had poverty since its inception because that's where people, immigrants came and what happened is we got out of that. You know how we got out of that? There were good paying private and public jobs. Good paying jobs and what we're doing in this budget is we're attacking our end of it, the public jobs that pay a decent wage so that we can raise our kids to make sure that they are okay. They can get their educations in. You know, many north enders who've had their parents working for these places like the City of Winnipeg for the C.U.P.E. unions and doing construction and even in the private sector, CP Rail, CN rail, those are the kind of...those families were able to do well and there are people who are doing well as well who are not making the big dollars. They are making minimum wage but ultimately, families who struggle and are unable to get good paying jobs because maybe they weren't able to get that education, but you need to be able to earn it, decent job and that's how we got out of poverty for a long time in the North End. It was dealt with through good-paying jobs and we're attacking that. We're attacking our C.U.P.E. union here. It's crazy. We're talking about getting rid of custodians? And we're not even saving any money. What kind of a budget process is that? You know, I'm a business admin honours graduate and I have to say that budget line makes no sense to me because we're not going to fire those employees. What we're going to do is redeploy them and we're going to hire a private contractor to do the work. How's that saving us money? We're going to spend \$300,000 on attacking people. You're destabilizing the very neighbourhoods that we need to make better and so you know, I urge you to really reconsider what we're doing here. The only thing we can do now is amend this one thing but, I just wanted to say I will be supporting Councillor Browaty's motion to bring down the cost for adult activity because I know that there's a lot of adults out there who can't necessarily afford the dollar eighty extra that would cost them per time that they are playing so and that adds up over 16 weeks or 20 weeks season, no matter, whatever your season is. So you know, I really support that measure until we get a real study about what the problem is I think that's good and I...I just have to say I will be voting for the capital budget. I think that it's really good and again, I want to thank everybody for who put the hard work into that and it's not just for Elmwood, you know, I have to say I was little offended because this capital budget is actually good. It's actually good for the whole city, the whole city. And I appreciate that so thank you. I won't be voting for the operating budget though. I think that the direction we're going is totally wrong. It's not the way to solve the issues in this city and I'm getting tired of saying we have to hire more police because you know what, it's not going to work. Let's do it the right way.

Mr. Speaker: Thanks, Councillor Eadie. Councillor Pagtakhan.

Councillor Pagtakhan: Thank you very much, Mr. Speaker. Mr. Speaker, the City of Winnipeg, we are a billion dollar enterprise organization and it's been said that over the next ten years, Mr. Speaker, we're going to have up to a 8 billion, 7.4 to \$8 billion deficit. Now this budget, and I'm going to thank Councillor Russ Wyatt, that Chairman of Finance, for all the work that he's done and the budget team which was Councillor Fielding, Councillor Swandel, as well as the Mayor and Executive Policy Committee, and the CAO and CFO and his team for the work. It's an incredible amount of work,

Mr. Speaker, that goes into putting two documents at the same time, the operating and the capital, here today. And you know, this is a historic budget like the Chair of Finance has said. For the first time, it has a view to the future with putting a one percent local street investment reserve. That's going to set the City of Winnipeg on a sure footing with the proper foundation and build the financial capacity to tackle our infrastructure deficit. So kudos to the budget team and for everyone for putting this document together. There's a lot of great stuff in these budget documents, Mr. Speaker and I'll just go through a few of them really quickly. I'm really glad to see that the second phase of rapid transit is getting a financial commitment, as well as in the Point Douglas area, it's going to be home to one of the resource, community resource recovery centres. The City of Winnipeg is putting \$7.2 million, Mr. Speaker, that allows to divert more solid waste from the landfill into...divert it away from the landfill to be recyclable, so that's a good news thing for the City of Winnipeg and Mr. Speaker, our urban canopy, we...citizens across the city enjoy it walking down, driving in our city and people who fly across the city, can see the beautiful urban canopy in our city. It's one of the greatest natural wonders in our city and I'm glad to see that we are having a strong financial foundation for that with a strong Dutch Elm Disease enhancement management program and I'm going to thank Wendy Land and all the volunteers and advocates for advocating for those dollars. Mr. Speaker, also the, what I was called the living rooms of our city, the libraries in our city Mr. Speaker, are getting a huge investment, \$24.6 million in construction. I'm glad to see that there's going to be a brand new library in Bonivital and the refurbishment of a library that I used to frequent when I was younger in St. Vital, the St. Vital Library and also Mr. Speaker, I'll just end by saying that we're going to have a strong investment of \$271,428 per ward for...through the water park money that's now being redistributed in all 14 wards plus as well as some work that's been done in Elmwood and that's going to be used for neighbourhood and regional parks, for athletic fields, playgrounds and play structures, skateboarding areas, through CPTED Designs, through commercial spaces Mr. Speaker, through streetscaping and through bike paths and community linkages. So overall on balance Mr. Speaker, this is a very good budget and I will be supporting it. Thank you very much.

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much, Mr. Speaker. I'd like to start by congratulating our Finance Chair, DM Wyatt for all the work and him and his committee have done in preparing this budget here before us today as well as to Mayor Katz. It's not an easy process. We hear lots about everybody's wants and needs throughout this whole process. They're different people, different groups and even different areas of the city that have different demands and desires when it comes to producing a budget. You know, my colleague from Mynarski, Councillor Eadie and I don't agree on too, too many things but we agree I think on in this case, that on the capital side of things, the City is fairly well represented throughout the entirety of the City. I'm glad to hear those positive comments about the capital budget today. Okay, we also agree about solid waste automation but we won't get into that. And there are lots of really good things in this budget here today. To start, symbolic, important first step towards addressing our infrastructure deficit. Local streets, they are a donkey path for the most part. One percent, is that enough? Heck, no. Is it a start? Is there a plan to be building that pot to ensure that local streets are renewed in a timely fashion? Partially. Do we have need help from the other levels of government? Absolutely, positively. Other good projects, I'd like to congratulate my good friend, well, Acting Speaker, Councillor Thomas Steen, who very capably stickhandled the Molson issue where others have failed before to get it in to the capital budget here today, so congratulations Councillor Steen, it's very exciting, it's a good project for not just your constituents but northeast Winnipeg and I know lots of my residents in North Kildonan are very much appreciative of your handling of that issue, so congratulations on that file. Dutch Elm disease, we have a really special urban canopy in the city. We've put our portion forward, again it's up to the Province now to do their matching but again I think it was the right thing to do our piece unconditionally. I think that's a positive move here today. I spoke very critically at times and growing up I didn't spend a ton of time at Assiniboine Park but it is really turning into a jewel. It's...people are saying we have no plan, no vision for the city. Stop and take a look at Assiniboine Park for a second. There are so many wonderful things going on there right now. We really have something very exciting there. And the whole notion of some private money and private commitments going on in there is also very significant. We've also been criticized here of having you know this whole thing about direction and that. What about policy development and direction? There's some money in this budget for it. I'm not going to apologize for that. We've been criticized for it and the same people who are criticizing that are now saying you don't need to spend that money. It's a double standard folks, and I think this is a very important piece of this budget. Not...you know, I believe in rapid transit, I'm not sure that the dollars involved in the second phase of this south west transit corridor are my priority. That said, again, you don't like absolutely everything that goes into a budget. Very happy about the ASD initiatives that are also coming forward in this budget and look forward to working with the team on those. When it comes to grants, we give out approximately \$40 million in grants to various groups and organizations at this point. When you spend some time looking at what businesses we're in and we're not in. Unicity now happened over 40 years ago. Why do we still have 14 museums? A lot of them very much, just representing their local areas are from. We are one city now, one great city in my mind. I think that was a slogan from years back. Why don't...you know, we've got a beautiful museum across the street from here. I believe in preserving history, recognizing history, recognizing our past, but why do we need all these various spread out museums throughout our city at this point. That said, I mean, just throwing it on you at the last minute and telling you this is happening, not necessarily the best approach but it's a small token start. I'd like to see communication and dialogue going forward with our museum

group and other grant organizations to look forward to look at alternate sources of funding for them and perhaps alternate ways of organizing and managing. Again, 2.78 plus one percent this year in property tax increases. Do I love it? Absolutely, not. Do I think it's unfortunately necessary? Yes. If you look at all the other levels of government, the school boards, the extension of the PST this year, everything else, this is a fairly responsible increase. If you look at even other jurisdictions across Canada. We are still among the lowest taxed in Canada on an average family home when it comes to a municipal portion of property taxes. I think we're being very responsible here. Is there still more room for more efficiencies and such? Absolutely. I think the Police review, the ASD process, will certainly provide opportunities to find further improvements. When it comes to the Councillor's Representation Allowance, I wasn't looking for an increase in it but at the same time, if I feel that I don't take advantage of it, groups in North Kildonan won't benefit. I was not looking, moving this motion forward as my priority. I think we could get an ample amount. On the flip side though if you look at our Provincial MLAs, they get well over \$90,000 a year. They represent half the number of people and the issues that they deal with are not ones that constituents would likely pick up the phone. What are Provincial responsibilities? If you wake up tomorrow morning, and there's a problem with the school or health care. Those aren't things you touch every day. Councillor on the other hand, your garbage instead of coming at nine in the morning, they come after noon. People are calling you. Your bus is seven minutes late three days in a row, you'll hear about it. They don't like that they feel the biggest snow pile on the street is in front of their house, not the next one. It's my house on my block for the record. There has been a bit of I guess confusion about the cuts to the United Way, very important organization that raises \$20 million I believe a year at this point. In many cases, sorry, the organization and all the money raised goes directly to the partner organizations. The Province of Manitoba funds the administrative costs of the United Way. This is a separate program and this, in no way affects the operations of the United Way as a whole. This is two specific little programs that are affected by these particular changes. This past weekend, I started receiving emails from constituents and people across the city in regard to the fees increased and proposed for the adult leagues using City of Winnipeg fields. I sent an email to the Manager of Parks and Open Spaces in the Public Works, looking for assurances that all the new revenue would be going towards improving the conditions of our fields, which I don't think anyone would've argued need lots of help. In speaking to my friend from the St. Vital Ward, Councillor Mayes, he agreed with my concerns and seconded my motion. I'd like to thank Councillor Mayes. Response I got from Public Works suggests that in fact funds will be going towards enforcement of athletic fields, not improving the fields. Over the past several hours, this has all been developing over the last number of hours if nothing else. I've been ensured that in fact, there are so many organized groups using our fields and not registering, that the enforcement will in fact bring in substantial new revenues, revenues that will fund fields. I'd like to encourage the public administration to look up opportunities to partner with the Winnipeg Parking Authority in doing this enforcement. What I'm doing right now is I'm actually going to withdraw my motion from this morning. Mr. Acting Speaker. I think there's an opportunity here. The amount of money is quite in my mind inconsequential, going from 34 to 70 dollars. My ultimate team for example, we have let's say 10, 12 people on the field at a time, let's say 25 people on average that are playing in a game, 36 dollars is a dollar and change a person. It's going to cost a little bit more to play ultimate but again if it results in better fields, great. Apparently, apparently there are so many rogue organizations right now, organized leagues at this point that are using our fields and not paying anything towards their maintenance that we actually have a significant problem. So, this enforcement is going to allow us to properly capture that missed opportunity, it's going to provide the revenue that we need to finally make our fields a little better because I think that is sorely needed. So my withdrawal is the start towards a process for improving our fields. This starts the discussion and a process. Am I thrilled as a rec league ultimate player to be paying more in registration fees? Oh, no. I'm not particularly good at ultimate. Our team is pretty down at the bottom of the rungs. We get some of the most hell-pasturish fields of the ones out there. So if this is going to help, I'm certainly prepared to look forward to something that's going to make a difference and improvement here and anybody from my ultimate team watching at home, I'm buying first round, I'm sorry. Thank you, Mr. Acting Speaker.

Mr. Deputy Speaker: Thanks, Councillor Browaty. Councillor Nordman.

Councillor Nordman: Thank you, Mr. Deputy Speaker. The core services of the City of Winnipeg are basically five things, the five Ps. Parks, pavement, pipes, police and paramedics and this budget addresses all of those things. Parks, we're blessed to contribute a substantial amount of money to the jewel of the city, Assiniboine Park, along with the \$271,000 that Councillor Pagtakhan just mentioned with regard to the balance of the water park funding, and I already, in my ward, have designated that the Portage Trail Soccer Organization and their new development on Sturgeon Road will be receiving a good portion of that. The pipes we are already involved in spending you know a billion dollars almost over the next number of years on our waste treatment systems that will continue to be funded, along with the possibility of sharing some of our services with our colleagues in the partnership of the capital region West St. Paul, Rosser, and we will be spending money to support those operations. The pavement obviously, the one percent that's coming within the tax increase, dedicated to the improvement of residential streets is an outstanding first step and as we go forward over the next dozen or so years, we will be including you know, one percent a year to make sure that that one percent as Councillor Vandal suggested grows into a much larger fund. The Police obviously, we've recognized that you know over 40 percent of our budget is spent on the safety of our citizens, the Police being the largest piece of that and they're going to receive, in conjunction with our friendship with the Province, not only more police officers, but more cadets and I

think that's a fundamental part of what we do. On the paramedic side and when you think about you know, the Fire and Paramedic Service, 80 percent of what that department does is the paramedic side, the fact that we're going to be able to have one more ambulance this year is another direct funding of the citizens' need for safety. So I think we've accomplished that within that particular line item. Those are the five. There's a couple of other things. Policy is another word that gets used in the framework of this building, policy and the ability to develop it I think will be well served by the new policy arm of the Executive Policy Committee and I think each of us Councillors will hopefully have a chance to participate in that development. The last thing that I'm going to say and because I'm the Chair of the Governance Committee and have sort of been the point person on the CRA increase, we have politicians and the 7th P here is certainly been a contentious issue. Our friends in the media have seen it as the low hanging fruit and it was easy to attack but at the end of the day, the communication piece that would, it will allow us to participate with and provide our executive assistants who are among the lowest paid people in this building, a living wage and allow to us to also do the type of research and policy development that they're not able to provide because they're putting out fires and to a large extent, many of us are in meetings all day long and have no opportunity to spend the time that's required and if we could access outside sources or contracts to do that policy development, that research that will make us more effective as we do our jobs and provide the services to our constituents that they expect in the way of keeping a message flowing. I will speak to the fact that on a couple of occasions within the comments today that the comment was made that this is an election slush fund, and I categorically deny that. I think that's a cheap shot and is not a fair comment on what the communication fund can be used for. We all know how expensive it is to do a newsletter, to do any type of piece beyond what we're able to provide via the internet. So a piece of, in my case, literature that has to go to 14,000 households in St. Charles Ward will be well received the two or three times a year that we're able to do it within the framework of that \$40,000. So I'll leave those comments. It's pretty obvious that I'll be supporting the budget and I congratulate the rookie Finance Chair, my colleague, Councillor Wyatt, and likewise, the administration, thank you Mike and your team, you've done an outstanding...this is, I guess, my 7th budget that we've had the chance to explore the opportunities to provide service to the City of Winnipeg and the citizens, and I'm the most proud of this one as we see it unfold and I expect it will get your support today. Thank you very much.

Mr. Deputy Speaker: Thanks, Councillor Nordman. And our Mayor, Sam Katz.

Mayor Katz: Thank you very much. First of all, Mr. Speaker, I must say it was very enlightening to hear all the discussion. I believe everybody played a valuable role and had a great input in today's dialogue on the both capital and the operating budget. I must say, sometimes Mr. Speaker, it reminds me of that classic movie, the Geet, the Nish Geet and the...which is a Clint Eastwood movie, "The Good, the Bad and the Ugly", you've heard Councillors here talk about good things, you've heard them talk about bad things and of course with some ugly things and sometimes you find it rather interesting when I hear a delegation from C.U.P.E. talking about how a property tax increase is a positive thing, it's long overdue and increasing and dedicating one percent to infrastructure is a positive thing, and I'll hear Councillor Gerbasi and many others talking about how one percent dedicated to infrastructure is a positive thing and then I'll hear Councillor Havixbeck say no property tax increase whatsoever. As you can see, everybody has a different opinion and sometimes Mr. Speaker, there is no rights nor wrongs when it comes to opinions, that's exactly what they are. I'm not going to regurgitate what everybody here has said because I think they're just about touched on everything they like or they don't like. What I do want to talk about is a couple of items, and I want to talk about the Sherbrook Pool. It was mentioned today and it was also mentioned how...what is \$200,000 going to do? Is that going to solve the problem? I can tell you, I sincerely doubt it's going to solve the problem and hopefully in the very near future, we'll know what it takes to solve the problem and make that economically viable for a long term. But what I would like to point out, Mr. Speaker, is that back in 1995, not that long ago, \$1.2 million was set aside by Council to go into the Sherbrook Pool. In 96 and 97, payments of \$240,000 moved forward, and in between the years 1998 and 2003, the balance of that 740 never happened. We never find out why it never happened. Maybe someone who was around back then can answer that question but you know what, maybe if that money went in then as Council decided, it should, maybe we wouldn't be having the dilemma we have right now, but it happened, it's history, we can't go back. We now have to resolve this issue, Mr. Speaker, there's something that I heard from many people today talk about: process. Okay, everybody knew that for the first time we did the operating and the capital budget together. It wasn't perfect. And we talked about how it was rammed and shoved down people's throats. As you know, many Councillors here chose to have their own forums and their own open houses which everybody has the opportunity to do and they did, and the public came. We also know that we sat here for like six or seven hours gladly listening to delegations on the operating and capital budget. People were here, they came. But the parts that I find interesting Mr. Speaker, not that long ago, April, April 7th, 2012, the Provincial Government tabled a \$14 billion budget. Tabled it. Do you know when it was approved Mr. Speaker? Fourteen days later. It would've been 12, but the opposition stalled it. Fourteen days later. Did you hear anybody, any outcry over how the budget was rammed through 14 billion? We took 21 days, 50 percent longer Mr. Speaker, and yet the criticism is abundant. Makes you ask the question, I don't get it. I don't get it. So you know what, is the process perfect? I think Councillor Wyatt already said that next year we'll have a much different situation. Everyone acknowledged that, but it's interesting to see how a \$14 billion budget, 14 days, our budget, 21. Interesting. The other thing is Mr. Speaker, sometimes you heard so many people talk and thank members of the administration, a lot of the

people standing behind me. I've always taken exception when any member of Council is critical of those people because they can't say a word. I heard every Councillor talk about how they asked questions and they got answers whether they asked the previous Chair, whether they asked the current Chair of Finance, whether they asked the CFO. Not all Councillors told that same story and I find that extremely unfortunate because when someone comes forward and talks about \$27 million in new revenue, and it was just ignored, Mr. Speaker. That's not accurate at all. Out of that 27, I can tell you that \$12.3 million of that was surplus which went to offset where we were in the beginning and as it was mentioned earlier, we're looking at -70, next year, and -90, the next year so that's number one. Number two, another suggestion that came forward was to increase vacancy management from 13.6 to 17.6, and our CFO probably stood up and said can't be done, can't be done, I won't accept it. So you know what, congratulations to him and thank you for standing up and saying it can't be done. And the other part is Mr. Speaker, there's been some criticism of the police review, okay. Now, the interesting part is it's being criticized and yet the same person who criticizes it was the champion of the police review so there are a lot of things that come out on the floor of Council that sometimes kind of make you wonder exactly what is going on but the realities are, Mr. Speaker, we've all discussed before at every single budget we've ever voted on. Is it perfect? No. We're trying to, number one, address the infrastructure which we have and I said and I'll say it again, it's just the beginning but at least we have a plan and we've made that sacrifice. And, surprising to so many people who were really concerned or worried about it, the public supports it because it was done the right way. And I thank Councillor Wyatt for showing that leadership and that bravery; not an easy thing to do, Mr. Speaker. In addition to that, we know what the budget is all about. It's balancing revenue and expenses. And it's very difficult, Mr. Speaker, when the revenue is not increasing at the same rate as expenses. I've mentioned before, I believe that property taxes are one of the most regressive of all property taxes. But until we have the power to put in play our own consumption taxes or share part of the existing consumption taxes like we do with the federal government on gas tax and the rebate of the GST, there really isn't much of the choice and hopefully that day will come. Mr. Speaker, I will be supporting the capital budget as well as the operating budget. I thank Councillor Wyatt, I thank members of EPC, as well as the committee, and I thank all the hard working staff of the City of Winnipeg who worked diligently to try and find the answers to difficult questions and worked with every single Councillor here and I thank you very much for your time, Mr. Speaker.

Mr. Speaker: Thanks, Mayor Katz. That concludes all our speakers. I guess we'll be...we normally do amendments in reverse order but given that Councillor Browaty has withdrawn his amendment, his motion, we will forego that one. Yes, sir.

Councillor Mayes: As a point of order, are we still able to vote on that? I mean I was the seconder. I didn't concur in the withdrawal and Councillor Orlikow has indicated he'd still like the matter to be put forward. I may be wrong on that. I may have (inaudible).

Mr. Speaker: I'm going to have to check with the Clerk. Hang on. I guess we made some assumptions and Councillor Browaty, I take from Councillor Mayes's comments that he as the seconder was not consulted about the withdrawing of the motion. Is that correct? Okay, so as the motion process of Council is deemed to be that the mover and seconder should both be in agreement, I guess at this point, Councillor Mayes, if he has a seconder, can move that motion forward. I'll seek the guidance of Council. What is your wish? All those in favour of accepting the motion? Just whether we have a vote? Councillor Mayes can move to have the motion go ahead if he has a seconder and you're saying Councillor Orlikow is now the seconder of that motion? Page 12...21,...so you'd like to vote on whether or not we proceed with the close on the second motion. With Councillor Mayes as the lead.

Councillor Orlikow: We're all good. You close on it and we are good, okay. Is that right?

Mr. Speaker: We'll leave the motion even though Councillor Browaty has stepped away from the motion. Councillor Mayes is going to go forward then and close on that motion and we'll have a...

Councillor Orlikow: Okay.

Councillor Swandel: For clarification, Mr. Speaker, if I read the section of the by-law you're talking about that says after motion is distributed at Council meeting, it should be deemed to be in possession of the Council but may be withdrawn at the time before decision or amendment by the mover with concurrence of the seconder and with permission of a majority of the members of Council present, so you'd have to have the majority of Council whether or not you can withdraw the motion.

Councillor Orlikow: And I think Councillor Mayes is in concurrence.

Councillor Swandel: And Councillor Mayes is in concurrence.

Councillor Gerbasi: You don't have concurrence already so you can't withdraw it.

(Inaudible speaking in the background)

Mr. Speaker: All right. The motion is not withdrawn, so Councillor Mayes will close on the motion. It's still on the floor.

Councillor Mayes: Let's roll, that's my entire speech. It's all been said before. Let's proceed to have a...

Councillor Orlikow: There you are.

Mr. Speaker: All right. I don't know, I've got somebody else's papers here now. I don't know whose...

Mr. Speaker: Okay, all right, so Councillor Mayes has closed on the Motion 2. Councillor Swandel please close on Motion 1.

Councillor Swandel: Thank you. It was good to hear a lot of people take the time and energy to speak to this motion. I think it's a very important issue and I want to thank Mr. Speaker for bringing up the concept of core services for the City of Winnipeg because I certainly believe that one of the core services is building and supporting community capacity. It's a much grander concept than something as simple as policing or public works but it's something that's integral to the operation of any great city. I...since you know, this motion, Councillor Wyatt and I have had some sort of back and forth arting on you know what I support this budget if this was in there and the capital and operating budget, I said certainly I think Councillor Gerbasi and Councillor Orlikow in their speeches also alluded to the fact that they would give their support for these budgets or at the very least the operating budget going forward. My understanding is that over lunch, there's some gathering of the minds and it seems we might not have their support to get this motion done today which I think is truly unfortunate for the city. I hear talk about balance and common sense. You know, and it's...that's sort of concept came up earlier in the debate and conversation at the same time I hear people talk about the idea that money for NGOs is not money well spent. You know, when you balance that off with the fact that some Councillors are saying at the same time that in their back yards, they would take the additional money they are getting from Councillor allowances and they will put them towards NGOs whether it be museums or other pieces, I think it sort of blows that argument up that you know, we know the value of NGOs and we know we're doing. We look at our community centres as a matter of fact, our non-government, not for profit organizations. They are supported by government certainly. But you know, you didn't even go further community centres. You can go out to Councillor Wyatt's own backyard and you look at Buhler Park and the fields and the amenities are there. That my friend is a non-government organization, a not for profit organization. It's the type of capacity that we build to our communities to help make these places better for all to live, work and play, which is a phrase we all like to throw around. I want to talk to you a bit about leadership. You know, this job isn't a job for life and it shouldn't be a job for life. I've often used the phrase; I don't mind getting unelected for doing the right thing. You know, there's stuff that we know that we have far greater knowledge than what is out there in the general public that you can get out there in nine second sound bites and ability to move information as rapidly as you can today but we have a greater depth of knowledge and sometimes we have to stand up and we have to take these positions and you know, I want you to consider the Council in 1904 when they brought the lands forward for Assiniboine Park. Something that we would all say today was the right thing to do. Well, that Council was pretty well all unelected and the key issue was whether or not they should be putting that kind of money into Assiniboine Park. And I want to remind you, some of the difficult decisions that were made in this Council not too long ago: around the MTS Centre, the Provencher Bridge you know which was often ridicule and we see it today you know as a symbol of what our city is and who we are. We see it on postcards; we see it everywhere. But that was, it just took a majority of this Council to stand up and show what I call leadership, be stronger than a few flippant political remarks. You know, a couple of song bites and a couple of political slogans, it's no way to run a city. We've got to be bigger than that. We need to be stronger; we need to show a greater political courage. We are better than this. I heard Councillors say they won't support this motion even though they don't agree with an increase in the community or the Councillors' Representation Allowance. You know, this is as simple as just sawing that off a bit. That's all it is if you could show the capacity, if you could show the leadership to saw that off a bit, we would continue to have this capacity in our communities. These volunteers would feel appreciated because today it's museums and it's a shot at the United Way. Is tomorrow...is it our community centres? Is tomorrow, is it Buhler Park? Where is it tomorrow if that's what we are doing today? I want to talk to you also about the message that could've been sent today and I'll direct this, Mr. Speaker, to the Mayor and to members of the Executive Policy Committee. We've been through this budget process for...through many committees and many days and early on when I was involved in it I remember this concept coming up along when I was part of the budget working group. My immediate words were I'm not going to go anywhere near touching these organizations. When I left, that changed. We've been through committees; we've been through EPC and now we're here at Council and we've been out in public talking about it. Today, you know, the message could be after all those bumps and knocks and hard roads that we travelled down and this one point something billion dollars of work that we managed to get done, to bring forward, that we've drilled down to arguing about \$600,000. And not that we're not going to spend that \$600,000, but we're just going

to balance it off. That's what we're arguing about. You can have everybody win. The message that could've been sent by this Mayor and Executive Policy Committee was at the end of the day, we sat as a Council, and we whittled away over \$600,000 and I was able to get the support of Councillor Orlikow, Councillor Gerbasi, Councillor Swandel and put in this budget forward. That might be one of the best messages this Mayor and EPC have been able to send out to this city in a long time when you think of some of the dysfunction and some of the messages that have been out there, what a feather in our cap that would've been. What a feather in the cap of this Mayor and this EPC. I think this is a simple amendment that would send a signal that this Council can work together to serve the interests of all citizens of this city. And all sections of this city. This is about our Winnipeg. It's about the leadership needed to keep us moving in the right direction. This vote should be unanimous, Mr. Speaker, \$600,000, wrestling on whether 300 goes here or 300 goes there. That's what we're down to. It should be unanimous. Think of guys like Duff Roblin, think of the ridicule they took when they stood up and they fought for a floodway. That's leadership, Mr. Speaker. Think of those people that made Assiniboine Park happen, think of the people that stood up and made the MTS Centre happen. Think of the challenges with the ball park, Mr. Speaker, you know. Somebody at the end of the day, a majority of this Council had to stand up and get those things done. Well, I don't know what's going to happen. I hope that there's a bit of an impassioned plea, maybe we'll swing one person to stand up and the others that choose to look around and see how others are voting in this room, maybe they'll look to that one person. I don't know who that might be, but you shouldn't have to look around to do this. Hopefully, I can get perhaps the Mayor to stand up and support this, perhaps you, Mr. Speaker, to show some leadership, to say to the city, we are here to work together; we are here to build community capacity. We can work with less as Councillors in order to deliver for the greater community good, to deliver for this community capacity because I'll tell you when it comes to poverty, when it comes to crime, you're not going to solve it with ten more police officers, 20 more police officers, 50 or a hundred more officers, you're going to solve it with capacity on the street, with value on the street, where non-government organizations are taking our money, working with police, working with government...

Mr. Speaker: Councillor Mayes moves extension. All those in favour? Opposed? Carried.

Councillor Swandel: And leveraging, leveraging what we're able to deliver for the greater good of this community for this city, for the safety of this city and its citizens and for all of us to be able to go home feeling good at the end of the day that we're doing the right thing. Thank you.

Mr. Speaker: Thanks, Councillor Swandel. To close on the motion originally presented the budget both operating and capital, Councillor Wyatt.

Councillor Wyatt: Thank you, Mr. Speaker. It's been an interesting discussion as always and I thank Council. I listened to the discussion and I know there's often passion on this and different perspectives and views. When we started out this process and we were looking at the grants, I recall that the CFO of the City saying to us, you know, we've never really looked at the grants before and we've always felt we should look at the grants because the grants have been exponentially rising in terms of what we've been doing as a city in terms of funding them, far faster than the rate of inflation. But are you guys sure you really want to look at the grants? And it was...it took some courage to look at the grants, Mr. Speaker to be quite frank. It's the one thing that has generated probably the most attention, the most headlines in the Winnipeg Free Press and the Winnipeg Sun. The most headlines that you can imagine and the most attention, and you tie that with the CRA. I thought it was a very interesting discussion. I thought there might be more motions actually on the floor in terms of cutting the CRA to go...to lower the property tax. I didn't...that motion didn't occur to reduce the property taxes. I thought maybe if there was a true passion on Council to just say, "Yeah, we're going to make roads a priority, cut the CRA and put it into the roads program or sidewalk renewal". I thought that might have been a motion that would've been before us today. Instead of us just reacting to the headlines Mr. Speaker, instead of reacting to the short-term media blitzes that we hear all the time, I think we have to start looking Mr. Speaker, at the long term and at the long run. And you might argue that it's only 300,000 that's impacting groups, yeah. I have one of the museums that has been directly affected, Mr. Speaker. But I don't look at it as 300,000. I look at it Mr. Speaker, as 600,000 because next year that's a permanent 300,000 that turns into 600,000 over two years and over five years that's 1.5 million, and over ten years, that's \$3 million, \$3 million Mr. Speaker, if we roll up our sleeves and we start looking at grants again, we can start investing money into the infrastructure and things that we feel that core services use for ...Mr. Speaker. So I think we have to keep in perspective what our challenges are and what we face and we indeed are raising property taxes and nobody likes to raise property taxes, Mr. Speaker. Nobody in their right mind likes to raise property taxes. I know some Councillors here are passionately opposed to that but Mr. Speaker, one of the last Council meetings, only in December, this Council voted unanimously to approve the contract for the UFFW adding well over \$7 million instantly to the budget in terms of our costs for one of the unions Mr. Speaker, and to stand up and to say I cannot support any property tax increase, well you should have stood up at that time Mr. Speaker and had the courage to vote against that contract agreement with the firefighters. Not one person did in this chamber, just a month ago, Mr. Speaker. Mr. Speaker, I think this is...everybody has said it's not a great budget but it's a good budget and there's parts that I like and there's parts that I don't like but there's more parts that I like. And so if that's the case Mr. Speaker, then vote for the budget. A lot of folks have talked about the fact that they like the local street renewal

reserve, they like the fact that their money is going to go back into local streets. Mr. Speaker, I'd like to point out to members of Council that if they vote against the operating budget they're voting against the local street renewal reserve. The ability to create that funding is in the operating budget. The one percent property tax increase dedicated to the local street renewal reserve. You vote down the operating budget today, members of Council, you are actually voting down the local street renewal reserve. I mean, I disagree with her strongly but at least Councillor Havixbeck has been consistent, well, ever since she's been speaking out, she's been consistent but before that, anyway, but you know, I mean, you know, she's against that local street renewal reserve? She's against fixing local streets. She's against the one percent. At least, you know what everyone else is saying, "Well, I like all the stuff in the capital budget and I like the libraries, I like the roads, I like this, I like that but I can't support the operating budget". Well, how are we paying for it, Mr. Speaker? That's where the money is coming from. I'm glad the Mayor raised the issue of the Provincial Government because we hear over and over and over again and I heard it over the last three now, how terrible it was because this budget has been rushed and I give this commitment to this Council that we've put money aside for a better budget consultation and for listening more and for doing more and to have a real process and I thank Councillor Fielding who did some of that work already in terms of doing some of the research on that. And pulling some of those ideas together that we're going to move on now in terms of better consultation with the citizens. We've looked at thanks to him, looked at Calgary's model and what they did. And the crucial thing of having the budget dealt with today Mr. Speaker, and in January it was to allow us the time so that we could approve both the operating capital budget in December, prior to the fiscal, beginning of the fiscal year. And Mr. Speaker, you know, I hear the criticism about the lack of consult...I've tried to address that. I think I have, I've said it over and over again that I'm committed to that and...but you know, it's true. The Provincial Government brought down a \$14 billion budget. You know and their schedule was to have it approved in 10 days; in 10 days Mr. Speaker, not working days, 10 days, working days was 8 days or less. And they wanted to have it approved that quickly, nobody said anything about that Mr. Speaker, but here we are rushing everything over a budget a fraction of the size. Mr. Speaker, I think we've had more discussion and more debate in the three weeks that have gone on now than any provincial government has historically is ever had in terms of their budget. Mr. Speaker, there has been a lot of talk in terms of the poverty and in terms of the cut to the, in terms of the United Way. Let me tell you something, Mr. Speaker, I happen to believe the best way to fight poverty is through employment and jobs. Mr. Speaker, and I believe in that and I believe that the best social program is a job. Mr. Speaker, our...we're going...you know, I know some of the, those who...Fiscal Conservatives won't like to hear this, but we are hiring 143 more people, 143 FTEs Mr. Speaker. We're increasing the City's actual employment capacity by 1.66 percent and that's 143 jobs in both...in both all the departments and the utilities combined. Most of those jobs, by the way Mr. Speaker, most of those jobs are entry level jobs. You don't need a university degree. Forty six in Transit due to improved transit improvements. Thirty-four in public safety, new ambulance and dispatch being most of that; only eight in police, Mr. Speaker. Twenty-two in solid waste because of the new waste management program. A hundred forty three more jobs. That, Mr. Speaker, is an attack on poverty, that Mr. Speaker is the City doing its fair share. You know, Mr. Speaker, again, I think this is a good budget as a We are reinvesting in public services like we've never done before. I mean every budget, we have to listen to Councillor Gerbasi talk about there is no money for rapid transit. Well now there's money for rapid transit. We've listened. We need your vote, Councillor Gerbasi, vote for both budgets. We put the money in rapid transit. We're making the commitment to finish the southwest rapid transit corridor all the way to the University of Manitoba. We're not jacking the fares up, if you recall, by 20 cents in this budget, but we are making it happen, we are making it happen, Councillor Gerbasi, and we've listened to you. You know, I sometimes think, Mr. Speaker, that clearly if the last election result was completely different and the Mayor hadn't won and Judy had won, I'm sure all the people who are against the budget today instead of...would be voting for this budget saying it's wonderful budget and the 300,000, ah, it's just 300,000, we can live with that. But you know, Mr. Speaker, we know that's not the case. Sometimes unfortunately, folks don't look at the value and at the real issues here today and they don't look, Mr. Speaker at the facts before them, instead they look through the lens, the political lens. And the political lens that they happen to wear...

Mr. Speaker: Councillor Smith moves extension. All those in favour? Opposed? Carried.

Councillor Wyatt: And that's unfortunate, Mr. Speaker, because I believe that we worked hard to try to bring forward a budget which does not necessarily cater to one side or the other but looks at the issues that are affecting the City of Winnipeg and starts to address them one after another. The local street renewal reserve, Mr. Speaker, is crucial but I would remind Council that there's a clause and I'll just finish up by saying this, in the book at the back of our book here saying, "long term proposal, in the event the City does not receive a significant new growth revenue from other levels of government, the following is a potential plan". Keep in mind in the out years of this plan, Councillors, you're going to go...if Council has the courage to follow this plan because the Province still continue to leave us on our own. You know, you are talking about a frontage levy fee which goes from \$3.75 frontage, a frontage foot up to \$17 a frontage foot. We are on our own if that's the case. Hopefully, it won't be. Hopefully, we'll be able to have growth revenue that the Mayor spoke about so that we can mitigate this but we need to fix, start fixing our local streets. Those are my comments, Mr. Speaker. I look forward to the votes. Thank you.

Mr. Speaker: Thanks, Councillor Wyatt. Okay. We have a number of votes that we have to take and I suspect that they'll all be recorded and... All right, the...it's sort of reverse order than their original presentation, we will be voting on Motion 2, as presented by Councillor Mayes and Orlikow. Originally, presented by Councillor Browaty, Orlikow. Okay we'll call a question. Being there's no further discussion, all those in favour, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Eadie, Gerbasi, Mayes, Orlikow and Swandel.

Nays

His Worship Mayor Katz, Councillors Browaty, Fielding, Havixbeck, Pagtakhan, Sharma, Smith, Steen, Vandal, Wyatt and Mr. Speaker Councillor Nordman.

Deputy City Clerk: The vote Mr. Speaker, Yeas 5, Nays 11.

Mr. Speaker: Motion denied. All right. Motion No. 1 from Councillor Swandel and Councillor Gerbasi. Again, a recorded vote. All those...Councillor Fielding, yes.

Councillor Fielding: Part of my budget process I was asking for separation of the votes.

Mr. Speaker: This has been presented as one item. It'll be voted on that basis.

Councillor Fielding: That's your ruling?

Mr. Speaker: That's my ruling. Thank you. All right then, all those in favour of motion 1, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

Councillors Eadie, Gerbasi, Mayes, Orlikow, Swandel and Vandal.

Nays

His Worship Mayor Katz, Councillors Browaty, Fielding, Havixbeck, Pagtakhan, Sharma, Smith, Steen, Wyatt and Mr. Speaker Councillor Nordman.

Deputy City Clerk: The vote Mr. Speaker, Yeas 6, Nays 10.

Mr. Speaker: And that amendment is also denied. All right, so we have a vote on first, the capital budget. So, we'll ask all those in favour of the capital budget, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Eadie, Fielding, Gerbasi, Mayes, Orlikow, Pagtakhan, Sharma, Smith, Steen, Vandal, Wyatt and Mr. Speaker Councillor Nordman.

Nays

Councillors Havixbeck and Swandel.

Deputy City Clerk: The vote Mr. Speaker, Yeas 14, Nays 2.

COUNCIL OF THE CITY OF WINNIPEG
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Mr. Speaker: Capital budget passes and we still have a couple more votes even though we're going to do the operational budget so all those in favour of the operational budget, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Fielding, Mayes, Pagtakhan, Sharma, Smith, Steen, Vandal, Wyatt and Mr. Speaker Councillor Nordman.

Nays

Councillors Eadie, Gerbasi, Havixbeck, Orlikow and Swandel.

Deputy City Clerk: The vote Mr. Speaker, Yeas 11, Nays 5.

Mr. Speaker: Well, ladies and gentlemen we have a budget. In the original motion or report from EPC on January 23rd, there are also two other items that we have to just approve, if you have it in your file, it's three and four which is the direction that the Director of Legal Services and the City Solicitor be requested to submit the necessary by-laws to implement the above recommendations which are basically the budget and Item 4, which we can probably do them together that the proper officers of the City of Winnipeg be authorized to do all things necessary to implement the foregoing including the execution of any documents related there to. All in favour? Opposed? Carried. Now we have some by-laws, folks. Mr. Mayor.

EXECUTIVE POLICY COMMITTEE
CONSIDERATION OF BY-LAWS – FIRST READING ONLY

Mayor Katz: Thank you, Mr. Speaker. I move that By-law No. 23/2013 be read a first time, Mr. Speaker.

Mr. Speaker: All those in favour? Opposed? Carried.

Clerk: By-law No. 23/2013.

EXECUTIVE POLICY COMMITTEE
CONSIDERATION OF BY-LAWS

Mayor Katz: Mr. Speaker, I move that the following by-laws be read a first time, By-law No. 11/2013, 12/2013, 13/2013 and 22/2013.

Mr. Speaker: All those in favour? Opposed? Carried.

Councillor Eadie: Can I be recorded in opposition to 22, please?

Mr. Speaker: You have that, Mr. Clerk. Okay, Councillor...

Councillor Eadie: Oh, and I think 12.

Mr. Speaker: Twelve and 22, Councillor Eadie.

Councillor Eadie: Yeah, the by-law 12 is the one business tax I think and if I'm correct, 22 is on setting up some kind of organization.

Mr. Speaker: So is that what he's asking? I heard the business tax part and the business organization.

Mayor Katz: He said 12 and 22.

Mr. Speaker: Yes, 12 and 22. Councillor Eadie is not in agreement with.

Clerk: By-law No. 11/2013, By-law No. 12/2013, By-law No. 13/2013 and By-law No. 22/2013.

Mayor Katz: Mr. Speaker, I move that by-laws numbered 11/2013 and 13/2013 both inclusive and By-law No. 22/2013 be read a second time.

Mr. Speaker: All those in favour? Opposed? Councillor Eadie, 12 and 22.

Clerk: By-laws numbered 11/2013 to 13/2013, both inclusive and By-law No. 22/2013.

Mayor Katz: Mr. Speaker, I move that the rules be suspended and by-laws numbered 11/2013 to 13/2013, both inclusive By-law No. 22/2013 be read a third time and the same be passed and ordered to be signed and sealed.

Mr. Speaker: All those in favour? Opposed?

Mayor Katz: Twelve and 22.

Mr. Speaker: Twelve and 22. Thank you. Motion carried. Moved by Councillor Pagtakhan that we call it a day, go ahead. Roll-call.

ROLL CALL

Clerk: Mr. Speaker Councillor Nordman, His Worship Mayor Katz, Councillors Browaty, Eadie, Fielding, Gerbasi, Havixbeck, Mayes, Orlikow, Pagtakhan, Sharma, Smith, Steen, Swandel, Vandal, and Wyatt.

Council adjourned at 3:00 p.m.